

JT PALARI

FROM THE PAPERS OF ED FLETCHER

FROM CORRESPONDENCE WITH JOHN TREANOR

This letter was originally sent to Treanor with copies of the following letters, which are filed in the alphabetized correspondence under the writer's name:

CLOTTS, Herbert V.

Clotts to Fletcher, [2 letters] 11/22/18, 1/9/19

Fletcher to Clotts, 11/9/18

McClure, W.F. to Clotts, 7/9/19

Clotts to McClure, [2 letters] 7/10/19, 8/19/19

Fletcher to HENSHAW, W.G., 5/23/19

HUBER, W.L.

Huber to Fletcher, [8 letters] 10/16/18, 12/6/18, 1/9/19,
1/20/19, 1/20/19, 2/21/19, 5/20/19, 8/15/19

Huber to Black, P.C., 8/25/19

Fletcher to Huber, [3 letters] 10/21/18, 1/18/19, 2/19/19

REED, W.M. (Chief Eng., Dept. of the Interior)

Reed to Huber, 5/16/19

SELLS, Cato

Sells to Fletcher, 12/28/18

Fletcher to Sells, [2 letters] 1/7/19, 1/16/19

McClure to Sells, [2 letters] 2/18/19, no date



RIVERSIDE BRAND

RIVERSIDE PORTLAND CEMENT CO.

640 TITLE INSURANCE BLDG.

LOS ANGELES, CAL., 11-11-18

Mr. W. S. Post,
749 Garland Ave.,
Los Angeles, Cal.

Dear sir:-

I am handing you herewith copy of the Summary of Stream Gagings which was left on my desk, as I believe Mr. Unruh already has a copy and therefore this should be placed among your papers.

I also enclose you copy of the gagings of the Matagna.

Very truly yours,

John Treanor

JT-C

Enc.2.

Dictated but not reread

WE URGE YOU TO RETURN EMPTY BAGS IMMEDIATELY. BAGS ARE PERISHABLE PROPERTY AND DETERIORATE IF LEFT UNCLEARED AND UNCARED FOR

C O P Y

March 25, 1914

~~Riverside Portland Cement Co.,~~
Attention Mr. John Treanor, Mgr.
Los Angeles, California.

Gentlemen:

As per telegraphic instructions from Mr. Wm. G. Henshaw received this day, I enclose you herewith check for \$48,000. as per arrangements made with you personally when in Los Angeles a short time ago.

I acknowledge receipt of the \$50,000 note under date of March 20th, 1914, payable to Alexander Murray and signed both by the Riverside Portland Cement Company and Wm. G. Henshaw personally; also resolution of the Board of Directors of the Riverside Portland Cement Co. authorizing said loan; and in addition, the letter of March 24th, 1914 from Wm. G. Henshaw to the effect that the Riverside Portland Cement Co. and Wm. G. Henshaw will both hold Mrs Fletcher and myself harmless for having signed said \$50,000. note mentioned above, as per request of Jas. A. Murray.

My understanding with you was that you wished to discount any amount up to \$50,000 of the Riverside Portland Cement Co's six percent notes that the Riverside Portland Cement Co. has taken in payment of accounts due you and that if I would dispose of said notes, the Riverside Portland Cement Co. would guarantee the payment of same, and in addition, discount said notes six percent, or twelve percent in all. As Mr. Murray demanded eight percent interest on his note, this gave me a commission of four percent, or \$2000. commission for the loan. In addition to having secured the loan, as you know both my wife and I have signed said note, and in addition, I have waived your putting up any collateral security. Under all these circumstances, I feel that I am justly entitled to and have earned the commission which you offered, and if this is not according to our agreement and is not satisfactory, please let me know, for I desire to make it satisfactory,

Very truly yours,

FK

November 26th, 1919

Mr. John Treanor,
Manager, Riverside Portland Cement Co.
Los Angeles, California.

My dear Treanor:

I am sorry to write you finally that the matter has been thoroughly threshed out with the County Highway Commission, and it has been impossible to work our the plan for your friends Olmstead & Gillelen. It is the intention of the Commission to employ an engineer who will be under their direct orders and supervision, and on the ground all the time.

I appreciate what Olmstead & Gillelan are, not only from what you have told me, but because I know Mr. Olmstead personally, as well as his reputation. It is out of the question, however, as I was out-voted.

Yours very truly,

EF/bm

*Letter to be
written*

Mr. John Treanor, Manager,
Riverside Portland Cement Company,
Los Angeles, California.

My dear Treanor:

I am sorry to write you finally that the matter has been thoroughly threshed out with the County Highway Commission, and it has been impossible to work out the plan for your friends Olmsted & Gillelen. It is the intention of the Commission to employ an engineer who will be under their direct orders and supervision, and on the ground all the time.

I appreciate what Olmsted & Gillelen are, not only from what you have told me, but because I know Mr. Olmsted personally, as well as by reputation. It is out of the question, however, as I was out-voted.

Yours truly,

B M

Mr. John Treanor, Manager,
Riverside Portland Cement Company,
Los Angeles, California.

My dear Treanor:

I am sorry to write you finally that the matter has been thoroughly threshed out with the County Highway Commission, and it has been impossible to work out the plan for your friends Olmsted & Gillelen. It is the intention of the Commission to employ an engineer who will be under their direct orders and supervision, and on the ground all the time.

I appreciate what Olmsted & Gillelen are, not only from what you have told me, but because I know Mr. Olmsted personally, as well as by reputation. It is out of the question, however, as I was out-voted.

Yours truly,

W C



RIVERSIDE PORTLAND CEMENT CO.

640 TITLE INSURANCE BLDG.
LOS ANGELES, CAL.

July 16, 1920.

From 5880

Miss Mary E. Fletcher,
San Diego, California.

My dear Miss Fletcher:

As I think Mr. Henshaw told Ed over the telephone, he desired Henry Stevens to go over the proposed contract to cover Ed's compensation. Without making any substantial modification of the substance of the contract, Mr. Stevens found something he complained of in the mere structure of the contract and he is preparing a new instrument which I thought he and I might take to San Diego Sunday afternoon. We will arrive by automobile late in the evening. The Grant Hotel is so noisy that we thought of stopping at that little hotel near your office. I have forgotten its name, but it is the hotel at which Mr. Lees stopped. Will you please get us two good rooms with bath there.

Yours truly,

JT/NEM

2 Rooms + Baths ordered John Heard.

Mr. John Henshaw, Manager,
Riverside Portland Cement Company,
Los Angeles, California.

My dear Sir:

I am sorry to write you finally that the matter has been thoroughly thrashed out with the County Highway Commission, and it has been impossible to work out the plan for your friends Grant & Gilliland. It is the intention of the Commission to employ an engineer who will be under their direct orders and supervision, and on the ground all the time.

I appreciate what Grant & Gilliland are doing for you, but because I know you have told me, as I have told you, that you are not interested in the matter, I will not be by reputation. It is a question, however, as I was interested.

*10 days ago
Guest Manager*

Yours truly,



RIVERSIDE PORTLAND CEMENT CO.

640 TITLE INSURANCE BLDG.

LOS ANGELES, CAL.

July 16, 1920

Colonel Ed. Fletcher,
San Diego, California.

My dear Ed:

When Griffith, Percy Black and I were in San Diego a few days ago, you were informed of Mr. Henshaw's decision to withdraw from sale, most of his San Diego County lands. In some cases the withdrawal was declared to be permanent; in other cases, the lands were temporarily withdrawn to afford an opportunity to our attorneys to study the situation more carefully, with a view to making recommendations which would govern our policy with respect to the sale of these lands.

This announcement came upon you unexpectedly and you were surprised, very naturally. I am writing this letter to fulfill the promise that I then made to try to set down clearly the reasons which have led to such a modification of policy.

After considerable study of Mr. Henshaw's water project, and consultation with lawyers and engineers, Griffith and I came to the conclusion that Mr. Henshaw's control of the waters of the San Dieguito and San Luis Rey Rivers, does not depend upon the sufficiency of his construction work made in the effort to comply with state laws governing the appropriation of water; on the contrary, his control rests upon the ownership of all the available places of storage coupled with the ownership of large bodies of riparian lands which are irrigable.

Understand, of course, that I do not for one moment question the validity of Mr. Henshaw's rights by appropriation. He has expended great sums of money in the development of his system, as you fully point out in your recent letter to Dr. Matson, and if there has been some delay in the prosecution of his work, it is sufficiently accounted for by his protracted negotiations with the City of San Diego and financial conditions resulting from the war. However, it cannot fail to be a comfort to you, as it is to all of us, to understand the circumstances which make Mr. Henshaw quite independent of the decision upon the validity of his rights which might happen to be made sometime in the future, by a tribunal politically influenced. I will try to make the argument to you for your consideration and criticism.

Page 2.

I start with the simple premises upon which, as I imagine, Mr. Henshaw acted when he decided to engage in this enterprise. He believed that the water of these streams was an ultimate necessity to the population of San Diego County; that to be used it must be stored in reservoirs; that one who controlled all the practicable reservoirs with the right to use them controlled also the water, subject to the limitation of the public's right to condemn; that such an enterprise would be safe and warrantable if conditions could be created whereby the minimum price reasonably to be expected under condemnation would return the original investment with a fair profit.

I presume that no one will dispute the correctness of this reasoning or the security of Mr. Henshaw's position if it be demonstrated that he successfully realized the foregoing conditions in the organization of the Volcan System. Let us then examine his situation first on the San Luis Rey, and afterwards on the Santa Ysabel River, and let us start with the Escondido Mutual Water Company, who are in desperate need of more water and have instituted proceedings before the State Water Commission to increase their right of diversion on the stream.

In the first place it is clear that they must provide the facilities for getting the water to their lands before additional rights are of any value to them. You know that water supply from these torrential streams strictly depends upon storage, and the only place of storage available to Escondido is the Bear Valley Dam. In 1912 careful estimates of the cost of raising this dam so as to hold something over 10,000 acre feet of water were made by Mr. Hawgood, and a probable cost of \$163,000.00 was determined at that time. The work would cost at least \$350,000.00 today. The storage dam cannot be fully used after it is built, without the construction of a diverting dam on the San Luis Rey River, and the enlargement and reconstruction of the present canal. (The enlargement required for the diversion of the necessary storm waters for a 10,000 acre feet dam is greater than would accommodate the regulated flow of all the water of Warner dam.) The cost of the completed works would be fully \$500,000.00, a fact which was recently admitted to me by one of the most prominent and best informed people in Escondido.

Now, it is a fact, that the net safe yield of the Escondido system would not be largely increased by a storage of only 10,000 acre feet of water, because an irrigation supply is necessarily controlled by the cycle of dry years from 1895 to 1905. Escondido is not situated so that it can eke out a supply by pumping in dry years. Its entire water supply will depend upon, and be limited to diversion and storage works. Mr. Hawgood informs me that the small increase in capacity to be derived from the suggested \$500,000.00 investment would make it the most expensive water ever developed in California, prohibitively expensive in fact. Be that as it may, the Escondido Company, as well as others, must recognize the riparian rights of Warner's Ranch which are not dependent upon the decision of the State Water Commission. If Mr. Henshaw in the exercise of his undoubted right should practice irrigation on Warner's Ranch on the most moderate scale, say on five or six thousand acres of land, it would absolutely destroy the feasibility of the suggested increase of the Escondido system. For the space of the ten dry years they would have no water at their intake.

I will not discuss the rights of riparian owners downstream from their intake, which the Water Company would have to quiet or acquire; it is unnecessary to pile up further arguments. Is it conceivable that the Escondido farmers could finance a \$500,000.00 undertaking, involving such problems and such chances of failure? Is there the slightest incentive to do so in the face of Mr. Henshaw's cordial desire to sell them a real water right at a fair price, free from legal entanglements and based on a storage reservoir of 200,000 acre feet capacity?

In view of the physical and business facts of the situation, it seems superfluous really to mention the contract existing between Mr. Henshaw and the Water Company wherein they expressly agree not to increase their diversions. In connection with this contract an interesting thought occurs which has been discussed with Mr. Stevens. It it be true that an appropriator cannot acquire a right by prescription against an upper riparian owner, then if the Escondido people repudiate the contract, as they threaten to do, and we consent, Mr. Henshaw could apply to the irrigation of Warner's Ranch all of the water in the river, and in the long succession of dry years the Escondido people would get no water at all, not even the quantity they are now diverting. Mr. Stevens says this is a sound view of the situation.

This Escondido matter has called for a long digression and I want now to get back to the main issue and assume, Warner's being the only practicable damsite on the river, that someone with power of condemnation, San Diego City for instance, undertook to get it away from Mr. Henshaw together with the right to use it. The State Engineer has valued the site at \$150.00 per acre, \$900,000.00 for the bare reservoir site. Let us assume only \$600,000.00 or \$100.00 per acre, which is pretty cheap for meadow land. The value of the riparian rights on the lower river which Mr. Henshaw has extinguished must be recognized in fixing the value of Warner reservoir. You, better than I, know what they are worth. Now what is the value of the riparian rights of Warner's Ranch? Mr. Ream says there are 25,000 acres of land in Warner's just as suitable for orchard development as those around the springs, if water can be had. It can be had as you know by constructing a number of small or moderate sized reservoirs at different points on the ranch, also by constructing Warner reservoir to a certain height, and pumping the stored waters back to certain parts of the ranch.

Under the circumstances Mr. Stevens, Mr. Black, the Judge and every lawyer who has considered the matter is completely assured that the riparian rights of Warner's ranch would have to be acquired by any one proposing to condemn. There are well established methods for determining the damage to land by the deprivation of riparian rights. It is the difference between the value of land with water and without. Is that \$40.00 per acre in the case of Warner's ranch? If so, you have another million dollars for the city to pay for the damsite.

This, I should say, fulfills the imagined requirement that the minimum price on condemnation should return the invested capital with a fair increment.

Before leaving the San Luis Rey perhaps I can make my argument more pointed by assuming another reservoir site below Warners, just as good and just as cheap to build. Would anyone be imprudent enough to build it without first extinguishing the riparian rights of the thirty or forty thousand acres of farming land in Warner's ranch? Such a costly mistake was once made in Southern California in the case of the Arrowhead Water Company. Does not this supposition perfectly illustrate Mr. Henshaw's strategic control of the stream, quite apart from water rights gained by appropriation.

The situation on the Santa Ysabel is not essentially different. The monopoly of reservoir sites is not quite so evident to the layman, but I think we may accept it on the faith of the engineers after all these years of examination. Nor are the strategic combinations to discourage condemnation obvious at a glance. Nevertheless the Bernardo Rancho, 5000 acres in extent, is riparian to the San Dieguito river; water from either Pamo or Sutherland dams can be put on Bernardo with a conduit six or seven miles long. The feasibility of this project is not to be questioned by any one who has stood on the ground in full view of the 20 mile Escondido conduit, maintained for the exclusive service of some 2000 acres of land.

Now, without taking the figures too seriously, I would suggest that you make a calculation of the selling value of Mr. Henshaw's system under condemnation. You have Warner reservoir at \$600,000.00; Sutherland, Pamo and San Clemente, say \$150,000.00; riparian rights extinguished say \$250,000.00; appraised value of useful construction work say \$150,000.00; value of riparian rights of 25,000 acres suited to deciduous orchards on Warner's ranch, \$40.00 per acre, \$1,000,000.00; value of riparian rights of 2500 acres of citrus land in Bernardo Rancho at \$200.00 per acre, \$500,000.00; value of riparian rights of 3000 acres general farming land in and around Bernardo \$150,000.00; that makes \$2,800,000.00, to which may be added some one-quarter million dollars worth of leftovers, representing a total of some three million dollars which would come to Mr. Henshaw under condemnation.

I dare say your first criticism of these figures will be that they are too good to be true. Yet I know you well enough to know that you would not want to be on the condemning end of such a law suit.

In my opinion the Volcan system will never be condemned. The inescapable conclusion to my mind is that Mr. Henshaw can sell the system to any one or to any city that needs it, at a price it

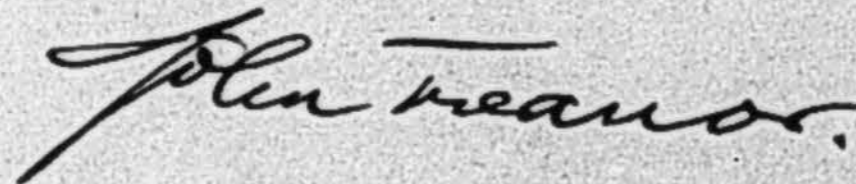
cannot afford to refuse and take the chance of condemnation; at a price which incidentally returns a satisfactory profit on Mr. Henshaw's entire venture.

To give the same idea a different expression, let us consider for the sake of argument that Mr. Henshaw may have no water rights that would allow him to build the dams himself and convey the water to Linda Vista Mesa for the irrigation of lands there, but he alone possesses the facilities which are necessary to the storage and use of the water by anyone else. He cannot be dispossessed without compensation, and as a result of good management the lowest price he can be awarded under condemnation is equivalent to the value he puts upon his water system as such.

From this point of view it might be said that Mr. Henshaw is not in the water business in San Diego County at all; he is in the real estate business and has merely specialized in properties that are essential to the future water developments of the community.

I hope I have not tired you by setting out these views at such length. If you can see the matter as we do, and as all our advisers now do, including Henry Stevens, Hawgood, Black and the Judge, it is certain to give you a feeling of comfort and assurance in all your negotiations.

Yours very truly




RIVERSIDE PORTLAND CEMENT CO.

640 TITLE INSURANCE BLDG.
LOS ANGELES, CAL.

August 6, 1920.

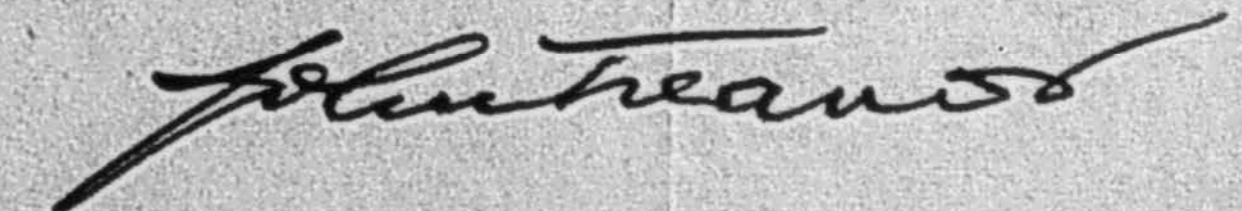
Colonel Ed. Fletcher,
San Diego, California.

My dear Ed:

I have your letter of August 4th containing interesting comments upon the San Diego situation in the first paragraph, and in the second paragraph referring to a clipping which you enclose, wherein Mr. Lippincott is reported as having been in consultation with the directors of the Escondido Mutual Water Company with reference to their application to the State Water Commission for more water from the San Luis Rey. You say that it is evident Lippincott is not the friend we supposed he was. I do not appreciate that such a conclusion is necessary in view of Lippincott's frank admission that he was making this trip expressly to confer with the directors upon this very subject of their water filing. He gave me some idea of the nature of his contemplated report, and nothing contained in this clipping is inconsistent with his remarks.

You also state in your letter that you personally think it a great mistake not to prepare ourselves for this fight before the Water Commission. This is the first intimation I have had that we were not to prepare ourselves. If the hearing is held, of course we will put in an appearance with full confidence that we can make a conclusive showing. Both Mr. Stevens and Mr. Hawgood are giving their attention to this matter. Can you suggest, and do you recommend other measures?

Yours very truly,



JT/NEM

August
Ninth
Nineteen
Twenty

Mr. John Treanor, Mgr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Treanor:

Answering yours of August 6th, will say that in conversation with you, my understanding was that the Escondido Mutual Water Company, thru Mr. Lippincott, would withdraw their application before the State Water Commission, and that Wolford and his associates would control the activities of the Escondido Mutual Water Company. Instead, I have, thru the papers and thru personal Escondido friends, been informed that Dr. Matzen is in control and that his term of office does not expire until next April, and that they propose to push their application before the State Water Commission as hard as possible and force an issue, by litigation, with Mr. Henshaw at the earliest possible moment.

As I informed you sometime ago, Dr. Matzen invited me to come up and go over the whole matter with the Board of Directors. This was while I was at Warner Springs. I told him that I would at that time, but nothing has been done.

You informed me that Lippincott and Wright were working out a proposition to submit to you. Have you ever received any offer or proposition of any kind? I fear you do not realize how disastrous it will be to our whole water district, as far as the Volcan project is concerned, to have the Escondido Mutual Water Company push their water filing and get a decision from the State Water Commission. By even having the case tried before the Water Commission, and it gets in the papers, it will show there is litigation and it will materially weaken our hand.

No man could be nicer to me than Senator Wright was the other day at the Federal Irrigation Congress. I make the suggestion that when you come down we have a talk with Senator Wright, and possibly with the directors of the Escondido Mutual Water Company, and make one more effort to come to an agreement. It is really up to you to make some kind of a definite proposition. What they want is water. I question whether they will be satisfied with a contract that they can have 5,000 acre feet of water whenever we build the dam, unless some definite date of completion is agreed on.

I may have been hasty in criticizing Mr. Lippincott. I do not remember reading the letter again after I dictated it hurriedly, but the impression I meant to convey was that instead of the application being withdrawn, Lippincott and the rest seemed to be pushing it, for if Lippincott is not doing it, he has been over-ruled by Matzen and Wright. It seems to me that some arrangement could be made whereby the Escondido Mutual Water Company can put \$300,000 or \$400,000, covering a period of two or three years, and Mr. Henshaw the rest, and get the Warner's dam built, perhaps not to its full height, but sufficient so as to give 5,000 acre feet of water to the Escondido people. We will have a large surplus of water so we can let it run down the river bed in the summer time until such time as the rest of the water problem is solved.

Incidentally, we could make arrangements at the same time for them to let us run 2,000 or 3,000 acre feet of water thru their system, and put a pipe line to irrigate the Bernardo ranch, and put it on the market, if this turns out to be a practical proposition. Let's talk this matter over when you come down.

I still believe there is just a possibility of getting Wright and the board of directors together and we thrash out a proposition that all could agree on. I have almost come to the conclusion that the thing to do is to abandon the present damsite entirely at Warner's. I believe core drillings should be made at once at the lower damsite, suggested by Eastwood about one-half mile below the present damsite, and if bed-rock is there, it will be much cheaper to put in a concrete, multiple arch dam, than to go ahead with the construction of the present earth fill dam. We have a core drill that could be used for this purpose, if desired. There is no reason why a multiple arch dam could not be built for \$300,000 or \$400,000 say 100 feet high, letting water go over the top, and build it heavy enough to carry an additional 20 feet later on.

Regarding the hearing before the State Water Commission, it seems to me the plan would be to show that it was all one project, that even Lake Hodges development was part of it, the acquisition of riparian rights on both rivers, the purchase of different properties, and the dissolving of the Linda Vista Irrigation District is all a part of the Volcan project, and it goes without saying that I will do anything I can to assist the attorneys in this matter.

Yours very truly,

EF:KIM

cc --- G. H.



RIVERSIDE PORTLAND CEMENT CO.

640 TITLE INSURANCE BLDG.
LOS ANGELES, CAL.

August 10, 1920.

Colonel Ed. Fletcher,
San Diego, California.

My dear Ed:

I have carefully read your letter of August 9th. Your comment that Dr. Matzen's term of office does not expire until next April is not news to me. You have evidently forgotten that I mentioned this circumstance, and upon it based my opinion that it would be impossible to accomplish anything of a positive nature with the Escondido people before next spring.

Lippincott made his first report to the directors, outlining, I presume, a proposition to be made to us, on the occasion of his recent visit to Escondido. You saw him, perhaps, after that meeting. I did not see him at all, and he has departed for his vacation to be gone three weeks. I will know nothing until he returns.

I fully appreciate the disagreeable aspect of a public hearing before the Water Commission, which would inevitably be widely advertised in San Diego County. It seems to me that the proper preventive measures are those which we are following, by keeping in touch with the more substantial men of the community and their legal and engineering advisers. Do you think otherwise? To explain myself more clearly, I think nothing is to be gained by recognizing Matzen and men of his stripe.

You say it is really up to us to make some kind of a definite proposition. That might appear to be so, but if we can get them to take the first step it is to our advantage to do so, and by resolution of their directors they have agreed to formulate a proposition to us. I have no reason to think that such men as Wohlford, Conway and Lippincott are proceeding in bad faith under this understanding.

Such delay as has occurred seems to me quite reasonable, remembering that they must first survey the whole situation carefully, both from a legal and engineering standpoint to ascertain their true position before negotiating with us.

Colonel Ed. Fletcher #2.

I think your suggestion to meet Senator Wright is a good one, but the meeting should be held in the presence of Mr. Stevens. He and Wright are friendly and I know Wright highly respects Stevens' judgment. Stevens believes in our position and will speak and act accordingly, with good results.

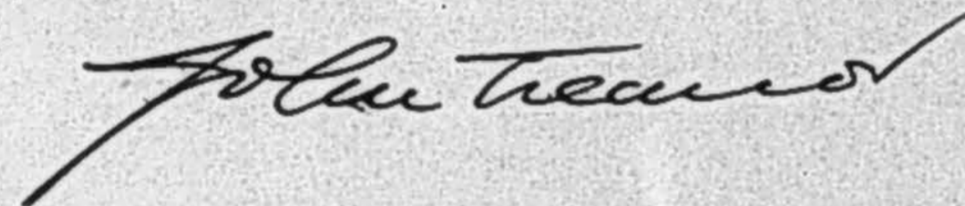
I am anxious to talk this whole matter over in more detail when I see you. There is no doubt in my mind that a basis for cooperation with the Escondido Mutual Water Company can be found which will be profitable to Mr. Henshaw.

I would like to remind you that in connection with your suggestion of irrigating the Bernardo Ranch by water from the Warner reservoir, that is a thing which we do not choose to do under the present status, as we understand the legal features of it.

I will also speak about the matter mentioned in the concluding paragraph of your letter. The lawyers, one and all, are positive that under no circumstances can the Lake Hodges development be considered a part of the Volcan scheme. Physically, legally, and in every way it is a separate enterprise.

Yours very truly,

JT/NEM



October 31, 1921

Mr. John Treanor, Mgr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Treanor:

Enclosed find letter from Mr. Richardson, attorney for the city of Oceanside, which is explanatory. He is a personal friend of mine. I had the Governor appoint him on the State Board of Harbor Commission for San Diego. I have every confidence in him.

It is up to us now to give him something definite. My recommendation is that we agree to let him have enough water for at least 15,000 acres, at 5 cents a thousand gallons at the Escondido ditch. I am quite sure I can get the Santa Fe to finance the distributing line.

My suggestion is that you authorize me to sign the enclosed letter, or either you or Mr. Henshaw write it, anyway is satisfactory to me.

Yours very truly,

EF:KLM

cc- Mr. Henshaw

F. L. RICHARDSON
LAWYER
SUITE 909 FIRST NATIONAL BANK BLDG
SAN DIEGO, CALIF

October 29, 1921

Mr. Ed Fletcher,
920 Eighth Street,
San Diego, California.

Dear Sir:

I have had a conference with the San Luis Rey Irrigation Committee, also the City Trustees of Oceanside, in relation to water from Warner's Dam.

As you probably know, I am attorney also for the city of Oceanside.

The San Luis Rey Irrigation District wishes to have a letter from the Volcan Land & Water Company, or from you as its authorized representative, stating what the water will cost delivered into our proposed distributing system from the Escondido Irrigation ditch, which I understand is the point at which you wish to make delivery. The report is that you have made a price of \$15 per acre foot, or about 5 cents a thousand gallons to Escondido Mutual Water Company, and we assume the same price will prevail to our irrigation district.

In addition thereto, the City Trustees of Oceanside have authorized me to find out what price you will charge the city of Oceanside for water, and the suburban section adjacent thereto. I have assumed the price will be the same in either case. It is just possible that Oceanside may go into the irrigation district.

Roughly, I would like to know the maximum amount of water you will agree to furnish and the price and terms. I understand that Carlsbad is also desirous of getting considerable water, and would undoubtedly join in with Oceanside, South Oceanside and suburban territory, if water were brought to the coast.

You may not be aware of the fact that the South Coast Land Company has a contract with the city of Oceanside to pump 200 inches of water out of the San Luis Rey River for the Carlsbad lands. They are exceeding this amount today, and are negotiating with the city of Oceanside to install a much larger plant and furnish the city of Oceanside with water, and furnish an additional supply to Carlsbad. It is up to the city of Oceanside to decide at an early date, whether or not they will continue pumping their own water from the gravels of the San Luis Rey Valley, or acquire it from the Volcan System, or make a contract with the South Coast Land Company.

MRS. ED FLETCHER

- 2 -

I must have something definite before proceeding further with the San Luis Rey Irrigation District. I have every assurance that if a favorable report is received there will be no trouble in going ahead with the organization of the district.

Your early attention to this matter will be appreciated.

Yours very truly,

F. L. RICHARDSON

FLR-M

November
Fourteenth
Nineteen
Twenty-one

Sale of Warner's Water

Mr. John Treanor, Mngr.,
Riverside Portland Cement Co.,
Los Angeles, Calif.

My dear Treanor:

The committee has been after me three times
this last ten days to get some definite answer.

Enclosed find copy of revised letter to the
Attorney for the city of Oceanside, which is explanatory.
If this meets with your approval, kindly authorize me
to send the letter, for it certainly protects our
interests, and I think it will have the desired effect
of spurring them on to form their district around
Vista.

Some action must be taken immediately or I
shall tell them that you are refusing to commit yourself
in any way.

Yours very truly,

EF:KLM

cc- Mr. Henshaw

November
Fourteenth
Nineteen
Twenty-one

Mr. F. L. Richardson,
First National Bank Bldg.,
San Diego, California.

Dear Sir:

Answering yours of October 29th, will say that
we have an understanding with the Escondido Mutual Water
Company that they will get water at \$15.00 per acre foot,
or, roughly, 5 cents a thousand gallons, delivered into
the Escondido Ditch. This is the price that I have been
authorized to make to you, conditional upon the quantity
and the time of delivery being made mutually satisfactory.

As to the quantity of water to be used by you,
there is no use in obligating ourselves at the present
time, until we get some definite idea how many acres
want water.

It will be necessary for the district to
install its own distributing line, and the water measured
at the point of delivery - the Escondido Ditch, the
definite location on the Escondido Ditch to be mutually
agreed upon. It would seem to me the proper thing to
do is for your proposed district to acquire Merriam
reservoir site, and make your deliveries from same.

It may be advisable, and cheaper, for the City
of Oceanside to cooperate with the South Coast Land
Company in developing surplus water for Oceanside and
Carlsbad. I suppose that is a question for the City of
Oceanside to determine. You can rest assured that any
water that is sold your section will be at the same price
that we sell to the Escondido Mutual Water Company. My
private opinion is that it is up to you to get busy and
quickly if you are planning on getting any of the Warner's
water, for Mr. Henshaw does not intend to tie up any of
that water except to some legally organized district and
for a definite length of time.

Yours very truly,

EF:KLM

November
Eighteenth
1921

Sale of Warner's Water

Mr. John Treanor, Mngr.,
Riverside Portland Cement Co.,
Los Angeles, Calif.

My dear Mr. Treanor:

Enclosed find copy of letter I have
written Mr. Richardson, which was approved by you before
it was sent.

Yours truly,

EF:KLM

cc- Mr. Henshaw

November
Sixteenth
Nineteen
Twenty-one

Mr. F. L. Richardson,
First National Bank Bldg.,
San Diego, California.

Dear Sir:

Answering yours of October 29th, will say we
have an understanding with the Escondido Mutual Water
Company that they will get water at \$15.00 per acre
foot, or roughly 5 cents a thousand gallons, delivered
into the Escondido Ditch. Of course, you understand
that there are other considerations involved in the
case of the Escondido Mutual Water Company; we intend
to get the use of their canal as a link in our main
system for the distribution of a part of our water.

As to the quantity of water to be used by you,
we cannot obligate ourselves at the present time. Any
negotiations we have with you are necessarily subject
to prior disposition of the water. We would like, however,
to get a definite idea about how many acres want water.

It will be necessary for the district to install
its own distributing line, and the water measured at the
point of delivery - the Escondido ditch, the definite
location on the Escondido Ditch to be mutually agreed upon.
It would seem to me the proper thing to do is for your
proposed district to acquire Merriam reservoir site, and
make your deliveries from same.

It may be advisable, and cheaper, for the City
of Oceanside to cooperate with the South Coast Land Company
in developing surplus water for Oceanside and Carlsbad.
I suppose that is a question for the City of Oceanside to
determine.

My own idea of the price for any water that is
sold your section is that it will be on the same relative
basis as sold to the Escondido Mutual Water Company. My

Page Two

private opinion is that it is up to you to get busy, and quickly, if you are planning on getting any of the Warner's water, for Mr. Henshaw does not intend to tie up any of that water except to some legally organized district and for a definite length of time.

Yours very truly,

EF:KLM

November 21, 1921.

Mr. John Treanor, Manager,
Riverside Portland Cement Co.,
Los Angeles, Calif.

My dear Treanor:

Inclosed find letter from William B. Pechstein that is explanatory. He is a good friend of mine, and is ready to go to the bat strong on this San Luis Rey District.

The proposition he outlined is what I agreed to recommend. This can be cut down to a minimum of three thousand acre feet and a maximum of six.

I wish you would let me give these fellows something definite so that they can go to work on this proposition. It will just scare the City of San Diego to death.

Richardson saw me today and is not satisfied at all with the letter which you authorized me to sign. The Santa Fe will be sore as blazes if you don't give this section an opportunity to get some of this water.

Please let me hear from you by return mail, as I wish to reply to Mr. Pechstein.

Very sincerely yours,

EF:AH

Dictated November 18th.



RIVERSIDE PORTLAND CEMENT CO.

8TH FLOOR, CORPORATION BLDG.
724 SOUTH SPRING STREET
LOS ANGELES, CAL.

December 9, 1921.

Colonel Ed. Fletcher,
San Diego, California.

Dear Mr. Fletcher:

Enclosed find copy of letter Mr. Treanor has signed for the San Luis Rey District Committee. There are two carbons enclosed, one for yourself and the other for Mr. Richardson.

Yours truly,

NEM

November
Twenty-two
Nineteen
Twenty-one

Mr. John Treanor, Mgr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Mr. Treanor:

Enclosed find copy of letter from the attorney for the City of Oceanside which is explanatory.

I feel that we are perfectly safe in writing a letter agreeing to furnish water for 6,000 or 8,000 acres of land around Vista, and let them get started working on that district, if nothing more, and stall the Oceanside, South Oceanside and Carlsbad propositions.

Yours very truly,

RF:KIM

December 8, 1921.

San Luis Rey District Committee,
Vista, California.

Gentlemen:

In conformity with my promise to sum up in writing the statements that I made at our meeting with your committee on Tuesday last, I write you this letter.

The Volcan interests have water to sell. They intend to hold themselves in a position to do business with the first responsible buyers. They appreciate your need for water, and your natural anxiety to have a definite statement of its cost.

I will, therefore, say that our price to the San Luis Rey Irrigation District for water delivered into its conduit at some point in the neighborhood of Hell-hole near Rincon, will be \$15.00 per acre foot per annum. This price will apply if you come to us at some time within the next six months with an organization that we are satisfied to do business with, and upon assumption that we still have, at that time, water which we wish to sell.

We feel sure that your community realizes the necessity for water if it is to develop, and we sincerely hope for a favorable termination of our negotiations.

Yours very truly,

JT/HEM

January
Fifth
1922

Mr. John Treanor, Mngr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Treanor:

Enclosed find copy of letter from Mr. F. L. Richardson, the city attorney for Oceanside, which is explanatory, and I recommend that this expense be incurred.

Yours sincerely,

EF:KLM



RIVERSIDE PORTLAND CEMENT CO.

8TH FLOOR, CORPORATION BLDG.
724 SOUTH SPRING STREET
LOS ANGELES, CAL.

January 7, 1922.

Colonel Ed. Fletcher,
San Diego, California.

My dear Ed:

Regarding your letter of January 5th containing copy of letter from Mr. F. L. Richardson regarding the employing of Mr. F. O. Popenoe to solicit subscriptions to the San Luis Rey Irrigation District. The following is my opinion:

First, I want to write Griffith and see if it is satisfactory to him to incur this expense. I shall recommend it, but upon the basis of 10 cents per acre rather than upon any per diem.

Second, I would like to have the privilege of meeting Mr. Popenoe and sizing him up myself and giving him the general line of talk insofar as our interests are concerned. I will let you know the results soon.

Yours truly,

JT/NEM

John Treanor

J. K. R.

January
Tenth
1922

Mr. John Treanor, Mngr.,
Riverside Portland Cement Co.,
Los Angeles, Calif.

My dear Treanor:

Answering yours of the 7th, I have asked Mr. Richardson to have Mr. Popenoe call and see you.

I have sent word thru my friend to find out whether \$75.00 an acre would be considered for the Pico property.

Yours sincerely,

EF:KIM

August
Twelfth
1920

Mr. John Treanor, Mngr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Treanor:

Confirming our telephone conversation today, will say, on behalf of the San Diego Glazed Cement Pipe Company, you agree that Henshaw and Fletcher will be protected against any loss on account of moneys advanced, or loss on account of difference in price between the cement pipe contract and the present price we have to pay for wood pipe, to replace it, owing to the poor quality of the cement pipe made by the San Diego Glazed Cement Pipe Company which you control.

The understanding is that in consideration of protecting Henshaw and Fletcher against loss, you agree, for the San Diego Glazed Cement Pipe Company, to reimburse us for any advances or loss for the substitution of wood pipe, and in consideration of which we do not claim any damages for nonfulfillment of contract, excepting actual losses sustained.

The following is copy of letter we have received from Mr. Rhoades, City Manager:

"August 10, 1920

Col. Fletcher,
San Diego, Calif.

Dear Sir:

In accordance with our verbal agreement of this morning, you are hereby authorized to substitute 16" wood stave pipe for concrete pipe in the construction of the La Jolla-Del Mar pipe line, in places where the pressure exceeds a 50 ft. head. It is our desire to assist the concrete pipe contractor by using as much of his pipe as will meet specifications. In allowing this substitution of pipe, we are endeavoring to hasten the completion of the work.

Very respectfully,
F. A. Rhodes,

Manager of Operations"

Page Two/

The engineers have figured out that we will have to buy about 10,000 feet of 16" pipe. Will you please instruct Mr. Blankenberg to rush the installation of the concrete pipe that comes up to the requirements as asked for by the City Manager.

As you know, the San Diego Glazed Cement Pipe Company are building the reservoir as well. There is a credit of \$3,000 or \$4,000 coming to them now on that work. I do not dare to pay them any more money until we find out where we are going to come out at. Will you please instruct the cement pipe company to complete the construction of the reservoir. It is now about three-fourths completed. We have advanced \$15,000 or \$20,000 to the Glazed Cement Pipe Company on this pipe, \$1.00 a foot, and it is still in the yards - a large part of it.

Please confirm this understanding.

Yours very truly,

EF:KIM

December
15
1920

Mr. John Treanor, Mngr.,
Riverside Portland Cement Company,
Los Angeles, California.

My dear Mr. Treanor:

Enclosed find copy of a letter I have written each member of the City Council individually.

Am trying to protect the Riverside Portland Cement Company as much as I can, as you will see, owing to the fact that you own such a large majority of the stock of the San Diego Glazed Cement Pipe Company.

I do not want, under any circumstances, to be compelled to fix the hole in the reservoir, for it implies a continued responsibility until finally accepted by the City Council.

The majority of the opinion is that the dam was dynamited, altho some say is was faulty workmanship. The fact remains that the reservoir showed no signs of leakage Sunday night altho nearly full, and altho there was a special inspector there to keep an eye out for its condition, Monday morning it was out at seven o'clock.

I need the best legal advice in the matter, and hope to get the City Council to assume the responsibility and go ahead and make the repairs, but I think it is very important that we do not take any further responsibility on the reservoir.

Yours very truly,

EF:KIM

cc- C. TH.

H. J. S.



RIVERSIDE PORTLAND CEMENT CO.

640 TITLE INSURANCE BLDG.
LOS ANGELES, CAL.

January 14, 1921.

Colonel Ed. Fletcher,
San Diego, California.

My dear Ed:

Enclosed find proxy signed by Mr. Henshaw
for use at the stockholders' meeting of the San Dieguito
Mutual Water Company.

Yours truly,

JT/NEM

- C O P Y -

THE MARSTON COMPANY

San Diego, Calif.

July 27, 1921

Mr. John Trainor,
Office of Riverside Portland Cement Co.,
Los Angeles, Calif.

My dear Mr. Trainor:

Since you were here our little committee has had one meeting. Unfortunately, several were out of town and it could not transact as much business as I hoped. Favorable consideration is being given to your proposition. It is hoped, however, as you undoubtedly inferred from the expressions in the meeting when you were here, that your company can limit the contract to 5,000,000 gallons per day for the first few years.

I am writing today particularly to correct a possible wrong impression I gave you concerning Col. Ed. Fletcher's relations to the Spreckels' interests. Mr. Hale and I were both of the opinion as you will remember, that for tactical reasons it would not be advisable for Mr. Fletcher to attend the meetings of the committee. We referred to the opposition that would develop, particularly from Mr. Spreckels and Mr. McMullen. I wish to say now that I feel I over-rated the importance of that matter. Rather to my surprise I find that both Mr. Spreckels and Mr. McMullen look with a great deal of favor upon the acquisition of some of the Fletcher holdings. At least, they feel that in any permanent settlement of the water problems the Fletcher interests must be reckoned with. As a matter of fact, nearly one-half of the water that is now being used by the city in the summer time is drawn from the Cuyamaca system and the Lake Hodge' reservoir, in both of which Mr. Fletcher has an interest. In talking with Mr. McMullen quite thoroughly about it not a word derogatory to Mr. Fletcher was said by him and on the contrary, there was a pretty strong expression of interest in his activities. Since I saw you on the train McMullen has gone out to the Mission Gorge with Ed Fletcher to see the reservoir site and get Fletcher's statements about it.

One of the reasons for this change of attitude is because Mr. O'Shaughnessy has written a letter to Mr. Spreckels in which he states that the development of the San Diego River system under Mr. Fletcher's management, has provided a very valuable water supply for the City of San Diego. I have a copy of that letter and he admits that a capital investment in the San Diego River system, one-half as much as has been put into the Moreno system, will procure as much water for this city as it is getting from the costly Moreno system. As Mr. O'Shaughnessy is the water engineer whom Mr. Spreckels has relied upon for many years, you will realize the authoritative value of this letter.

Col. Fletcher is giving me considerable information and I certainly think that this city is under very great obligations to him for his foresight, enterprise and hard work in conserving the water sources of San Diego County, so that in a dry year like this we can fall back upon them. We are receiving today over 6,000,000 gallons a day from Murray and Hodges' reservoirs. Notwithstanding his interest in the Mission Gorge, he has both said and written to me that the city ought to secure first water from the Warner system.

Very truly yours,

G. W. MARSTON

GWM:W

July 29, 1921.

Mr. John Treanor, Mgr.,
Riverside Portland Cement Co.,
Los Angeles, Calif.

My dear Mr. Treanor:

The La Mesa District Committee met last night and appointed a committee to make the trip Saturday, consisting of Mr. Ray Sauer, Chairman of the committee, Mr. Ford, the city engineer of East San Diego, Mr. Halley, President of the present La Mesa Irrigation District, and Mayor Porter, of the City of La Mesa.

This looks favorable, to say the least.

Yours very truly,

RF:KLM

cc- Mr. Henshaw

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RIVERSIDE PORTLAND CEMENT CO.

237

8TH FLOOR, CORPORATION BLDG.
724 SOUTH SPRING STREET
LOS ANGELES, CAL.

August 20, 1921.

Mr. T. H. King, Chief Engineer,
Cuyamaca Water Company,
San Diego, California.

Dear Mr. King:

I am trying to get you on the telephone as there are some statistics I would like to have, which I have no doubt you could easily supply from your records.

I would like the exact rated capacity of the four dams of the Municipal Water System. I would like their surface area, and the ratio of area exposed to evaporation, to storage. I would like the amount of water now in storage, to the best of your knowledge. Mr. Fletcher and I tried to make readings at Morena the other day, and he promised to send me the report but it has slipped his mind. You know about what is in the other reservoirs; if not, Mr. Fletcher can tell you.

Aug 12
8, 9 Bel Co

What do you consider the average daily consumption of San Diego will be for the year 1921? If I am not mistaken Mr. Waggenheim made the statement that it was nearly 11,000,000 gallons last year, and would be nearly 12,000,000 this year. Have you any line on this matter? Assuming that it is 11,000,000 gallons per day for 1921, how long will the water in the city reservoirs last, if their catchment the next two or three years is no greater than it has been the last two years, say, making due allowance for evaporation and transportation losses. Of course the water that they get from Hodges will have to be taken into account, but no Cuyamaca water can be taken into account after this year because it is not certain there will be any.

11 and 9u

I would like to have the estimated costs of building Barrett and Otay dams insofar as they are available; at least you can probably find out what was given to the public as the probable cost. Then, I would like to have the final cost of Otay, and the cost to date of Barrett dam, and the present estimated of the engineer as to the cost of completing Barrett Dam.

I am very much interested in your statement to me on the telephone that the net safe yield of the San Diego system without Barrett is not much over 5,000,000 gallons per day. I am anxious to have an accurate report upon this point.

Mr. King #2.

How often do the records show that the runoff on the Cottonwood and Otay would fill all the reservoirs? I understand they would have filled in 1916. How far back do you have to go for a year when they would have filled again?

Aug 19 20
18000 c.f.

Can you give me the total catchment of the system for the last two years? And it would be valuable if I could have along side of that the total catchment of Cuyamaca, Sweet-water and Lake Hodges for the same two years. 6400 14900
14600

I am going to stop writing, because if I do not you will never answer my questions in a week. I am putting myself under a great obligation to you and I hope you will stand me up against the wall and make me deliver whenever I have anything you want.

With best regards,

Yours truly,

JT/NEM

John T. NEM

Of course I want conservative statements upon the above points — an unnecessary observation I know, where you are concerned.

I am anxious to have an accurate report upon this point. I am very much interested in your statement to me on the telephone that the net safe yield of the San Diego system without Barrett is not much over 5,000,000 gallons per day. Dam.

I would like to have the estimated costs of building Barrett and Olay dams insofar as they are available; at least you can probably find out what was given to the public as the probable cost. Then I would like to have the final cost of Olay, and the cost to date of Barrett dam, and the present estimate of the engineer as to the cost of completing Barrett Dam.

What do you consider the average daily consumption of San Diego will be for the year 1921? If I am not mistaken Mr. Waggenheim made the statement that it was nearly 11,000,000 gallons last year, and would be nearly 12,000,000 this year. Have you any line on this matter? Assuming that it is 11,000,000 gallons per day for 1921, how long will the water in the city reservoirs last, if their catchment the next two or three years is no greater than it has been the last two years, say, making due allowance for evaporation and transportation losses. Of course the water that they get from Hodges will have to be taken into account, but no Guyanese water can be taken into account after this year because it is not certain there will be any.

is in the other reservoirs; if not, Mr. Fletcher can tell you. the report but it has slipped his mind. You know about what readings at Hodges the other day, and he promised to send me the past of your knowledge. Mr. Fletcher and I tried to make storage. I would like the amount of water now in storage, to surface area, and the ratio of area exposed to evaporation, to four dams of the Municipal Water System. I would like their I would like the exact rated capacity of the

you could easily supply from your records. are some statistics I would like to have, which I have no doubt I am trying to get you on the telephone as there

Dear Mr. King:

San Diego, California.
Guyanese Water Company,
Mr. T. H. King, Chief Engineer.

August 20, 1921.

INTERNATIONAL PORTLAND CEMENT CO.

LOS ANGELES, CAL.
224 SOUTH SPRING STREET
8TH FLOOR, CORPORATION BLDG.



For one conversation

statement I have there

point - an unnecessary

statement upon the spot

of course I want conversation

Yours truly,

Handwritten signature
4.5
3.7

With best regards,

I have anything you want. stand me up against the wall and make me deliver whenever myself under a great obligation to you and I hope you will you will never answer my questions in a week. I am putting I am going to stop writing, because if I do not

water and Lake Hodges for the same two years. have along side of that the total catchment of Guyanese, Sweet- for the last two years? And it would be valuable if I could Can you give me the total catchment of the system

you have to go for a year when they would have filled again? understand they would have filled in 1918. How far back do on the Cottonwood and Olay would fill all the reservoirs? I How often do the records show that the runoff

Mr. King 28.

Enclosed is a tabulation showing the estimated operation of the City water system from Aug. 12, 1921, to Jan. 1, 1922, and on a separate sheet a tabulation showing the probable operation of the City water system for 1922 and 1923, in which the run-off during 1922 is assumed to be the same as the 1920 run-off, and the run-off of 1923 is assumed to be the same as 1921, as nearly as the run-off of 1921 can be arrived at at this time.

The amount of water obtained from outside sources in the first study--that is, the one carrying this up to Jan. 1, 1922, is based on a continuous supply from Hodges of 1,000,000 gallons per day and 4,300,000 per day up to Dec. 1, 1921 from the Cuyamaca, as I understand the City have requested the Cuyamaca contract extended to that date.

Since the contract with Henshaw-Fletcher Co. requires a minimum of 2,000,000 gallons daily, I have used this amount in the study of 1922 and 1923 and have not taken into account any water which might have been gotten from the Cuyamaca Co., as you requested that we leave the Cuyamaca Co. out of the computation. As a matter of fact, however, for your information, I do not think the Cuyamaca Water Co. can properly be left out of the computation, properly, since even in the driest years there is always a very considerable run-off at the diverting dam, which is diverted into Murray reservoir.

*Cuyamaca can be depend upon
 (Leave 2 blank lines) find 3/4 to 1 billion gallons more in
 Murray reservoir*

In addition to this, the Cuyamaca Water Co. is in position to supply a

considerable amount of water from the Monte gravels. They are pumping at present 3,000,000 gallons daily and by increasing their pumping equipment they could easily pump 6,000,000 gallons daily at this point, and should an emergency exist in the City something of this sort would unquestionably be done. * *

Mr. Savage made the statement that the Otay dam cost the City of San Diego approximately \$1,000,000.00, which is probably about correct, but this does not include losses sustained by the Hellman Savings Bank of Los Angeles,

City System with diversion but on stray at Barnett.

<i>Murray</i>	<i>3500</i>	
<i>Otay</i>	<i>2000</i>	
<i>Diverted at R2</i>	<i>2000</i>	
	<i>7500</i>	<i>Q = 6.7 MGD</i>
<i>1897-98</i>	<i>1800</i>	<i>1.3</i>
<i>98-99</i>	<i>600</i>	
<i>99-1900</i>	<i>2000</i>	<i>5.4 MGD</i>
<i>1900-01</i>	<i>3900</i>	
<i>01-02</i>	<i>2800</i>	
<i>02-03</i>	<i>3900</i>	
<i>03-04</i>	<i>500</i>	
	<i>15500</i>	
	<i>2214</i>	

Annuance	3500	
Barratt	7000	
Low Otter	2000	
	<hr/>	
	12500 ac ft	11.2 MGD
		2.2
Effluents		9.0

~~Sum 1904~~

Annuance	7000	
Barratt	10000	
Otter	4000	
	<hr/>	
	21000 ac ft	18.3 MGD

Field Run at Reqs of Critical Pts

Annuance	4000	
Barratt	7000	
Otter	4000	
	<hr/>	
	15000	13.4 M G Day
		26 Tran line
		10.8

Annuance	7000	
Barratt	10000	
Otter	4000	
	<hr/>	
	21000	18.7 M G D
		3.7 Tran line
		15.0 M G Day

Catchment in Acc Feet of Runoff p. 7

	1919-20	1920-21
City System	18,000 acft	3100 acft
Cuyamaca System	12,550 - -	3109 " " "
Hodges	14,634 " "	1456 " " "
Sweetwater	14,943 - -	

~~21000~~
~~1080~~

237

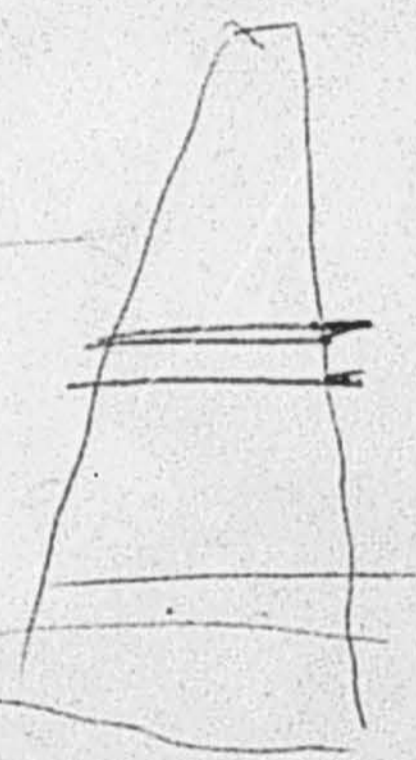
	Safe Yield		
Onion	3500	3.14	11.20
Barley	7000	6.28	
Oats	2000	1.78	
	<u>12500</u>		
		= 11.2	in & dark
		<u>2.2</u>	
		9.0	in & dark

$$\frac{11.2}{2.2} = 5.09$$

50
90

$$\frac{5500}{3500} = 1.57$$

50
100 ac of prod



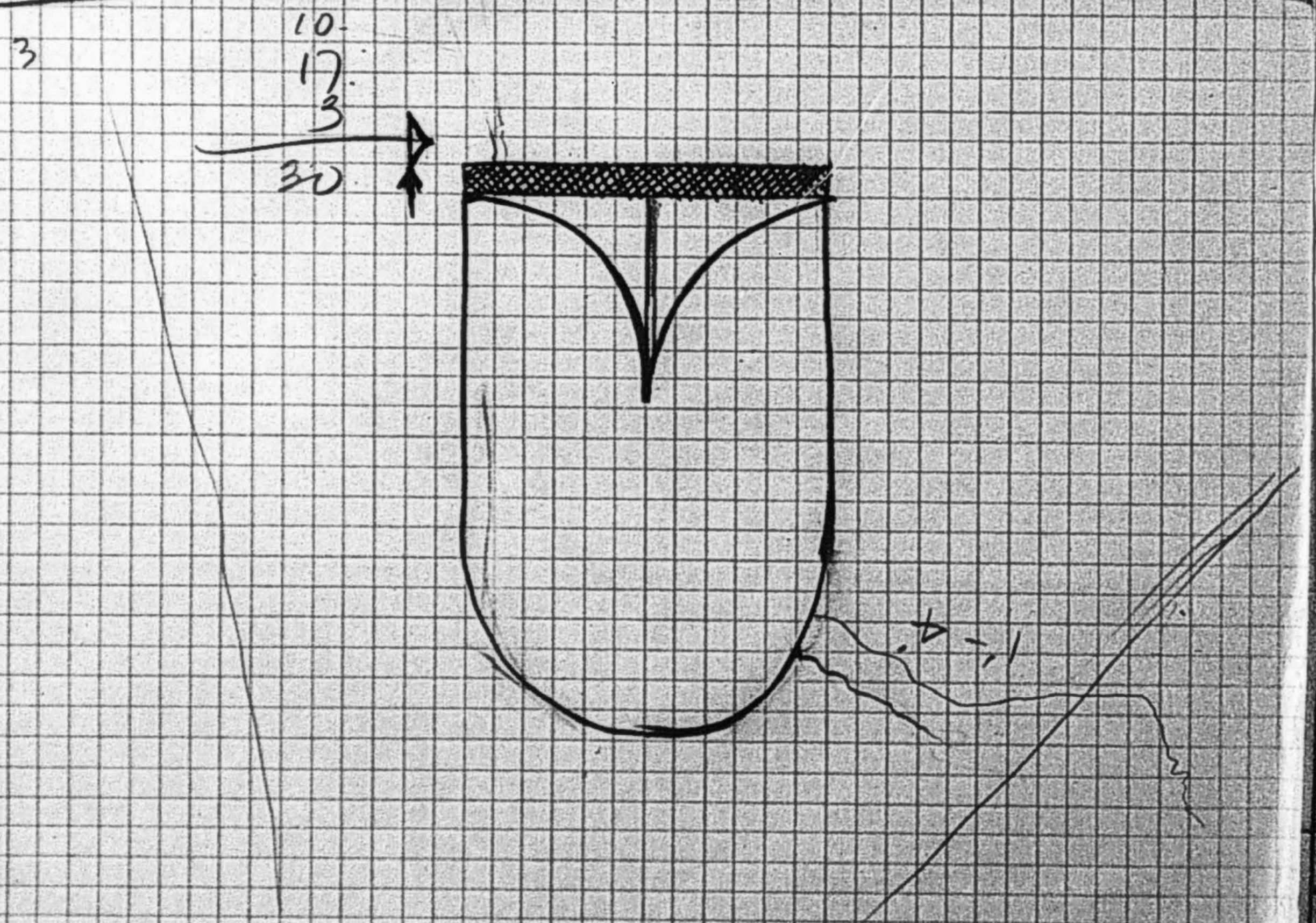
$$\begin{array}{r} 365 \\ 11,000,000 \\ \hline 3650,000,000 \\ 365 \\ \hline 4015000000 \end{array}$$

$$\begin{array}{r} 365 \\ 2000,000 \\ \hline 730000000 \end{array}$$

Miles

Conduit	21 miles	13
	10 Dulse Ave	17 70
	32 Pipe line	4
Total	65	34 70

15
30



Estimated Operations of City of San Diego Water System 237
Aug 12, 1921 to Jan 1, 1925

Available Storage Jan 1, 1922 (see attached detailed report)	Gallons	4,556,794,250
Runoff catchment year 1922 (1/2 of 1920 Catchment) ^(114% year)		2,947,000,000
Total amt available for year		7,503,794,250
Withdrawals during the year:-		
Consumption @ 11 m.g. daily	4,015,000,000	
25% Transmission Loss	1,003,750,000	
Evaporation from Res. 2s	1,080,000,000	
Total Withdrawals		6,098,750,000
Available Storage Jan 1, 1923		1,405,044,250
		2,947,000,000
		4,352,044,250

Nov 1, 1923

Min. Am	600	600	
Pump # Am	367	400	
Other Am	400	400	
	<u>1367</u>	<u>1200</u>	2,947,000,000
	1200	4600	
	<u>5167</u>		<u>5,894,000,000</u>
	1867		
			2,947,000,000
			1,861,294
			<u>4,808,294,000</u>
			1,473.57
			<u>6,281,794,000</u>
			562,500
			<u>6,844,294,000</u>

4750
1600

Estimated Operation of City of San Diego Water System 231

Aug. 12, 1921 to Jan. 1, 1922.

Water stored in City Reservoirs Aug. 12, 1921 :-

	Gage	Gallons	Gallons
Morena	177.25	4,923,700,000	
Barrett	47.94	1,564,000,000	
Upper Otay	71.80	825,900,000	
Lower Otay	76. 78.59	2,956,000,000	
Chollas	34'-3"	86,900,000	

Total Amount on hand Aug 12, 1921 8,948,900,000

Water not available :-

Barrett	1,564,000,000
Lower Otay	2,334,000,000

Total Amt not available 2,490,400,000

Total available storage Aug 12, 1921 6,458,500,000

Amount to be purchased Aug 12, 1921 to Jan 1, 1922

from Lake Hodges	1,410,000,000
- Esquima Co	1,960,000,000
	<u>3,370,000,000</u>

Total Amt available Aug 12, 1921 to Jan 1, 1922 6,795,500,000

Withdrawals from the system Aug 12, 1921 to Jan 1, 1922

Consumption @ 11 mg. daily	1,551,000,000
Transmission losses @ 20%	387,750,000
Evaporation losses @ 20%	414,000,000

Total Withdrawals 2,352,750,000

Total available storage Jan 1, 1922 4,442,750,000

Gallen 237

Storage Jan 1, 1922
Runoff 1922 - 1/2 of 1920

Storage Jan 1, 1922	4,556,794,250
Runoff 1922 - 1/2 of 1920	2,947,000,000
	<u>7,503,794,250</u>
Total Withdrawals	6,098,750,000
	<u>1,405,044,250</u>

Storage Jan 1, 1922
Runoff 1922 - 1/2 of 1920

Storage Jan 1, 1922	4,556,794,000
Runoff 1922 - 1/2 of 1920	2,947,000,000
	<u>7,503,794,000</u>

Consumption	3,650,000,000
Evaporation	1,080,900,000
Trans	912,500,000
	<u>5,642,500,000</u>

Total Amt on hand Jan 1 - 1923 5,642,500,000
1,861,294,000

1923
Runoff (same as 1922) 2,947,000,000
Total on hand 4,808,294,000

Withdrawals same as (1922)

237 (1)

Estimated Operation of City of San Diego Water System Aug 12, 1921 to Jan 1, 1922

Water in storage in various City Reservoir Aug 12, 1921

Gage	Gallons in Storage	Gallons
Mouma	117.25	4,923,700,000
Barnett	47.94	1,564,000,000
Upper Otay	71.80	825,900,000
Lower Otay	77.59	3,956,000,000
Cholla	34'-3"	86,900,000
Total storage Aug 12, 1921		8,948,900,000
Water in storage not available except by pumping		
Barnett	1,564,000,000	
Lower Otay	2,334,000,000	
Total Unavailable water		2,490,400,000
Total Available Storage Aug 12, 1921		6,458,500,000

Consumption

At 11 million Gal Daily the total water consumed will be $11,000,000 \times 141 \text{ days} = 1,551,000,000$

Purchased from Dodge	141,000,000
Cuyamaca 4,300,000 daily	477,300,000
Total outside supply	618,300,000
Required to be delivered for City System	932,700,000

(2)

Losses

Evaporation taken at depth of 48" =	414,000,000	3
Transpiration from 2090 =	283,175,000	2
Demand to city	932,700,000	1
Total Withdrawals	1,579,875,000	

Total available Aug 1	6,458,500,000
Total withdrawals	1,579,875,000
Available Storage in City Reservoir Jan 1, 1922	4,878,625,000

MEMORANDUM

Assuming the next two years to be 55% of normal the City reservoirs will be out of water by the first of November 1925, assuming a draft of one million gallons daily from the Hodges system.

Assuming the next year 1922 to be the same as 1920 namely 110% runoff and 1923 to be the same as 1921 namely 25% runoff the City will have in storage January the first 1924, 257 million gallons of water. This is based on a continuous supply of one million gallons a day from Hodges. Any additional amount they may take from Hodges, of course, may be added to the storage in the City's reservoirs less a certain amount of evaporation.

$$\begin{array}{r}
 358000000 \\
 3408 \\
 \hline
 365 \overline{) 3,766,000,000} \\
 \hline
 10.3 \text{ M \& D} = 1920 \\
 \underline{4} \\
 10.2 \text{ } 10.7 = 1921 \\
 \underline{9.8} \\
 .4
 \end{array}$$

$$\begin{array}{r}
 365-0000000 \\
 456250000 \\
 \hline
 456250000 \\
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 20
 \end{array}$$

Apr 7/17
 Straker
 Tr 109-52 make
 3 blue prints
 VFL + Wa
 T.H. King

4
 6

Total Available Storage Jan 1, 1922 4,878,625,000 237

Struck Jan 1, 1921 4,878,625,000
 Runoff 1922 taken same as 1920 12,517,800,000

 17,396,425,000

Expenses Loss 1922 = 1,867,000,000
 Dmt 9000 cas - 3,285,000,000
 Tax Loss 821,250,000

 Total available 5,973,250,000

Storage Jan 1, 1923 11,423,175,000
 Runoff 1923 same as 1921 1,225,000,000

 12,648,175,000
 Expenses 1,600,000,000
 Dmt 3,285,000,000
 Tax Loss 821,250,000

 5,706,250,000

Struck Jan 1, 1921 4,878,625,000
 Runoff 6,517,800,000

10⁰ at City In

13¹/₂⁰ at Tully R

17⁰ at La Jolla

Est of Rhoads
of Water from Hodges
delivered to La Jolla

what ²³⁷ average daily consumption was for last year
for City of San Diego.

10,132,759 including Coronado + Carlsbad

what it apparently will run this year

what it has run this year to date

1921	Jan	7,707,127	Apr	12,357,802	July	13,428,000	Total 71,401,137
	Feb	7,920,507	May	8,038,670			
	Mar	9,142,192	June	12,804,839			

want a comparison between same months last year

and this year to see if any increase this year over last

1920	Jan	7,778,283	Mar.	7,378,017	June	12,483,279
	Feb	7,588,885	Apr.	9,668,843	July	13,110,479
			May.	10,558,145	Tot	68,565,930

WATER CONSUMED DURING 1922.

MONTH	SAN DIEGO	CORONADO	EAST S. D.	MISO. PIPELINE	TOTAL
January	229,918,996	4,511,043	1,029,385	175,055	235,634,479
February	202,178,372	1,805,165	481,028	75,558	204,540,123
March	250,751,035	10,407,567	344,874	43,389	241,546,865
April	278,976,307	828,894	234,155	91,268	280,130,624
May	345,286,397	966,545	152,612	384,523	346,790,077
June	385,400,041	4,947,185	210,216	656,831	391,214,273
July	408,183,188	15,855,900	218,445	454,096	424,711,629
August	409,989,563	21,825,000	947,842	555,838	433,318,243
September	374,295,304	16,720,783	264,079	515,440	391,795,607
October	347,899,563	15,870,193	264,079	674,038	364,707,873
November	250,765,665	11,929,950	246,873	689,748	263,632,236
December	197,889,155	8,490,935	141,390	546,113	207,067,593
TOTAL	3,661,533,587	114,159,160	4,534,978	4,861,897	3,785,089,622
Daily Av.	10,031,598	312,764	12,424	13,320	10,370,108

Maximum Daily, 15,537,940 July 18, 1922.
 Minimum Daily, 4,812,108 Dec. 25, 1922

Deducting water consumed in Coronado & Pipeline
 and loss of 3,100,958 gallons in reservoir equals supply.

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CONTENTS OF ALL RESERVOIRS IN COUNTY JAN 1 & APR 1, 1921.

Reservoir	Date	Gage Ht	Ac.Ft.	Gallons	Reservoir		System	
					Gain	Loss	Gain	Loss
Cuyamaca	1/1/21	22-00	2,296	747,000,000				
	4/1/21	24-11 $\frac{1}{2}$	3,776	1,230,500,000	483,500,000			
Murray	1/1/21	86.00	3,776	1,230,500,000				
	4/1/21	91.60	4,592	1,496,220,000	265,720,000		749,220,000	
Hodges	1/1/21	89.20	13,073	4,259,850,000				
	4/1/21	89.94	13,542	4,412,568,000	152,718,000		152,718,000	
Sweetwater	1/1/21/	78.94	21,100	6,875,465,173				
	4/1/21	79.20	21,300	6,940,635,458	65,170,285		65,170,285	
Morena	1/1/21	124.29		6,395,300,000				
	4/1/21	123.22		6,147,900,000		247,400,000		
Barrett	1/1/21	32.00		37,700,000				
	4/1/21	44.92		122,000,000	84,300,000			
Upper Otay	1/1/21	67.88		661,924,000				
	4/1/21	69.76		737,400,000	75,476,000			
Lower Otay	1/1/21	77.53		2,946,400,000				
	4/1/21	78.09		2,983,900,000	37,500,000			
Chollas	1/1/21	34-6 $\frac{1}{2}$		88,387,000				
	4/1/21	34-6		88,176,000		211,000		50,335,000

Aug 12 - 1921

237

Gage

Contents

116 gms

Morena

117.25^A

4,923.7

M. S.

Barrett

47.94

156.4

Upper Otay

91.80

825.9

Lower Otay

77.59

2,956.0

Chollas

34' 3"

86.9

8,948.9

Consumption Aug 12 = 13,000,000 gal

July = 13,400,000

30
31
30
31
31
31

Apr 1 to Aug 1 = 134 days 1,130,000,000 gal loss

Office Aug 22, 1921

237

Mr. King:

In answering Mr. Treanor's letter, please write him direct sending me a copy and tell him that I did order the net safe yield.

The estimated cost of Otay - "Mr. Savage made the statement that the cost of Otay was approximately \$1,000,000 to the city, but this does not include the losses made by the Hellman Savings Bank of Los Angeles, or the loss made by Mr. Kennedy, or the loss made by the bonding company who bonded Kennedy, as well as the Colton people. I have been reliably informed that this cost is, roughly, \$400,000, or a total cost of the Otay dam is \$1,400,000.

BA Barrett - original estimate \$1,000,000, now thinks he can complete it for \$1,500,000.

E. F. & W. JOHN CO.

INCORPORATED

REGULAR INVESTMENT COMPANY

San Diego, Calif.

8/22/21

237

Hello Mr. Treanor: I am not fully ready for you yet; but almost.

(Repeated)

All right Now then

As to the capacity of the City's reservoirs--that is first--

Morena 47,000 acre feet capacity floods 1,376 acres

Barrett 47,800 " " " " 936 "

Lower 0.48 000 " " " " 1,215 "

Up. Otay I am unable to give you; but it is very small reservoir.

The net safe yield of the City system: The next in the letter was

the amount of water now in storage--that is, on Aug. 12th,

8,900,000,000 gallons. This is the total. Yes. (Repeat)

I can give you that on all if you want it.

Morena 4,900,000,000

Barrett is almost nothing 156,000,000 that is not available will not run out of the outlet.

Upper Otay 825,000,000 which is available.

Lower Otay 2,900,000,000 only a very small portion of which is available.

Chollas, which is a diverting reservoir, 86,000,000.

Did you get that? Yes. That is in Chollas. Just a small diverting res.

That information I have had here; but I misunderstood Mr. Fletcher.

You say it slipped his mind? He asked me for that; but asked me to

make a study of what would be in storage by the 1st of the year. I have

been so busy I thought I had'nt time ^{to make the study} that is the reason I didn't

tell him and he didn't let you know. It was up to me--not to him. I

want to clear him.

2

8/22/21

Treanor

Now; what do you consider the average daily consumption for the City of San Diego for 1921?

Last year it was 11,000,000. ^{Per Mr. Wangenheim} ~~secretary~~

I had that from the ~~clerk~~ of the Water Commission. But this year it seems to be running actually less for this reason: The City has

stopped springling the park roads and has curtailed the use of water in the City parks to a very material extent. (Repeated it)

And have stopped springling the roads in the park and notice that they have increased to a higher rate for water which has curtailed the use this year to under corresponding months of last year.

I am not able to tell you at this time how long the water will last for the City. Have not completed that study. Will write you that tonight. I will have it tonight.

Well, the rainfall; if we assume as having 1 normal year and 1 year approximately 1/2 normal, the rainfall almost balances the consumption.

So they would have had ~~the same~~ ^{in storage}

They would have the same water 2 years from now as now

If we could have 1 completely normal year.

If $2\frac{1}{2}$ nearly (?)

I will give it to you both ways.

Looks as if there would be in storage Jan. 1st something like 4 billion gallons--not sure about it yet.

Yes. ^{normal} 1 ~~nearly~~ Not in last 3 years. Slightly above normal in fact.

1920 we had about a normal runoff here.

Now then, next: The estimated cost of Barrett and Otay. Mr. Savage has made the statement to the City in the press that the cost of the Otay to the City was approximately \$1,000,000, but this does not include losses made by the Hellman bank, Los Angeles, nor the loss sustained by the contractor, Mr. Kennedy, nor the loss of the bonding company. Combined loss about \$400,000, so the actual cost of the dam would be about \$1,400,000, although the people only paid out about \$1,000,000 of that.

About Barrett: The estimate Mr. Savage gave out just before the 1st bond issue was \$1,000,000. Prior estimate for \$650,000. But he raised that just before the bond issue to \$1,000,000. Then he estimated \$1,500,000 to complete ? ? Then after that he said he could not complete it for \$1,500,000, but only partially ? ? ?

His last statement is he thinks he can complete it for \$1,500,000, the money last voted; but I think it very doubtful. I don't think he thinks so himself. His statement was something like this: He could finish the dam so it would impound water to the depth originally contemplated for \$1,500,000, but he could not put on all the frills and finish as intended to. What he means by "frills" nobody knows.

No; I don't, either. No.

Now; about the safe yield of the City system. Mr. Savage has made the million yield 9.2 gallons per day with all full, including Barrett. Mr. Charles H. Lee computed yield of the City system 6.1 million gallons daily, including a dam at Pine Valley, which is just above Barrett, which would

impound 1,500 acre feet--a little less than 1/3 Barrett capacity. When you cut this out, and it has been cut out

it will bring it down to 5 1/2 to 5 1/2 million gallons daily.

How's that?

With Barrett out entirely it would appear the safe yield of the City was not over 5 1/2 million gallons daily.

With a dam on the Pine Valley Creek, just above Barrett, impounding 1,500 acre feet, Lee made a study for the City which showed 6.1 million gallons daily.

Made by the railroad commission. I have no separate copy, but I can copy it from the records of the Cuyamaca. I think it would be less trouble to copy it here. I think I will have it done.

How often do the records show that the runoff for Cottonwood would fill the reservoir?

Depends on the rains.

Enough rain if in any one year.

No years, excepting 1916, when sufficient to fill a reservoir when empty.

Does that answer? 1916 is the only year. Yes.

Can you give me the total catchment of the City for the last two years?

I can, except in 1920. 1921 not complete. In 1920 City actually caught 18,000 acre feet. Cuyamaca caught 6,400. Sweetwater 14,900. Lake Hodges 14,600. All in acre feet.

I guess that fills the bill; doesn't it?

We only have a on the City system. Pretty nearly

right. We have not the final figures and can't get them. They are so particular-- not turning loose figures until checked and re-checked. So I have no final figures on that. Yes. I have not finished it--working that up. It will take a couple of hours to work it up.

Can I call you at 4:30? How late can I call you? Suppose I call at 4.

All right; I'll call at 4.

San Diego, California
August 23, 1921

Mr. John Treanor,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Mr. Treanor:

In reply to your letter of August 20th

and ~~your telephone conversation of the same date:~~
The total capacity and area flooded of the various City reservoirs is as follows:

Morena Reservoir	Capacity	47,000	Ac. Ft.	Acres flooded	1,376
Barrett	"	47,800	"	"	936
Lower Otay	"	48,000	"	"	1,215
Upper Otay	"	2,600	"	"	164

On August 12th, 1921, the City reservoirs showed

as follows:

	Gage Height	Contents in Million Gallons
Morena	117.25	4923.7
Barrett	47.94	156.4
Upper Otay	71.80	825.9
Lower Otay	77.59	2956.0
Chollas	34'-3"	86.9
Total		8948.9

Of the above amount, that contained in Barrett is below the outlet and in Lower Otay ^{2,334} million gallons are below the outlet, leaving approximately ^{6,458} million gallons ~~average~~ gravity supply. Mr. Fletcher asked me for this information and in addition the probable amount of water which would be in storage in the City reservoirs January 1st, 1922, and the

reason he did not send you the information was that I had not had the opportunity to make this study.

The average daily consumption for the City of San Diego, as nearly as can be checked from the report of H. N. Savage to the Water Commission ^{for} of the year 1920, seems to be 10.3 million gallons daily.

Taking into account some new figures which I got since my conversation with you, it would appear that the average daily consumption for 1921 will be about 10.7 million gallons daily.

Page Three

the loss made by the contractor, Mr. Kennedy, nor the loss made by the Bonding Company who bonded Kennedy, as well as the Colton people. I have been reliably informed that the total of these losses was, roughly, \$400,000, which brings the actual cost of the Otay dam to approximately \$1,400,000.

Mr. Savage made an original estimate on Barrett dam of about ~~\$600,000~~ ^{760,000} which he increased to \$1,000,000 just prior to the first bond election. His next estimate was made just before the second bond election when he made the statement that the dam could be completed for \$1,500,000. Shortly after the bond election it became common knowledge that Mr. Savage could not complete Barrett dam for \$1,500,000 and there would be in all probability another bond election required. The last report, however, is that Mr. Savage states that he can complete Barrett dam to the height to which it was originally intended to construct for the \$1,500,000, by leaving off all of the frills. Just what this means, I am unable to state.

Mr. Savage estimated the net safe yield of the City system, with Barrett completed and all of the reservoirs full, to be 9.2 million gallons daily. Mr. Charles H. Lee, now President of the State Water Commission, made a study of the City system with what is known as the Pine Valley dam in place of Barrett, the Pine Valley Dam being on Pine Creek just above the Barrett site and impounding ~~15,000~~ ^{15,000} acre feet or approximately one third of the Barrett

~~storage.~~ Mr. Lee's study shows a yield of 6.1 million gallons daily. While I have no authoritative study on the City system, without any storage at Barrett, I am convinced that the yield will ^{not exceed} ~~be approximately~~ 5 1/2 million gallons daily.

In answer to your question as to how often the records show the runoff of the Cottonwood and Otay would have filled all the reservoirs, I can say that the records seem to show that from 1887 to date, ~~that~~ the only year in which there was enough runoff to have completely filled an empty reservoir was 1916. How often the reservoir would have spilled under a net safe yield operation is another matter which I will have to write you about a little later. I am making a few graphs to show the operation of the City reservoirs and will be glad to give you the results of these studies as soon as completed. The total catchment of the City system for 1920 is 18,000 acre feet. The total catchment of Cuyamaca is ~~12,550~~ 12,550 acre feet, Sweetwater is 14,900 acre feet, Lake Hodges is 14,600 acre feet.

pear

The City manager of operations

Mr. Rhodes is the authority for the following statement as to the cost of Hodges water: Delivered to the City meter the cost is 10¢ per thousand gallons. Delivered into Torrey Pines reservoir the cost is 13 1/2¢ per thousand gallons and delivered at La Jolla ~~is~~ 18¢ per thousand gallons.

August 23, 1921.

Mr. John Treanor,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Mr. Treanor:

In reply to your letter of August 20th and your telephone conversation of the same date. The total capacity and area flooded of each of the various City reservoirs is as follows:

Morena Reservoir	Capacity	47,000	Ac.	Ft.	Acres flooded	1,376
Barrett	"	47,800	"	"	"	936
Lower Otay	"	48,000	"	"	"	1,215
Upper Otay	"	2,600	"	"	"	164

On August 12th, 1921, the City reservoirs showed

as follows:

	Gage Height	Contents in Million Gallons
Morena	117.25	4923.7
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Upper Otay	71.80	825.9
Lower Otay	77.59	2956.0
Chollas	34'-3"	<u>86.9</u>
		8948.9

Of the above amount, that contained in Barrett is below the outlet and in Lower Otay 2,334 million gallons are below the outlet, leaving approximately 6,458 million gallons

8/23/21

actual gravity supply. Mr. Fletcher asked me for this information and in addition the probable amount of water which would be in storage in the City reservoirs January 1st, 1922, and the reason he did not send you the information was that I had not had the opportunity to make this study.

The average daily consumption for the City of San Diego, as nearly as can be checked from the report of H. H. Savage to the Water Commission for the year 1920, seems to be 10.3 million gallons daily.

Taking into account some new figures which I got since my conversation with you, it would appear that the average daily consumption for 1921 will be about 10.7 million gallons daily.

On Sheet A herewith, you will find a study showing the estimated operation of the City system from Aug. 12, 1921 to Jan. 1, 1922. This study is based on a continuous supply from the Hodges system of 1,000,000 gallons per day and the purchase from the Cuyamaca system of 4,300,000 gallons per day up to Dec. 1, 1921. Since our conversation, I find that the City has requested the Cuyamaca contract extended to that date.

On Sheet B herewith, there is a study of the operation of the City system from Jan. 1, 1922. In all probability the run-off during 1922 will be much the same as the run-off during 1921. I therefore extended the study on the following premises, namely, the run-off for 1922 is assumed to be the same as 1921, as nearly as the run-off for 1921 can be arrived at at this time, and since the contract with the Hen-

8/23/21

shaw-Fletcher requires the City to take a minimum of 2,000,000 gallons a day, I have used this amount. I have not taken into account any water which might be gotten from the Cuyamaca Water Co., as you requested that the Cuyamaca be left out of the computation. As a matter of fact, however, for your information, I do not think the Cuyamaca can properly be left out, since even in the driest years there is always a very considerable run-off at the diverting dam, a large portion of which is diverted into Murray reservoir. The Cuyamaca can be depended upon to furnish the City from 3/4 to 1 billion gallons of water next year should an emergency exist. You are aware, of course, that the Cuyamaca Water Co. is at present pumping 3,000,000 gallons daily from the El Monte gravels, and by increasing their pumping equipment they could easily double this amount for a not too extended period, and should an emergency exist in the City something of this sort would unquestionably be done.

Mr. Savage made the statement that the Otay dam cost the City of San Diego approximately \$1,000,000, which is probably about correct, but this does not include losses sustained by the Hellman Savings Bank of Los Angeles, the loss made by the contractor, Mr. Kennedy, nor the loss made by the Bonding Company who bonded Kennedy, as well as the Colton people. I have been reliably informed that the total of these losses was, roughly, \$400,000, which brings the actual cost of the Otay dam to approximately \$1,400,000.

Mr. Savage made an original estimate on Barrett dam of about \$860,000, which he increased to \$1,000,000 just prior to the first bond election. His next estimate was made just

8/23/21

before the second bond election, when he made the statement that the dam could be completed for \$1,500,000. Shortly after the bond election, it became common knowledge that Mr. Savage could not complete Barrett dam for \$1,500,000, and there would be in all probability another bond election required. The last report, however, is that Mr. Savage states he can complete Barrett dam to the height to which it was originally intended to construct for the \$1,500,000, by leaving off all of the frills. Just what this means, I am unable to state.

Mr. Savage estimated the net safe yield of the City system, Barrett completed, starting his study with the assumption that all reservoirs were full, and stated as a result that the net safe yield was 9.2 million gallons daily.

Mr. Charles H. Lee, now president of the State Water Commission, made the study of the City system, with what is known as the Pine Valley dam, in place of Barrett. The Pine Valley dam was to be located on Pine Creek just above the Barrett site, and it was to impound something over 1,500 acre feet. Mr. Lee's study shows a net safe yield of 6.1 million gallons daily.

I have no authoritative study on the City system based on the assumption of no storage at Barrett; but assuming that Mr. Lee's result of 6.1 million gallons daily is correct, the net safe yield of the City system, with no dam whatever at Barrett, would probably not exceed 5 1/2 million gallons daily.

As a matter of record, the so-called Spreckels system has delivered to the City of San Diego from 1907 to 1920, inclusive, an average of 6,000,000 gallons per day.

In answer to your question as to how often the

8/23/21

run-off of the Cottonwood and Otay would have filled all the reservoirs, I can say that the records seem to show that from 1887 to date, the only year in which there was enough run-off to have completely filled an empty reservoir was 1916. How often the reservoir would have spilled under a net safe yield operation is another matter which will require a safe yield study to determine.

The total catchment of the City system, the Cuyamaca system and Lake Hodges for the seasons 1919-20 and 1920-21 to date are shown below. Sweetwater 1921 runoff is not yet available but I can probably send that to you a little later.

	<u>1919-20</u>	<u>1920-21</u> to date
City system	18,000 ac. ft.	3100 ac. ft.
Cuyamaca system	12,550 " "	3109 " "
Hodges	14,634 " "	1456 " "
Sweetwater	14,943 " "	----

Mr. Rhodes, the City Manager of Operations, is the authority for the following statement as to the cost of Hodges water: delivered to the City meter the cost is 10 cents per thousand gallons; delivered into Torrey Pines reservoir the cost is 13½ cents per thousand gallons, and delivered at La Jolla 16 cents per thousand gallons. This includes all costs and takes in the construction cost on the Henshaw-Fletcher pipe-line.

Yours very truly,

T. H. King.

THE:ME

cc-Colonel Fletcher.

ESTIMATED OPERATION OF CITY OF SAN DIEGO WATER SYSTEM

Aug. 12, 1921 to Jan. 1, 1922

Water in storage in various City Reservoirs, Aug. 12, 1921:

	Gage	Gallons in Storage	Gallons
Morena	117.25	4,923,700,000	
Barrett	47.94	156,400,000	
Upper Otay	71.80	825,900,000	
Lower Otay	77.59	2,956,000,000	
Chollas	34'-3"	86,900,000	
Total storage Aug. 12, 1921			8,948,900,000
Water in Storage not available except by pumping.			
Barrett		156,400,000	
Lower Otay		2,334,000,000	
Total unavailable water			2,490,400,000
Total available storage Aug. 12, 1921			6,458,500,000

Consumption

At 11 million gal. daily the total water consumed will be	$\frac{11,000,000}{1,000,000} \times 141 \text{ days} = 1,551,000,000$
Purchased from Hodges	141,000,000
Cuyamaca purchase to Dec. 1, 4,300,000 daily	477,300,000
Total outside supply	618,300,000
Required to be delivered from City system	932,700,000
Losses	
Delivered to City	= 932,700,000
Transmission losses 30%	= 400,000,000
Evaporation taken at depth of 48"	= 414,000,000
Total withdrawals	1,746,700,000
Total available Aug. 1	6,458,500,000
Total withdrawals	1,746,700,000
Available storage in City Reservoir Jan. 1, 1922	4,711,800,000

Study of City System for 1922

In Storage Jan. 1, 1922	4,711,800,000
Run-off same as 1921 (estimated)	1,350,000,000
<hr/>	
Losses	
Evaporation	1,600,000,000
Delivered to City	3,285,000,000
Transmission loss	1,408,000,000
Total withdrawals	6,293,000,000
<hr/>	
11,000,000 gallons per day =	4,015,000,000
From Hodges 2,000,000 daily =	730,000,000
Draft on City system	3,285,000,000
<hr/>	
Total in storage	6,061,800,000
Total withdrawals	6,293,000,000
Shortage	231,200,000

This means that the City system under the conditions outlined above, will be out of water early in December 1922.



RIVERSIDE PORTLAND CEMENT CO.

8TH FLOOR, CORPORATION BLDG.
724 SOUTH SPRING STREET
LOS ANGELES, CAL.

5 October 1921

October 24, 1921.

Mr. John Treanor, Mgr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Treanor:

The La Mesa District committee wishes you to put a price on the Sutherland dam and reservoir site, also rights of way and work completed to date; also riparian rights of diversion affecting the Sutherland dam.

They are talking \$500,000, payable \$100,000 down in the shape of six-percent bonds, as an option for five years to purchase at \$500,000, or in lieu thereof paying you one-half million in six-percent bonds for your present holdings.

Please give me something definite to talk to them on at your earliest convenience.

Yours very truly,

BT:KLM

Colonel Ed. Fletcher,
San Diego, California.

My dear Ed:

I talked over the Sutherland matter with Mr. Henshaw and Griffith. They think the minimum price we should make is \$1,000,000, including damsite and riparian rights. This is a conclusion that I fully agree with. Mr. Henshaw is also adverse to drilling Sutherland at the present time.

Answering the inquiry in your letter of October 10th, we have never been approached to sell Sutherland to the city, and do not care to agitate this subject with them at the present time.

Yours truly,

JT/NEM
Dictated but not revised.

October 28, 1921

Mr. John Treanor, Mngr.,
Riverside Portland Cement Co.,
Los Angeles, Calif.

My dear Treanor:

Answering yours of the 24th, will say that the La Mesa Irrigation District committee, in my opinion, will not put it up to a vote of the people to buy Sutherland until at least two or three holes are put down at Sutherland.

I feel you are making a great mistake in not putting down at least two or three holes to show them conclusively that bedrock is there, and you are taking no chances at all, in my opinion, for the bedrock is there, but those farmers want to be sure of it, and while the core drill is at Pamo it seems a pity that this work is not done, for I am very sure they will be satisfied with even two holes, say 50 ft. apart, near the bottom of the stream.

Yours sincerely,

EF:KLM

cc- Mr. Henshaw

July
22d
1920

Mr. John Treanor, Mngr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Treanor:

I certainly appreciated your explanatory letter of July 16th, and I particularly note Mr. Stevens' statement on Page 1, as follows:

"Henshaw's control rests upon the ownership of all available pieces of storage coupled with the ownership of large bodies of land which are irrigable".

I certainly hope that Mr. Henshaw's rights, either by appropriation or on Mr. Stevens' theory, are secured. *sound*
I am no lawyer and have no right to question Mr. Stevens' opinion, but offer the following feeble suggestion for the consideration of you all, the idea being to fortify and protect Mr. Henshaw's rights to the greatest possible extent.

Admitting for argument's sake that your theory is correct in relation to the tremendous cost to the people of Escondido to develop water, the fact remains they have a water filing before the water commission. It is known by the people of San Diego, it is a cloud on the title to Mr. Henshaw's rights, above, and should be wiped out if you are going to sell to the municipality of San Diego or an irrigation district.

Mr. Stevens will not deny but what the Escondido people have at present a water right based on usage of water by the Escondido people for the last 30 years. While the Escondido people were non-riparian owners they acquired the right by possession and usage, and they did not have to consult any riparian owners above or below. Is there any reason why the Escondido people cannot duplicate what they did thirty years ago?

Are you aware that they have doubled their diversion out of the San Luis Rey River? In fact, they have taken out twice as much water as their contract calls for between Henshaw and the Escondido Mutual Water Company, and have put it to beneficial use for the last six years for power purposes, and wasted it.

The question is, can you stop this continued usage of an excessive amount of water. Judge Henshaw says "Yes", in a written opinion, but there is still a doubt in my mind on that point. Then again there is a law in this state, which the people in the state of California by referendum have decided, that at the expiration of ten years any riparian owner who is not putting his water to beneficial use waives his right and makes it subject to appropriation by the non-riparian owner providing he puts it to beneficial use and to that extent the riparian owner thereafter can claim no damage. There is a tendency among the courts in this state to get away from that old riparian doctrine and determine that the use of water shall constitute the right, at least to a greater extent than in the past.

In other words, what I am trying to impress is that Mr. Henshaw is not putting that water on Warner ranch to beneficial use. He is not diverting it. I have urged him time and again to do so. Two dams, one costing \$2,000 and another \$5,000 will control two important streams. I have urged him to make those diversions, build six or eight little dams around the ranch, (he can get \$15 per acre cash rent for every acre of alfalfa he puts in,) and in that way he will be protecting himself against a non-riparian owner like the Escondido Mutual Water Company - but he is not doing it. The Escondido people are aggressive. They are using this surplus water now for power, and have for six years. It is a bad thing, this water filing, particularly if it is granted by the State Water Commission, for it gives the enemy ammunition with which to fight.

While at Escondido I heard that a committee from the Chamber of Commerce had been appointed, and that they had selected Lippincott and Wright to negotiate with the Volcan Water Company and get together on some basis. The two men who least appreciate and understand the magnitude of Mr. Henshaw's project and realize what has been accomplished to date, are Lippincott and Wright. I feel that they should be shown the map of the San Luis Rey river from one end to the other, showing the riparian rights acquired, the thousands of acres of land purchased, part of which has been re-sold. The very map itself shows thousands of dollars have been spent in the surveys alone. They should be shown the surveys for the conduit

line, the acquisition of Pamo, the Sutherland, of San Clemente, the surveys to the city from Pamo, the acquisition of the Linda Vista bonds, a map of every foot of the riparian rights and lands acquired from Pamo to the ocean; that it was all one scheme - that it was all planned years ago, as evidenced by our offer to the city, that what was spent on Pamo, the Linda Vista Irrigation District, even the Lake Hodges system, is all a part of the general plan, and that Senator Wright's statement is not true that we have been asleep at the switch, that the waters still run wild from Warners. I feel that we should convince them that it is all one system, that we can prove it in court, and that with the war and financial panic as a part of the excuse for not building the system, yet Mr. Henshaw has shown diligence enough in the prosecution of the work with his large cash investments and the purchase of the entire Warner's Ranch, so that any court will be convinced. If the matter is fully explained to them, Senator Wright will change his attitude, for he has told the people of Escondido publicly and privately that the Escondido people can go in there and appropriate that water, for Mr. Henshaw has not shown due diligence, and as stated before has been "asleep at the switch", and possession is nine points of law.

The burden of proof is on Mr. Henshaw. These Escondido people are going to be guided a great deal by what Lippincott and Senator Wright recommend to them, and we should concentrate on those two men, but we should do it quickly; a compromise should be quickly effected so that we can go before the people of San Diego, or a water district, showing that there is harmony between the Escondido Mutual Water Company and the Henshaw interests, and be in a position to deliver and furnish clear title to the surplus that the Escondido people do not want.

I had a long talk with the President of the Chamber of Commerce, Mr. Wright, who is the son of Senator Wright, and he admitted to me after hearing my explanation of Mr. Henshaw's activities and the amount of money involved in the Volcan Water System, that there was only one way out of it, that there was no use for litigation, that he was amazed to hear what had been accomplished and the mass of work, and he was now convinced they had to get together with some compromised agreement with the Volcan Water Company rather than force their water filing before the Water Commission. This

Page Four

was voiced by a dozen people after the meeting.

Am very anxious to hear from you as to how far along you have gotten, and of course, if I can be of any service in talking this matter over with Senator Wright and Lippincott, it will be a pleasure. But the main thing is quick action.

Yours very truly,

EF:KLM

cc- J. T.
G. H.
H. J. S.



RIVERSIDE PORTLAND CEMENT CO.

640 TITLE INSURANCE BLDG.

LOS ANGELES, CAL. August 27th, 1920.

Mr. Ed. Fletcher,
Fletcher Bldg.,
San Diego, Cal.

My dear Ed:-

Our conference with Mr. Stevens this morning, practically answers your letter of August 19th as to the sale of Mr. Henshaw's various properties in San Diego county. The understanding is as follows:

You are authorized to negotiate the sale of any and all properties in the San Louis Rey Valley below Warners, reserving riparian rights, of course. The terms of sale to be submitted for discussion and decision from time to time.

Warner's Ranch is definitely withdrawn from sale.

The Bernardo and Ward ranches are definitely withdrawn from sale.

It was specifically decided this morning that you would proceed to make an adjustment in the Wakeham property; pay five thousand dollars on the mortgage and procure an extension for as long a time as possible on the balance. You will of course proceed with negotiations for the sale of this property, reserving riparian rights.

Yours truly,

J.T.-S

RIVERSIDE PORTLAND CEMENT CO.
LOS ANGELES? CAL.

SEPTEMBER 1st, 1920

Col. Ed Fletcher,
Ed Fletcher Company,
Fletcher Building,
San Diego, California.

My dear Mr. Fletcher:-

Mr. Treanor has requested that I reply to your letter of August 30th, subject, - protection to San Diego County and the contractor for cement on the Julian job.

A few days ago I received a letter from Mr. Ernest White on this subject and wrote him that we would protect the \$2.30 price our mill on cement for the Julian job, even though deliveries were required after April 27th, 1921, stipulating, however, that a later convenient date be fixed as a delivery time limit, with the contractor, after the award has been made.

Trusting this settles the matter to your entire satisfaction, I am

Yours very truly,

LOREN BARTON

LCB-ES

Original sent to County Highway Commission 9-3020

September
16
1920

Mr. John Treanor, Mngr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Treanor:

Enclosed find copy of letter to Mr. Black, which is explanatory.

This is one thing that was not included in the contract between Mr. Henshaw and me which should have been.

I got these different people to use their rights to acquire these different properties under an agreement with Mr. Henshaw whereby Mr. Henshaw got his lands within the reservoir site free by paying the government fee, and on my part I paid all expenses of personal inspection on the ground of the different parties, including trips to Los Angeles and a whole lot of monkey business in proving up the title. Mr. Henshaw and I were to each own one-half of the lands outside the reservoir site. This I am sure Mr. Henshaw will confirm on his return.

It is a long winded proposition getting a certificate and patent, but in time we will be able to get it.

Yours very truly,

EF:KIM

September
25
1920

Dictated Sept. 23d.

Mr. John Treanor, Mngr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Treanor:

I had over an hour's talk today with Messrs. Spreckels, Clayton, his general manager, and Dilworth, his attorney and son-in-law.

I saw Mr. Clayton a week or so ago and in discussing the water question, I told him I would like to go over this matter with Mr. Spreckels, and he suggested that we all go over it together, so Mr. Clayton made the arrangements on Mr. Spreckels return from Honolulu, and I certainly enjoyed the talk with them today.

I called attention to Mr. MacMullen's attitude toward the Henshaw-Murray and Santa Fe interests. I distinctly stated that Mr. MacMullen had made many mis-statements of fact regarding my attitude in the matter of the sale of the Spreckels System to the City, in the matter of re-building of the Otay and Barrett dams, et cetera. I showed them your letter how the 25,000 barrels of cement would not have been sold to the city if it had not been for my personal efforts, thru you. I also produced a letter from Mr. Ernest White, their agent, corroborating your letter and my statement. I produced a written statement from M. F. Heller, the treasurer of the campaign in the sale of the Spreckels system to the city, where I had given \$50.00 in cash, and turned in four machines to help carry it thru, and before I got thru I think I convinced them all that my position had been mis-stated by Mr. Macmullen, and when I asked Mr. Spreckels if any of the gentlemen present had any personal animosity toward me, they answered, "None whatever", and Mr. Spreckels said the meeting would not have been held if he had felt any personal animosity - that he was friendly and appreciated what the interests I represent and I had done to help develop the county.

But, he was opposed to the district plan, and for the following reasons: That the Act under which we were proceeding was a vicious one; that he had been informed that we were instrumental in getting this legislation passed and that we were the ones behind the district. My answer was that we had nothing to do with the passing of this Bill thru the Legislation, that Marin County had the Act passed without any knowledge of either Mr. Henshaw or myself, and

that the Marin County Water District is now proceeding under that Act and that the Committee of Thirty, and particularly the sub-committee of five, including Davidson, Jones, Marston, Stearns and Porterfield, selected that Act and were the ones who were behind the district plan.

Mr. Spreckels seemed very much surprised when I furnished him this information, as Mr. MacMullen had undoubtedly told him, as he had told many others, that we were responsible for the act. I told Mr. Spreckels that I was sure the interests that I represented would be glad to proceed under any district act that Mr. Spreckels might select.

When Mr. Spreckels asked why we did not include our Linda Vista Meas lands in the district, I answered, "We made every effort to do so, but Mr. Jones' statement was that Mr. MacMullen only wanted to see water developed for domestic purposes and was opposed to have the Linda Vista lands in the district". This surprised Mr. Spreckels.

There is every indication that Mr. Spreckels will agree to some form of irrigation district in the near future and I am going up to see Mr. Clayton at his house to talk matters over within the next few days along this line. Mr. Spreckels said he was in favor of El Capitan, and as far as his interests were concerned that development would proceed. I called his attention, as a business man, to this fact, that the water would cost 20 cents a thousand gallons, or more, from El Capitan, that the development thru the Cuyamaca System would reduce the cost to 10 cents. He said if that was true then matters had been mis-represented to him. I told him I was only quoting from Government records, and he said he would be very glad to have a written statement from me of all the facts. This information I am going to furnish him.

I have just found out that thru McRea, the Scripps-McRea and Spreckels have entered into an agreement whereby the Sun says nothing derogatory about Mr. Spreckels and the Union and Tribune say nothing derogatory about Mr. Scripps. There seems to be a feeling of getting together. McRea is a personal friend of mine, believes absolutely in this district plan, but unfortunately his wife died yesterday and I cannot get in touch with him for some little time to let him bring things to a head here in San Diego. Mr. Clayton and I have never had a word between us, and he could not

speak nicer of any man than he did of me, and I am sure he is ready to go the limit to see if we cannot get together on some general plan of water development. Spreckels has invited me to see him at any time, and discuss anything with him of interest.

Things could not have been better when we parted, but the fact remains that at the present time Mr. Spreckels is absolutely committed to building the El Capitan dam. What they propose to do first is to build a pipe line from El Capitan to the city, and fill up Lower Otay dam with the flood waters in the winter, and when the city's finances permit, build the dam itself.

I understand the papers are being drawn up now by the City Attorney to start suit to condemn the El Capitan dam site. I informed Mr. Spreckels of certain facts which I hope will have some effect in changing his mind, but it is going to be a hard job.

Yours very truly,

EF:KLM

cc- G. H.

San Francisco, Calif.
Feb. 11, 1921.

Colonel Ed Fletcher,
San Diego, Calif.

Dear Colonel:

In answer to yours of February 7th, regarding the sale of the Cuyamaca System to the City of San Diego, will say that our opinion is that it is not worth waiting for the City of San Diego to buy the Volcan System. We must market that water in some other way, therefore, we had just as well let nature take its course as regards the Cuyamaca System.

My father would not consider buying the Cuyamaca System as a whole or your interest in it. He does not feel as if he wants to put any more money in San Diego County, so you have our consent to sell my father's interest in the Cuyamaca System.

Yours very truly,

GRIFFITH HENSHAW

March Sixteenth 1921

Mr. John Treanor, Mngr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Treanor:

In relation to the Cuyamaca Water Company contract with the San Diego Gas & Electric Company, Mr. Jones objects to the clause which he says has been inserted since he approved the contract. He refers to Article V on Page 6, third line from the top. He says someone has inserted the following:

"and for such privileges, rights or easements as are or may be given or granted to the Electric Company by the Cuyamaca Company as herein provided for"

Mr. Jones says he cannot accept the contract containing this clause, as under our original understanding they were to be granted all such rights paying therefor only for the use of the water at rates fixed by the Railroad Commission. The insertion of this clause intimates that some payment is to be made for such other rights in addition to the use of the water, and the gas company insist that this clause must be eliminated before they sign the contract.

This is perfectly satisfactory, if satisfactory to you. I see no reason why it should not be eliminated and the page re-written eliminating the above described paragraph.

There is another clause that should be added to this contract, in fact, the Railroad Commission will not approve it without its being put in. It is as follows: "This contract shall at all times be subject to such changes or modifications by the Railroad Commission of California as said Commission may from time to time direct in the exercise of its jurisdiction.

If satisfactory kindly confirm by return mail so we can get this matter off our hands.

Yours very truly,

EF:KIM

cc - Mr. Stur

March Eighteenth 1921

Mr. John Troanor, Mgr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Troanor:

Answering yours of March 17th, I acknowledge receipt of the statements of money invested in the Volcan project by Mr. Henshaw. The total amount that Mr. Henshaw invested in the Linda Vista District was less than \$200,000 in the purchase of bonds and the dissolution of the district. I believe the bonds alone cost \$160,000 but we liquidated \$50,000 of those bonds by taking over the lands within the Famo reservoir site under an agreement with the Board of Directors. About 80 percent of the assessments were paid, with the result that Mr. Henshaw got back within a few thousand of what he put in, considering the fact that he got 1200 acres of land from the Linda Vista Irrigation District at a cheap price, \$50,000 in bonds which cost him 50 cents on the dollar, or \$25,000.

The total cost of the Linda Vista Irrigation District loss could well be charged as the price of the 1200 acres of land which he acquired.

With the data I have received, I think I can get away with this thing. Will see you on my way North.

Very sincerely yours,

RP:KLM

cc- Mr. Henshaw



RIVERSIDE PORTLAND CEMENT CO.

8TH FLOOR, CORPORATION BLDG.
724 SOUTH SPRING STREET
LOS ANGELES, CAL.

March Twenty-nine 1921

Col. Ed Fletcher,
920-8th Street,
San Diego, Calif.

My dear Ed:

In response to your request for a definite price upon Mr. Henshaw's interest in the San Dieguito Mutual Water Company, of course you understand that I am not in a position to make a definite commitment as to price, but I will tell you frankly that I will recommend this sale for the sum of \$425,000.00; not that I do not believe Mr. Henshaw would make more out of the San Dieguito ultimately by keeping it, but I think it important to all his interests in San Diego County to advance construction on the Warner's project at the earliest possible date. This subject I covered in my letter to you a few days ago.

It seems to me that this is a situation where Mr. Henshaw's interests and those of the Santa Fe are truly mutual. It is my real opinion that the determining element in starting work at Warner's is the decision of the Santa Fe with respect to this San Dieguito sale.

Yours very truly,

John Troanor

JT:KLM

RIVERSIDE PORTLAND CEMENT CO.,

Los Angeles, Cal.

March Twenty-nine 1921

Col. Ed Fletcher,
920-8th Street,
San Diego, Calif.

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Yours very truly,

JOHN TREANOR

ORIGINAL IN SAFE

(Copy)

History

April 19, 1921.

Mr. John Treanor,
800 Corporation Building,
Los Angeles, California.

My dear Treanor:

I received a telephone call Monday night from Mr. Stearns, State Superintendent of Banks, to come up to Los Angeles on other matters, and I had breakfast with him this morning. I talked over with him the matter of financing the Warner's development. He has asked me to meet him in San Francisco next week, when the probabilities are he can give me a final lineup as to the manner of financing Warner's, which he can approve as State Superintendent of Banks, so that we can get the certification which the banks need in order to make the bonds readily saleable. After talking the matter over with Mr. Stearns, this is the possible method of procedure: If made a mutual water company or public utility, under the law could you get the certification of the State Superintendent of Banks, or the State Bonding Commission. The plan is to issue \$2,000,000 or \$2,250,000 of bonds, with the properties as mentioned in the State Engineer's report, together with Warner's Ranch, as security; that the State Superintendent of Banks will certify this bond issue as a land proposition, making the bonds available as savings bank securities. Say a million and a half bonds could be issued now, undoubtedly the Security Bank would be glad to accept their \$300,000 in bonds certified by the State Bonding Commission, or they could be paid off.

Mr. Stearns thinks he is in a position to help in the sale of these bonds. He would want as revenue the \$43,000 a year from the Warner Ranch, say \$60,000 a year from the sale of 5000 acre feet of the Escondido Mutual Water Company, (I think this can be materially increased); also \$75,000 a year from the power. It will not be necessary to issue at the present time, say the additional \$500,000 or \$750,000 in bonds, only \$1,500,000 at the present time, but we might as well get the \$2,250,000 authorized, and later on by making a contract with the city for 5,000,000 gallons of water a day we would have \$750,000 in bonds to build a pipe line to the city. As a matter of fact, if we can get a contract for 5,000,000 gallons of water a day with the city at, say 12¢, we would have no trouble in getting the State Superintendent of Banks, in my opinion, to approve a bond issue of \$2,500,000 along the lines outlined - possibly \$3,000,000. Mr. Stearns is very much interested and has promised to go the limit for us, and I will have something definite next week when in San Francisco.

Mr. Stearns asked me to go over and see Mr. Babcock, whom he thought would be interested in handling the bonds, or possibly

half of them. I did not know who Mr. Babcock was until I found it was the Blyth-Witter Company. Mr. Babcock said the matter had already been taken up by you with them, and that Mr. Blyth had decided that he could not see his way clear to become interested. However, Mr. Babcock did say to Mr. Stearns, in my presence, that by putting it through as a land bond it might be handled, and that he was personally very much interested and wanted to see it put over. Mr. Babcock asked Mr. Stearns if he, Mr. Stearns, would not see Mr. Blyth in San Francisco and present the matter of financing to Mr. Blyth as Mr. Stearns had presented it to Mr. Babcock, and he, Babcock, felt sure Mr. Blyth would be interested in it. Mr. Stearns has another method of financing independently of the Blyth-Witter people which he will outline to me next week. I am of the opinion that we are going to have no trouble in financing, and that we will soon be in the position of offering the City of San Diego 5,000,000 gallons of water a day on a firm contract at either 12 or 15¢ a thousand gallons, and I think we can get 15¢.

Yours truly,

ED FLETCHER

EF/HEM

(Copy)

July 27, 1921.

Mr. John Treanor,
Office of Riverside Portland Cement Co.,
Los Angeles, California.

My dear Mr. Trainor:

Since you were here our little committee has had one meeting. Unfortunately, several were out of town and it could not transact as much business as I hoped. Favorable consideration is being given to your proposition. It is hoped, however, as you undoubtedly inferred from the expressions in the meeting when you were here, that your company can limit the contract to 5,000,000 gallons per day for the first few years.

I am writing today particularly to correct a possible wrong impression I gave you concerning Col. Ed. Fletcher's relations to the Spreckels' interests. Mr. Hale and I were both of the opinion, as you will remember, that for tactical reasons, it would not be advisable for Mr. Fletcher to attend the meetings of the committee. We referred to the opposition that would develop, particularly from Mr. Spreckels and Mr. McMullen. I wish to say now that I feel I over-rated the importance of that matter. Rather to my surprise I find that both Mr. Spreckels and Mr. McMullen look with a great deal of favor upon the acquisition of some of the Fletcher holdings. At least, they feel that in any permanent settlement of the water problems the Fletcher interests must be reckoned with. As a matter of fact, nearly one-half of the water that is now being used by the city in the summer time, is drawn from the Cuyamaca system and the Lake Hodges reservoir, in both of which Mr. Fletcher has an interest. In talking with Mr. McMullen quite thoroughly about it not a word derogatory to Mr. Fletcher was said by him, and on the contrary, there was a pretty strong expression of interest in his activities. Since I saw you on the train McMullen has gone out to the Mission Gorge with Ed. Fletcher to see the reservoir site and get Fletcher's statements about it.

One of the reasons for this change of attitude is because Mr. O'Shaughnessy has written a letter to Mr. Spreckels in which he states that the development of the San Diego River system under Mr. Fletcher's management, has provided a very valuable water supply for the city of San Diego. I have a copy of that letter and he admits that a capital investment in the San Diego River system, one-half as much as has been put into the Moreno system, will procure as much water for this city as it is getting from the costly Moreno system. As Mr. O'Shaughnessy is the water engineer whom Mr. Spreckels has relied upon for many years, you will realize the authoritative value of this letter.

#2.

Col. Fletcher is giving me considerable information and I certainly think that this city is under very great obligations to him for his foresight, enterprise and hard work in conserving the water sources of San Diego County, so that in a dry year like this we can fall back upon them. We are receiving today over 6,000,000 gallons a day from Murray and Hodges reservoirs. Notwithstanding his interest in the Mission Gorge, he has both said and written to me that the city ought to secure first water from the Warner system.

Very truly yours,

George W. Marston.

- C O P Y -

THE MARSTON COMPANY

San Diego, Calif.

July 27, 1921

Mr. John Trainor,
Office of Riverside Portland Cement Co.,
Los Angeles, Calif.

My dear Mr. Trainor:

Since you were here our little committee has had one meeting. Unfortunately, several were out of town and it could not transact as much business as I hoped. Favorable consideration is being given to your proposition. It is hoped, however, as you undoubtedly inferred from the expressions in the meeting when you were here, that your company can limit the contract to 5,000,000 gallons per day for the first few years.

I am writing today particularly to correct a possible wrong impression I gave you concerning Col. Ed. Fletcher's relations to the Spreckels' interests. Mr. Hale and I were both of the opinion as you will remember, that for tactical reasons it would not be advisable for Mr. Fletcher to attend the meetings of the committee. We referred to the opposition that would develop, particularly from Mr. Spreckels and Mr. McMullen. I wish to say now that I feel I over-rated the importance of that matter. Rather to my surprise I find that both Mr. Spreckels and Mr. McMullen look with a great deal of favor upon the acquisition of some of the Fletcher holdings. At least, they feel that in any permanent settlement of the water problems the Fletcher interests must be reckoned with. As a matter of fact, nearly one-half of the water that is now being used by the city in the summer time is drawn from the Cuyamaca system and the Lake Hodge' reservoir, in both of which Mr. Fletcher has an interest. In talking with Mr. McMullen quite thoroughly about it not a word derogatory to Mr. Fletcher was said by him and on the contrary, there was a pretty strong expression of interest in his activities. Since I saw you on the train McMullen has gone out to the Mission Gorge with Ed Fletcher to see the reservoir site and get Fletcher's statements about it.

Copy also in ~~History~~ "Sale of Warner Water to City"
re: Mission Gorge 220-5

-2-

One of the reasons for this change of attitude is because Mr. O'Shaugnessy has written a letter to Mr. Spreckels in which he states that the development of the San Diego River system under Mr. Fletcher's management, has provided a very valuable water supply for the City of San Diego. I have a copy of that letter and he admits that a capital investment in the San Diego River system, one-half as much as has been put into the Moreno system, will procure as much water for this city as it is getting from the costly Moreno system. As Mr. O'Shaugnessy is the water engineer whom Mr. Spreckels has relied upon for many years, you will realize the authoritative value of this letter.

Col. Fletcher is giving me considerable information and I certainly think that this city is under very great obligations to him for his foresight, enterprise and hard work in conserving the water sources of San Diego County, so that in a dry year like this we can fall back upon them. We are receiving today over 6,000,000 gallons a day from Murray and Hodges' reservoirs. Notwithstanding his interest in the Mission Gorge, he has both said and written to me that the city ought to secure first water from the Warner system.

Very truly yours,

G. W. Marston

GWM:W



RIVERSIDE PORTLAND CEMENT CO.

8TH FLOOR, CORPORATION BLDG.
724 SOUTH SPRING STREET
LOS ANGELES, CAL.

August 27, 1921.

Colonel Ed. Fletcher,
San Diego, California.

Dear Ed:

I have your letter of the 26th, enclosing copy of the letter of August 8th that you refer to. I did receive this letter, and why it was not discovered in my files I do not know. My impression was that it came up in conversation once with Mr. Henshaw, and he asked me some questions regarding the lands concerned in the Mission Gorge and the prices, and I was not able to give him the information, and it was put aside with the intention of getting some more information from you, which, I think, has never been done.

Could you outline the proposition referred to in the next to the last paragraph of your letter, stating the price that Mr. Henshaw would have to pay for the half interest in the lands.

Mr. Henshaw was in Los Angeles several days ago and we had a meeting with Mr. Stevens, in the course of which he explained the responsibilities of a surviving partner. Mr. Henshaw asked Henry to go down and explain the situation to you. It is the same matter Henry brought up immediately after Mr. Murray's death. I am sorry I cannot go down with him, but I have been relegated to the hospital again for a small repair job which will probably keep me out of commission until the last or next week.

Yours truly,

JT/NEM

Dictated but not revised.



RIVERSIDE PORTLAND CEMENT CO.

8TH FLOOR, CORPORATION BLDG.
724 SOUTH SPRING STREET
LOS ANGELES, CAL.

James King

September 2, 1921.

Colonel Ed. Fletcher,
San Diego, California.

My dear Ed:

Thanks for the copy of Mr. King's report upon the city reservoirs. I am very glad to have this in my files.

I have read the carbon copy of Mr. King's letter of August 18th to the Board of Water Commissioners which you furnished me attached to your letter of August 30th. I will be very sorry if it goes to the Commissioners in this form, as it is calculated to make the Volcan offer seem undesirable. By giving the Mission Gorge project the benefit of every doubt, and refraining entirely from mentioning the complicated situation that will result when extensive pumping takes place above the reservoir, the whole scheme is made to seem very attractive and free from risk.

In its present form I regard the report as hurtful to Mr. Henshaw's interests. I hope you will not send it. I will be in San Diego the first of next week and at least hope you will defer action until we can have a talk.

Yours very truly,

JT/NEH

dictated but not revised

John Treanor

September
Second
1921

Mr. John Treanor, Mgr.,
Riverside Portland Cement Co.,
Los Angeles, Calif.

My dear Treanor:

I signed a contract which you and Stevens drew up, and that contract called within thirty days that either, by an agreed price or by arbitration, the quarter interest in the Tom and Jim Carrol, the Multon, and the Eucalyptus Culture tracts of land outside the reservoir site would be agreed upon.

I heard Mr. Henshaw tell you and Griffith to go down and fix the matter up. We went down, looked it over, and definitely agreed on \$4000 for the quarter interest to be applied to Mr. Henshaw's notes. This definite arrangement was entered into in your office in Los Angeles, and at that time you and Griffith both asked me to submit an offer for a quarter interest in the lands below the damsite. I submitted a written letter in relation thereto and sent a deed up for the signature. You had Griffith turn it over to Mr. Lees to check up and see that everything was legal.

It is now thirteen months since that contract was signed, and nothing has been done. I would like a definite statement as to where I am at in this matter.

An early reply will be appreciated.

Yours very truly,

P. S. I hope this is the last time you have to go in the hospital. I have decided to go in in October.

5 September 1921

Mr. John Treanor, Mngr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Treanor:

I was certainly surprised to get your criticism of Mr. King's report of the net safe yield of Mission Gorge. It seems to me this criticism could only come after an investigation by an engineer trained for this service. Mr. King I consider a thoroly capable engineer.

Mr. O'Shaughnessy has completely checked Mr. King's net safe yield study, and Mr. O'Shaughnessy's findings are 4.5 million gallons daily covering the ten dryest years.

Under separate cover I am sending to you and to Mr. Huber a complete study of Mr. King's investigations. That together with Mr. Lee's study on the San Diego River, which both Mr. Huber and Mr. Hawgood have, will enable them to make their own determinations and see whether Mr. King is right or wrong.

The San Diego River is not like the San Luis Rey. It has very little riparian bottom lands to serve, excepting between Lakeside and Mission Gorge, and the limited supply of irrigated lands there are taken care of by the San Vicente Creek.

Mr. King's net safe yield of the Cuyamaca System for the City Water Commission will be available in a few days.

Telephone me what day you are coming down this week.

I have tried for a week to get you to decide whether or not to move the core drill to Sutherland, as asked for by the La Mesa-East San Diego Irrigation District. This investigation should be made. It is a mistake to let this matter drift. The core drilling was completed at Mission Gorge Saturday, and it is a mistake to lose such efficient men to do the work as if we cannot give them work they will not be available. Several hundred dollars, in my opinion, can be saved by doing the work at Sutherland now.

Yours very truly,

EF:KLM

cc- C.H.
Wm.G.H.

Mr. Treanor took copy when here Sept 6th.

September 8, 1921.

Mr. John Treanor, Mngr.,
Riverside Portland Cement Co.,
Los Angeles, Calif.

My dear Treanor:

Inclosed find profile showing result of test pits and core drilling at Mission Gorge site, showing bedrock at the surface and for thirty feet down in one location in the center of the river. The core drillings show that at no point is there a necessity of excavating over 18½ feet. The average will probably not exceed 8 or 10 feet.

Very sincerely yours,

EF:AH

cc--Wm. G. Henshaw
cc--Griffith Henshaw



RIVERSIDE PORTLAND CEMENT CO.

8TH FLOOR, CORPORATION BLDG.
724 SOUTH SPRING STREET
LOS ANGELES, CAL.

14 September 1921

Mr. John Treanor, Mgr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Treanor:

I recommend the minimum prices on the following property, on terms, reserving the right to build the Warner's dam:

Hermens	27 acres	\$3,000
Peters	40 "	3,000
Wakeham	160 "	20,000
Bowman	120 "	10,000
Hooper	70 "	5,000
Bryan	220 "	13,500
Goldbaum	65 "	2,500
Anderson Tract at Bonsall	400 or 500 acres	17,500
Craig	270 acres	65 per acre
Ward Tract		32,500
Barnett Ranch		30,000
Chapman Tract		40 per acre

I suggest as terms, one fourth cash, and one fourth in one, two and three years, with interest at six or seven percent on deferred payments, and with a five percent commission.

Yours very truly,

EF:KLM

September 28, 1921.

Colonel Ed. Fletcher,
San Diego, California.

Dear Ed:

I am willing to present our side of the Lake Hodges leftovers to Senator Wright in person, or am willing to submit the subject to the arbitrators in a letter, which we can agree to. I will do whatever you think is most convenient and fair to both parties. Certainly I know that is all that both parties want.

Yours truly,

JT/NEM

September
Thirty
1921

Mr. John Treanor, Mgr.,
Riverside Portland Cement Co.,
Los Angeles, Calif.

My dear Treanor:

Answering yours of September 28th,
will say that I have appointed our attorney,
Mr. Crouch, and suggest that you come down
and with the arbitrators and myself, we will
go on the ground, and look it over, and then
in a few moments, I can present my side of the
case, you can present yours, and then let the
Board of Arbitrators decide what the value is.

If this is satisfactory, let me know.

Yours very truly,

EF:AH

November
Seventeenth
1 9 2 1

MISSION GORGE HOLDINGS
OF MR. FLETCHER

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

My dear Griffith:

As you know, there have been some discussions
about Mr. Fletcher's relations to Mr. Henshaw in
connection with his holdings on the Lower San Diego
River.

Some weeks ago Mr. Fletcher asked me to write
him a letter stating that his activities in that
direction have been explained to our satisfaction,
and that we acquitted him of any intention of using
those holdings in contravention of Mr. Henshaw's
interests. This letter was not written because of my
trouble with my foot.

Mr. Fletcher has presented me today with such
a letter as he would like in the premises, and so far as
I am personally concerned, I am willing to sign the letter
just as he has written it. Before doing so, naturally I
want your approval, and I forward it for that purpose.
Please let me know your opinion, and if you see fit, of
course, you will take the matter up with your father.

Sincerely yours,

J. Treanor

JT:KLM

November
Seventeenth
Nineteen
Twenty-one

Mr. Ed Fletcher,
San Diego, California.

My dear Ed:

After the full explanation by you of your activities in purchasing lands and damsites in Mission Gorge, that might be adverse to Mr. Henshaw's interests, will say that both Mr. Henshaw and I are satisfied that your action in making these purchases for your own account cannot be criticized by Mr. Henshaw or myself, as you were wholly within your rights.

In the matter of making a filing before the State Water Commission in Mission Gorge on your own property, I feel this is for Mr. Henshaw's interests as discussed with you this day, and I desire that said application be filed at an early date before the State Water Commission.

Very sincerely yours,

KLM

November 27, 1921.

Mr. John Treanor, Mngr.,
Riverside Portland Cement Co.,
Los Angeles, California.

My dear Treanor:

On Friday night Mr. Engel telephoned asking me to take him and Mr. Keefe, President of the Santa Fe Land Improvement Company, over the Volcan System Saturday, which I did.

We made a visit along the Escondido ditch Warner's, Sutherland and Pamo; also up the San Luis Rey River from Oceanside via Pala and returning home via San Pasqual, Bernardo and Camp Kearny.

All matters were discussed. Early in the day Mr. Engle was very positive that water for at least 15,000 acres around Vista should come from Warner's. Including 5,000 acre feet for Escondido, this would not leave a large amount of water for the city. Mr. Engel was very positive that if he bought our interests in the San Dieguito project that only 5 million gallons of water a day should go to the city, and let them develop another source of supply elsewhere.

I could see that there was no chance of making a deal with the Santa Fe if they insisted upon water for 15,000 acres going to Vista, and I particularly called his attention to the fact that, in my opinion, by paying 5 or 6 cents a thousand gallons for Warner's water at Escondido Ditch, plus a million and a half to bring it to Vista, the cost of water delivered at Vista, for irrigating purposes would not be less than 10 cents a thousand gallons; that in my opinion, water could be developed cheaper from the San Luis Rey by pumping, without the large investment; that the formation of the Vista district was slow; that only 1,000 acres had signed up and we had reached an em passe, and I did not think the Vista people were sufficiently progressive to go ahead and organize and develop water, that they are a dry farming community and new blood and new money was necessary before Vista would even take the proper initiative to acquire water.

Page Two/

I then called his attention to the Bernardo Ranch, which you control, 8,000 or 9,000 acres, including the Bernardo, Barnett, Hulton, Chapman, etc., that in my opinion the Santa Fe was sufficiently compensated by getting a contract from Mr. Henshaw to put 12,000 or 15,000 acres around Escondido under water, (that including 5,000 or 6,000 acres around Escondido by the mutual water company and the balance your own lands), letting the balance of the water go to the city.

Mr. Engel was under a false impression regarding Linda Vista Mesa. He thought an electric car line ran out to Linda Vista Mesa, and when I showed him it was wholly controlled by the Santa Fe, that there was a Santa Fe switch in there now, and that there were 4 or 5 thousand acres which we control that want water, and that I thot his best bet from the Santa Fe's standpoint, and from an economical standpoint was to let you put all of the water in Escondido, Bernardo, Linda Vista Mesa and the city, obligating yourself to put at least 12 to 14 thousand acres around Escondido under water, that the Santa Fe would be more than recompensed thereby. Mr. Engel seemed to have a change of heart, and I believe realized the force of my argument. My suggestion is that you talk these matters over with him along the lines above outlined.

He understands I am to be with the Governor for three or four days, but that I am to see him again in Los Angeles before he goestEast. My suggestion is that before I see Mr. Engel again you give me an outline as to the situation up to date. Unless you hear from me to the contrary, I shall be in Los Angeles next Thursday night and can see you Friday morning.

Very sincerely yours,

EF:KIM
cc- Mr. Henshaw



RIVERSIDE PORTLAND CEMENT CO.

8TH FLOOR, CORPORATION BLDG.
724 SOUTH SPRING STREET
LOS ANGELES, CAL.

December 1, 1921.

Colonel Ed. Fletcher,
San Diego, California.

Dear Ed:

After the full explanation by you of your activities in purchasing lands and damsites in Mission Gorge, that might be adverse to Mr. Henshaw's interests, will say that both Mr. Henshaw and I are satisfied that your action in making these purchases for your own account cannot be criticised by Mr. Henshaw or myself, as you were wholly within your rights.

Yours truly,

JT/NEM

copy

December 1, 1921.

Colonel Ed Fletcher,
San Diego, Cal.

Dear Ed:

After the full explanation by you of your activities in purchasing lands and damsites in Mission Gorge that might be adverse to Mr. Henshaw's interests, will say that both Mr. Henshaw and I are satisfied that your action in making these purchases for your own account cannot be criticized by Mr. Henshaw or myself, as you were wholly within your rights.

Yours truly,

(signed) JOHN TREANOR

Miss Fletcher has original in safe

cc to Mrs. W. E. Egan

Mission Gorge

December 7, 1921.

Mr. John Treanor, Mgr.,
Riverside Portland Cement Co.,
Los Angeles, Calif.

My dear John:

As agreed, I inclose herewith a copy of map showing ownership of my lands in Mission Gorge, including proposed damsites and lands flooded.

From maps that I have lately seen, Mr. Savage has selected this site as the probable damsite, if one is constructed in Mission Gorge by the City. The City officials waited on me last week and asked for a price for my holdings. I have not yet made a reply, and if I do, it is my present intention to ask them at least \$100,000 for the damsite and lands flooded to the 330 foot elevation which I control. As you know, I have personally spent nearly \$5,000 the last year in surveys, core drillings, etc. in Mission Gorge.

In order that Mr. Henshaw may know that I want to do the fair thing by him, if he is now interested in buying Mission Gorge, I would sell him a half interest in my present holding to the 330 foot contour, including the damsite, for the sum of \$20,000, \$2500 down and \$2500 each six months until paid, with 6% on deferred payments, and furnish a certificate of title showing the property free and clear of encumbrance, as of this date. If Mr. Henshaw is interested, I would appreciate an answer within two weeks from date. Will you please thank Mr. Henshaw for me for giving me a clean bill of health in the matter of my investment in Mission Gorge, as per your letter to me of December first?

The papers for the organization of the Linda Vista Mutual Water Company are complete and ready for filing. The cheapest water that ever could be put on the Linda Vista Mesa is from Mission Gorge.

To better protect my rights, I feel it is necessary to make a water filing before the State Water

Mr. John Treanor - 12/7/21 - 2

Commission in Mission Gorge. Before doing so, I feel that Mr. Henshaw should have the first opportunity to acquire half interest with me in the Mission Gorge proposition.

An early reply will be appreciated.

Yours very truly,

EF:AH

cc-Mr. G. Henshaw

P. S. My present holdings consist of an undivided half interest in Lot C., all of Lot B., all of the east half of Lot F., and all of that portion of E. as shown on said map herewith attached, the understanding being that I am only offering for sale that portion that will be flooded to the 330 foot contour.

E. F.



RIVERSIDE PORTLAND CEMENT CO.

8TH FLOOR, CORPORATION BLDG.
724 SOUTH SPRING STREET
LOS ANGELES, CAL.

December 16, 1921.

Colonel Ed. Fletcher,
San Diego, California.

My dear Ed:

Referring to your letter of Dec. 7th in connection with the Mission Gorge reservoir site, and your offer to sell a one-half interest in the same to Mr. Henshaw; we had a general discussion of the question when I was in San Francisco a few days ago, and all felt that it would be inappropriate for us to join in such an enterprise in view of our present negotiations with the city. We are convinced that the Committee with whom we have been meeting are working in the best of faith to reach a correct solution of the San Diego water problem, and having confidence in the advantages of our own proposal to them, we expect to be selected. Were we to join you in the Mission Gorge enterprise, it might bear the construction that we were trying to force their hand rather than to leave the question for settlement on its merits.

As to any proceedings which you may see fit to take before the State Water Commission looking to the protection of your personal interests in connection with the Mission Gorge site, we have no right to raise an objection, and will only ask that you make our position clear to interested parties at all times.

Yours truly,

JT/NEM

RIVERSIDE PORTLAND CEMENT CO.

December 16, 1921.

Colonel Ed. Fletcher,
San Diego, California.

My dear Ed:

Referring to your letter of Dec. 7th in connection with the Mission Gorge reservoir site, and your offer to sell a one-half interest in the same to Mr. Henshaw; we had a general discussion of the question when I was in San Francisco a few days ago, and all felt that it would be inappropriate for us to join in such an enterprise in view of our present negotiations with the city. We are convinced that the Committee with whom we have been meeting are working in the best of faith to reach a correct solution of the San Diego water problem, and having confidence in the advantages of our own proposal to them, we expect it to be selected. Were we to join you in the Mission Gorge enterprise, it might bear the construction that we were trying to force their hand rather than to leave the question for settlement on its merits.

As to any proceedings which you may see fit to take before the State Water Commission looking to the protection of your personal interests in connection with the Mission Gorge site, we have no right to raise an objection, and will only ask that you make our position clear to interested parties at all times.

Yours truly,

JOHN TREANOR

JT/NEM

Miss Fletcher has original in safe.

Mr. John Treanor, Mgr.,
c/o Mr. William G. Henshaw,
762 Mills Building,
San Francisco.

December
Nineteen
1921

My dear Mr. Treanor:

Enclosed herewith find statement showing the additional acreage that will be flooded, both 15 and 20 feet, - lands asked for by Mr. Hodges around Lake Hodges dam.

If you owned all of the lands, the 15 feet additional raise would mean that you would have to deed 504.2 acres. As a matter of fact they could not ask you to deed lands that you never did own. I refer particularly to the Fenton and the Foster tracts, which alone amount to 150 acres. Then, there are other small tracts, such as the government land that has been flooded, etc., so that the total acreage that you and I control jointly would only be about 344 acres, however, as under our agreement I own now a half interest in the Tom Carroll, Jim Carroll, the Nulton, the Chapman, the Eucalyptus Culture Company and one or two other government pieces. Mr. Hodges should not ask you to furnish these which I control under our agreement, however, you can rest assured I will leave it to Mr. Hodges to say what he thinks *it* is worth, so there will be no trouble on that score.

If he insists upon 20 ft., to a 330 ft. elevation, then your acreage would be slightly higher, probably 125 to 150 acres more, but my advice is to let them have it, providing the water company, at its own expense, moves all houses and barns, outside the reservoir site, also all fences.

I did think that it was of some value to have the right to farm lands that are not flooded within the reservoir site, but I question whether it is worth the taxes, and I do not believe Mr. Henshaw is holding much of an equity, and he might just as well deed the lands within the reservoir site as to give floodage rights.

Yours truly,

EF:KLM

cc- Mr. Henshaw

December 24, 1921.

Colonel Ed. Fletcher,
San Diego, California.

My dear Ed:

I have successfully negotiated the details of our purchase of various San Diego County properties from Mr. Henshaw.

First of all, we are each buying a one-half interest in the following properties for \$16,000, that is, for \$8000 each:

Carroll Damsite (Johnston)	\$1040.40
Carroll, Tom	1970.98
Carroll, J.B.	5481.68 —
Eucalyptus Culture	1011.50
Nulton	6495.44
	<u>\$16000.00</u>

The Nulton property is subject to a mortgage of \$2500, which we assume, and which is deducted from the above price of \$16,000, leaving the sum of \$13,500 to be paid to Mr. Henshaw, that is \$6750 apiece.

Next, we are buying the following list of properties upon this basis: I am acquiring a three-quarter interest and you are acquiring a one-quarter interest.

<u>Name of Property</u>	<u>Selling Price</u>	<u>Mortgages which we assume</u>	<u>Due Mr. Henshaw</u>
Anderson	\$12,500.00		\$12,500.00
Barnett	8,000.00		8,000.00
Bowman	12,350.00	\$1250	11,100.00
Bryan	8,800.00	7000	1,800.00
Calac	500.00		500.00
Chapman	3,000.00		3,000.00
Clancy	1,250.00		1,250.00
Craig	10,500.00		10,500.00
Gramman	750.00		750.00
Hermans	1,500.00	1000	500.00
Hooper	2,750.00		2,750.00
1/2nd McCray	1,250.00		1,250.00
Peters	2,000.00		2,000.00
Stevens, Lucy	12,500.00	10900	1,600.00
Stevens, Geo.D.	3,500.00	1300	2,200.00
Swaille	150.00		150.00
Utt	3,000.00		3,000.00
Wakeham	11,500.00	10000	1,500.00
Woodsley	1,500.00	500	1,000.00
	<u>\$97,300.00</u>	<u>\$31950</u>	<u>\$65,350.00</u>

Thus it appears that for your one-fourth interest upon the above properties you owe Mr. Henshaw \$16,337.50, and I owe Mr. Henshaw \$49012.50.

Adding in the sum of \$6750, which we each owe on the San Dieguito properties first listed above, we have the sum of \$23087.50 that you owe Mr. Henshaw, and the sum of \$55762.50 that I owe Mr. Henshaw for the two groups of properties.

This sum is to be paid as follows: Twenty-five percent down, we obtaining title to the property, 75% in 5 serial notes, due

December 19, 1921.

Mr. John Treanor, Mgr.,
Riverside Portland Cement Co.,
Los Angeles, Calif.

My dear Treanor:

Answering yours of December 16th, will say I thank you for same, as it clears up any chance of misunderstanding in relation to Mission Gorge, and I am indebted to you for helping to clarify the situation.

As I stated to you personally, I have been waited on by a committee of the City officials to make a price on my holdings at Mission Gorge. I have decided not to make a price on my holdings, but if the City desires same, I will let them have the option of purchasing the property at a valuation put on it by arbitration. I cannot afford to be put in a position of trying to hold up the City, as you well know; and yet I want a fair value.

I shall probably make the water filing in Mission Gorge at an early date.

Yours very truly,

BF:AH

cc--Mr. G. Henshaw.

one, two, three, four and five years from date, each for 15% of the purchase price, secured by mortgage on the properties. Mr. Henshaw has stated that he will grant a fair and reasonable release privilege. The 25% cash payment in each case will be charged to our accounts on Mr. Henshaw's books; (in your case it would be against the Guyamaca notes).

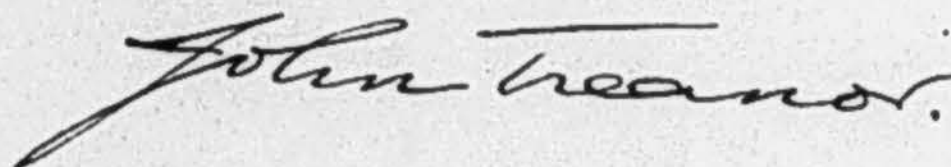
Of course you understand we also assume the mortgages on the second list of properties totaling \$31,950.00.

The above are the figures that you and I agreed to last Sunday morning, the sole change being that we dropped out the Ward property, which Mr. Henshaw did not care to sell at the price we offered.

I am sending a copy of this letter to Mr. Lees, who is attending to the details of the transaction, to be used as his basis for preparing the notes and charging our accounts.

Yours truly,

JT/NEM

A handwritten signature in cursive script, reading "John Treanor".

Ed Fletcher Papers

1870-1955

MSS.81

Box: 30 Folder: 18

General Correspondence - Traenor, John - 1913 - 1921



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