

Fletcher Company
FLETCHER BUILDING
920 EIGHTH ST.
SAN DIEGO, CALIFORNIA

AGENTS
PINE HILLS
DEL MAR
GROSSMONT

January 8, 1914.

Mr. Mathews:

Mr. Murray Has instructed me to have you pay this bill. Get a receipt from them and Murray will give you a check for same the next time he comes down. Ask him in relation to it.

Ed Fletcher.

EF-BK

January 13, 1914.

Mr. James A. Murray,
Ranier Grande Hotel,
Seattle, Wash.

My dear Mr. Murray:-

I am in receipt of yours of the 26th together with check for \$25,000.00 and thank you for same. This has been placed to the credit of the Guyanaca Water Company.

I am having a statement made showing the amounts of money necessary to pay up all bills to December first, from which date Messrs. Henshaw and I will put up our part of the money for improvements of the system. My desire is that you take a two year note for the money that you have advanced, being the indebtedness to December first. I feel you will be pleased with the repairs on the flume. I had Messrs. Hshelman and Lovcland out there looking over the system the day before yesterday and they are pleased with it. We are having slow work digging the trench for the pipe line as a great deal of it is blasting. The pipe is here. I am rushing the trench digging as fast as possible. Please write me by return mail stating approximately when you will be here, and oblige,

Very sincerely yours,

Ed Fletcher

EF-BK

I note what you say
you say you will get
Henshaw & yourself to sign
note with me's & don't want
any body to sign a note
with me & I don't care
for the money. But I
think we should & Mr Hazard
and Mr Lumber Co & Mr
Baker have work's made
enough on those contracts
to wait - awhile

you say to keep up
your credit

Now that is
intriguing to me, the
idea of keeping up
my ^{Co} (it's a joke)
Now don't borrow any
Money for the [expenses]
water to let them wait
and wait until I
am ready
When I come down again I'll
promise you there will be no
more debts & no more
letters written for Money!!!

Feb. 21, 1914

Mr. Jas. A. Murray,

Monterey, Cal.

Dear Mr Murray:

Enclosed find clipping that will be of interest showing the La Mesa district is waking up. The bond issue is \$2,250,000 instead of \$1,250,000; this has been authorized by the Railroad Commission, but they will never be able to sell their bonds I am satisfied.

Please be here before the 5th of March or send me some money as I will be right up against it by that time to pay the bills.

We are having all kinds of rain and the way the water is going to waste over the diverting dam now we could catch a year's supply for the city of San Diego in ten days. The San Diego River is quarter of a mile wide in places. Nearly all bridges are washed out between here and Los Angeles and the Santa Fe Railroad report no trains will come into San Diego for three or four days, possible a week. This letter will have to go out by boat. Telegraphic despatches state that the inner San Pedro harbor is all filled up with sand and the dredges are high and dry, with boats stuck in the bay and they will not be able to get out until a good deal of dredging is done. All the wharves are afloat and covered with water and sand. Cuyamaca Lake is rising rapidly, over 20 ft of water; La Mesa dam has 46 ft of water and will be filled easily before the first of April.

With kind regards,

Very truly yours,

JK

Monterey, California, March 19, 1914.

Mr. Ed Fletcher,
San Diego,
California.

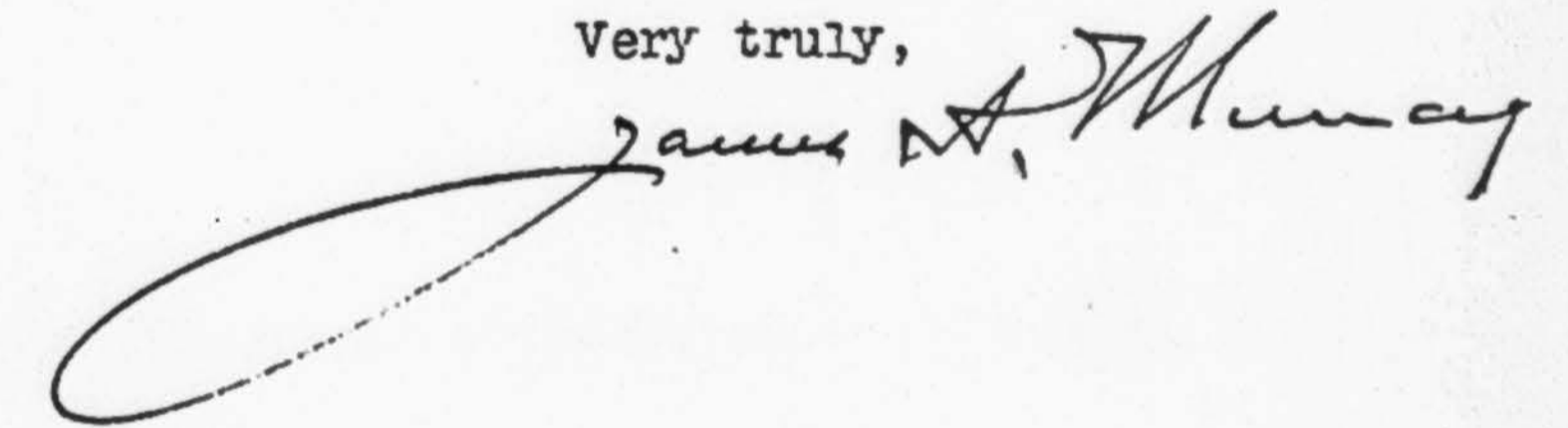
Dear Sir:-

Enclosed you will find draft for \$50,000.00 and also a blank note. I want you and Mrs. Fletcher to sign the note regardless of the other parties whom you claim to be the principals.

You will use your own judgment as to getting security from those parties as you and Mrs. Fletcher are the parties to whom I look to to make good, and I wish to impress upon your mind that when this note matures I will want it paid on the dot without any ifs or ands. I merely give you this notice that you may be able to protect yourself with the other parties as to security and promptness of payment.

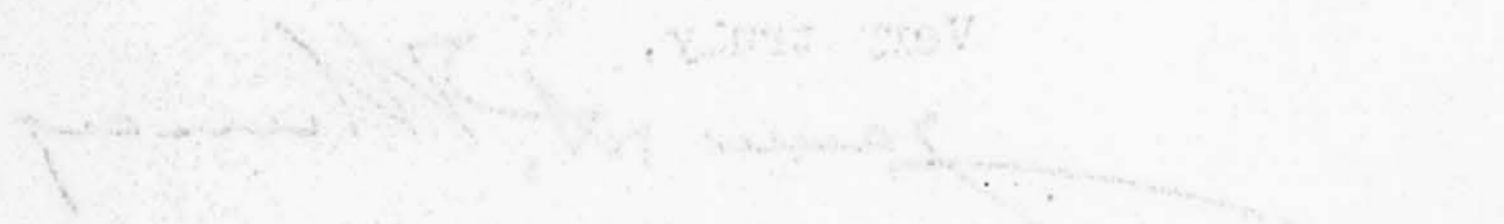
Very truly,

Dict.



Montreal, Quebec, Canada

Dear Sir,
I have the honor to acknowledge the receipt of your letter of the 14th inst. in relation to the above mentioned matter. I am sorry to hear that you are unable to pay the amount of the bill. I am sure that you will be able to settle the account as soon as you are able to do so. I am sure that you will be able to settle the account as soon as you are able to do so. I am sure that you will be able to settle the account as soon as you are able to do so.

Very truly,


5000000000
to
President of the Board
of Directors

Monterey, Cal., March 21, 1914.

Ed Fletcher,
San Diego,
California.

Dear Sir:-

Enclosed you will find check for \$15,000.00 for Cuyamaca expenses. Now I want this to be the last. If that thing don't pay fixed charges after this and running expenses, I will try and make a change and make it do so, as I am getting tired of working for twenty-five or thirty gentlemen looking at the sun to see when five o'clock comes.

You will ^{also} get a few barrels of that fire paint and ^{have} ~~that~~ those large trussels ^{sprayed} right away. It will be some protection at least.

And do not fail to let the Lama^a dam fill to within a foot of the top if possible if you can do so.

I may see you in Salt Lake on your way to Denver. If not, however, I do not suppose it will be the cause of an eclipse.

Very respectfully,

James A. Murray

Dict.

*Will be in Salt Lake on Tuesday
on my way to Salt Lake*

March 26, 1914.

Mr. Jas. A. Murray,

Butte, Montana.

Dear Sir:

Answering yours of March 21st, which I find on my return from San Francisco, will say I acknowledge receipt of your check for \$15,000 to be applied to the Cuyamaca voluntary assessment. While in San Francisco I gave you a statement showing all moneys expended in improvements since July 1st, 1913 exceeded \$180,000.; Our obligations still unpaid outside of the First National Bank being approximately \$45,251., on which you have paid \$15,000 this week, which brings the unpaid accounts down to approximately \$30,000. I gave you, while in San Francisco, a note payable to Alexander Murray of the Cuyamaca Water Company as you know for \$100,158.92 to pay all bills up to Dec. 1st, 1913, which was the date that Mr Henshaw and I commenced to put in our proportion of the cost of improvements, etc. Of course you understand that this includes the total cost of pipe line and flume; also the transferring of all services from the old line to the new. A note has been given you for all moneys advanced up to Sept. 1, 1913. Since then you have advanced \$116,000 in cash. The note given to Alexander Murray for approximately \$100,000 to pay all bills up to Dec. 1, 1913, when we start fresh, leaves \$16,724.92 to be placed to your credit on the new voluntary assessment. Both Mr Henshaw and I, each controlling a one-

Mr Murray

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twelfth interest here each paid \$5000 voluntary assessment. On this basis of assessments, your portion of the advance is \$50,000. You have already paid in \$31,724.92, leaving a payment of \$18,275.08 to be paid by you to equal the assessments paid by Henshaw and myself.

Kindly look over the statement and figures and if anything is unsatisfactory, let me hear from you at your convenience, but I am quite sure you will find everything O. K., as I have had the account checked over carefully.

The question of fire paint will be taken up immediately; I have already instructed Mr Post and Mr Harritt what to do.

It is almost impossible for me to go to Denver. If you care to go, I will be glad to have Governor Johnson appoint you delegate instead of myself; I want to stay right on the job here until it is cleaned up and cut down expense at the earliest possible date. I will be glad to have you go to Denver and represent San Diego County at the conference with Secy. Layne. Please let me hear from you by return mail if you will accept the appointment and I will have a commission sent you direct from Sacramento.

Very truly yours,

FK

May 12, 1914.

Mr. Jas. A. Murray,

Monterey, Calif.

My dear Mr Murray:

I had the Water Commission up to Boulder Creek and down past the diverting dam Friday and Saturday; things could not have gone better. They have requested us to immediately start putting side boards on the flume and get the flume in such condition by next winter when the flood waters come, the excess waters can be turned into the city and the city will take over the water and pay us for it providing by that time the city has not already bought our system.

The proposition that we have made the city which you read when in this office calls for the system in the condition it is on the 1st of May, 1914 and any expenditures made after the 1st of May shall be paid extra, so that if we sell to the city, we will get back our money that we expended in increasing the height of the flume, and if we do not, we will be in a position to sell them water from the 1st of December to the 1st of May. We are now selling water at the rate of \$275 a day and we will sell to the city at least ten or twelve thousand dollars worth of excess water this spring.

You instructed me to go ahead with increasing the height of the flume when you were here, but in a

small way. We are killing two birds with one stone when we do it. We are further protecting our water rights and we are putting ourselves in position to get a larger revenue in case we do not sell to the city, while on the other hand, if we do sell, we will be paid for the additional money we have put into the system since May 1st, so we cannot lose in any event. This lumber should all be purchased at once, it will cost ten or twelve thousand dollars, and in order to get the right kind of prices, we should pay cash.

Enclosed find letter from Baker Iron Works which came today. I should have at least fifteen or twenty thousand dollars to pay the salaries for April and have about \$1500 in the bank. Please send me a check for \$15,000 as I simply must have it to take care of these pressing bills. This will make you about even with Henshaw and I in the matter of voluntary assessment and Henshaw and I will put up our part of the debts thereafter if we can once get all the bills paid up.

small way. We are killing two birds with one stone when we do it. We are further protecting our water rights and we are putting ourselves in a position to get a larger revenue in case we do not sell to the city, while on the other hand, if we do well, we will be paid for the additional money we have put into the system since May 1st, so we cannot lose in any event. This lumber should all be purchased at once, it will cost ten or twelve thousand dollars, and in order to get the right kind of prices, we should pay cash.

Enclosed find letter from Baker Iron Works which came today. I should have at least fifteen or twenty thousand dollars to pay the salaries for April and have about \$1500 in the bank. Please send me a check for \$15,000 as I simply must have it to take care of these pressing bills. This will make you about even with Henshaw and I in the matter of the voluntary assessment and Henshaw and I will put up our part of the balance necessary to clean up all the debts thereafter; if I can once get the bills paid up, I won't ask you for another dollar.

Very truly yours,

EK

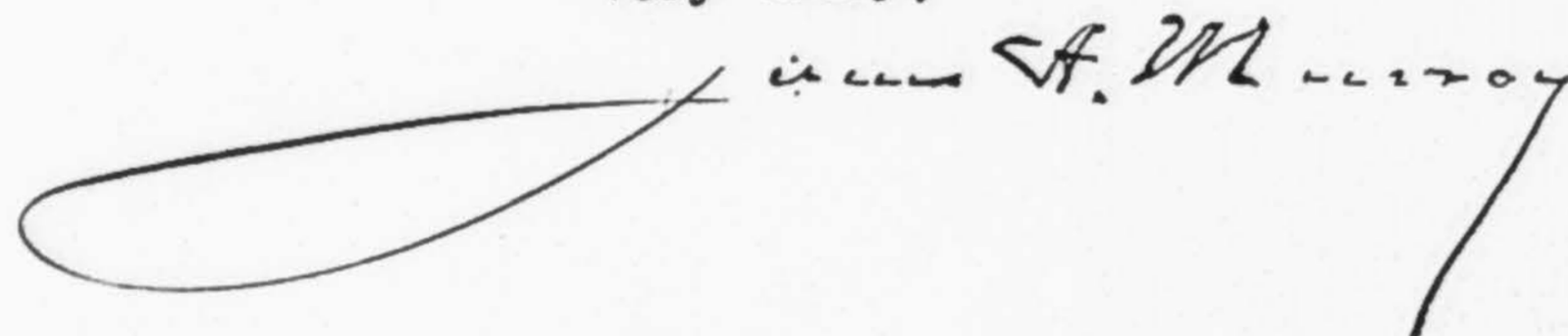
Butte, Montana, May 26, 1914.

Ed Fletcher,
San Diego, California.

Dear Sir:--

Just received your letter this morning relative to the Riparian owners and the City, and etc., In relation to this matter will say, I do not believe that the Riparian owners or the City of San Diego, or the Native Sons, have any rights prior to those of the San Diego Flume, and if they think they have, they are off, and that they have some more thinks coming, therefore, do not do any thing or say any thing that will jeopardize our rights in the least.

Very truly,



May 29, 1914.

Mr. Jas. A. Murray,

Butte, Montana.

My dear Mr Murray:--

I am in receipt of yours of the 25th; also check for \$4000. I am afraid the money has come too late to do any good, but if I can put the deal thru, I certainly will; if not, I will hold the money subject to your order.

I did not get any telegram from you in answer to mine. Enclosed find clippings that will be of interest. I received the signed papers alright.

It is a dead sure ~~fact~~ that we are going to sell both the Henshaw proposition and the Cuyamaca to the city; it has all been agreed to. We are going to make more money by not having tried to sell the Cuyamaca system to the city at the present time. I am sure we are going to get a physical valuation of between seven and eight hundred thousand, just for the physical value of the property alone. This does not include intangible values and water rights. Just as soon as we get a physical valuation on the property approved by the Railroad Commission, we will then be in a position to talk turkey to the city, and will easily get \$1,000,000 for our property, in my opinion.

The La Mesa people you remember voted

J. A. M.

-2-

\$1,250,000 in bonds to build the La Mesa District dam; they are now offering \$250,000 worth of bonds for sale. I got the city of San Diego to pass a resolution and later on they will probably take official court action that will block the sale of these bonds.

The situation never did look any better than at the present time. Let me know when you are going to be down this way again as I want to plan to spend a week in the Yosemite with Mrs Fletcher and the children and I want to be here when you are here, so I would like to know about when I could expect you down here.

Very truly yours,

F-K

June 2nd,
1914.

Mr. Jas. A. Murray,

Butte, Montana.

My dear Mr Murray:

I am in receipt of yours of the 28th and contents noted. I certainly was very successful before the Railroad Commission and Mr Eshelman. The following quotation, which means so much to us, is a copy of his testimony at the hearing:

Mr Eshelman's statement: "My position is, after being forced by the Supreme Court of the United States against my ideas on the subject, that in the hands of the Public Utilities Corporation water rights now have a value independent of the value they have as applied to the use of their consumers. Certainly where that agency has already sold those rights under those water right contracts, it doesn't still have them, but I want authorities on that subject and the matter is not foreclosed at all; but it is my present intention to take that position."

Now Mr Murray, it is true that the old Company sold some of our water rights and probably according to Eshelman's testimony we would not get credit for the old water rights that have been sold, but as regards the 3000 miner's inches of water which we filed on June 1st, 1910 and which we have been maintaining ever since, these rights

Mr Murray

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Eshelman tells me certainly have a big value. But I didn't want to go into this question at this time as we were not prepared for it and all I have asked for is for a physical valuation; Mr Eshelman having given his consent to allow us later on to make a new application so that the Commission can place a value at that time on our water rights. It seemed foolish to me that we should apply to the Railroad Commission to place a valuation on our water rights until we have actually raised our flume so as to divert the water that we claim and we should by all means get this work completed by raising our flume the entire length six inches to a foot and have it done by the 1st of December next. We will then be in a position to sell the city of San Diego water from the 1st of December until the 1st of the following May or June.

We sold the city of San Diego over \$5000 worth of water in April and nearly \$6000 worth of water in May and \$3700 worth in March, so you see we have actually sold \$14,000 worth of flood waters to the city this year. We could have sold much more if the city had only had a larger pipe; they have agreed to put in a larger pipe by the 1st of December next and I understand that they are going to ask us to have our flume in condition to furnish five million gallons of water a day from the 1st of December next, or just as soon as the flood waters come. This will mean over \$10,000 a month income for water all thru next winter.

The Baker Iron Works are coming thru in good shape and stopping all leaks. I do not expect to have

Mr Murray

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to draw a drop of water from Cuyamaca Lake until the 15th of June, possibly later. Harritt is painting two or three of the trestles at the present time.

Please write and tell me about when you expect to be here; I am leaving for a week with my family about the 20th of June for a trip into the Yosemite. I wish you could arrange to come down here before then. Cherries are ripe up in the mountains.

I am being asked on all sides to run for Congress but I do not intend to accept the nomination.

With kind regards,

Very truly yours,

F-K

June 3d,
1914

Mr. Jas. A. Murray,

Butte, Montana.

Dear Mr Murray:

Enclosed find copy of letter from the City of San Diego which is explanatory. If we raise the side-boards from six inches to a foot, we will be able to furnish the city of San Diego with its full supply for five months, and it ought to give us six or eight thousand dollars a month revenue. It is going to take from \$25,000 to \$40,000 to do it right but it should be done by all means for we will get all our money back in four months time and in addition, I am satisfied that we will have the system sold to the city before the 1st of December anyway if we want to.

I have no money to go ahead with the work and we ought to start immediately in order to get it done the 1st of December and do it right at the minimum expense.

When can I expect you in San Diego?

Very truly yours,

FK

Butte, Montana, June 6, 1914.

Ed Fletcher,

San Diego, Calif.

Dear Sir:--

Replying to yours several letters will say. They are all diplomatic, not only with the world generally, but with your humble servant, you may be going to night school.

Relative to raising the flume. I presume the sides are high enough now for all the water we have at present. I presume the sides will be raised sometime. As to your drawing water out of the Guyamaca by June 15th, that is all rot. I do not think it advisable to draw a drop out of it until the middle of July or the first of August, (unless it is absolutely necessary).

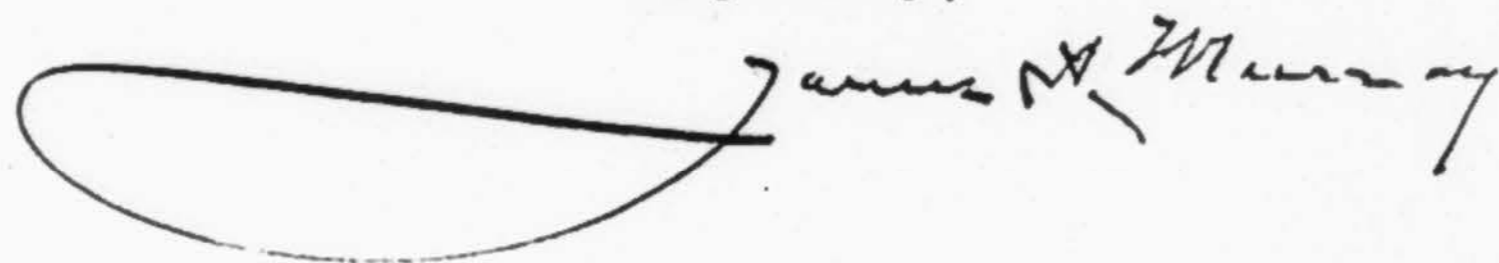
I dropped you a note from Hunters a few days ago, which you will doubtless have by this time.

I note that you are about to visit the Yosemite, why not continue your peregrinations to the Yellowstone National Park and kill two birds with one stone. You remember that you were to be a guest at Hunters Springs for an indefinite period of time. If you can make the above connections, I would like to have you let me know, so that I could be at Butte or the Springs upon your arrival. Should you conclude to make the trip, I would suggest that you come by way of Seattle, stop in Butte, if you choose for a little while, and go on to Hunters Springs, return to Livingston, go into the National Park by the way of Gardner, and come out by the way of

Monida, Pocatello, and Salt Lake, and return to the land of sunshine and liars by the Clark road. You could do it all in four weeks, and it would be the trip of your life, though you have made others.

Speaking of making the run. With the assistance of Johnson Eshelman, I think you would have a walk over, as I think Eshelman has more friends, than any man in California, and the opportunity might not present itself again in a life time. This is the Psychological Season, and don't get it into your head that things would not go along without your presence. Things would go along all right, if we were both dead.

Very truly,



SAN DIEGO, CALIFORNIA, June 2, 1914.

Mr. James A. Murray,

Butte, Mont.

Dear Sir:

Enclosed find clipping that will be of interest. The La Mesa Water District was going to sell today \$800,000 worth of bonds to build the dam above the Old Mission. If we don't block them now, and if they should by any chance sell those bonds and commence construction work it would mean that we would have a big expense on our hands to protect our water rights later on. What I refer to is the additional water rights which we filed on June 1, 1910. It cost us \$200 to get these riparian owners together and file the suit, but I am quite sure it will kill the sale of the bonds, at least for awhile.

June 4th
Enclosed find letter to the Water Commission *file*, which will be of interest:

When can I expect to see you here?

Very truly yours,

F-S

Not reviewed after dictation.

SAN DIEGO, CALIFORNIA, June 20, 1914.

Mr. James A. Murray,
c/o Bank of the Republic,
Salt Lake City, Utah.

My dear Mr. Murray:

The city Water Department, by letter, has officially asked us to undertake to serve the city of San Diego with their entire supply of water, commencing with the flood season in December and until next May, when the flood season ceases. This means five or six million gallons a day or an income of \$500 or \$600 a day if we will prepare for it.

The city council, including the mayor, unofficially have agreed to purchase the entire needs of the city from us if we are prepared to deliver it next winter. They will make an official contract with us if we desire it, but I don't ask them to do it officially, as it is not to our best interest, for it would then be common knowledge to the public, and we are liable to have litigation over it and be enjoined; whereas, if we go ahead quietly and make this improvement and get the water running through our flume once to the city, we will accomplish the same results, and further safeguard our water rights. It is going to take altogether between \$30,000 and \$40,000 to do this work right,

Murray,

-2-

but we will get our pay for it in three or four months, and it will be an invaluable water right to the Copacaca Water Company. We should start in on this work immediately.

Enclosed find copy of letter from Mr. Harritt which is explanatory. *(Refers to letter of June 19-1914)*

We have sold to the city altogether over \$12,000 worth of water the last three months, and it has certainly been a big item in helping us along up to the present time. Unfortunately, the city had a small pipe there which we had to run the water, with the result that we could only furnish from two to three million gallons a day, but the city has agreed to rectify this and put in a larger pipe to our main, so that we can easily furnish five or six million gallons a day this coming winter.

Please give me authority to go ahead with this work. I will have to have the money later on to pay these bills as the income of the company will not pay existing bills and keep up the expenses.

Copy of this letter has been sent to Mr. Haubert.

We ought to get to work on this immediately.

Yours very truly,

E-S

Not reviewed after dictation

SAN DIEGO, CALIFORNIA, June 22, 1914.

Mr. William G. Henshaw,
762 Mills Bldg.,
San Francisco, California.

My dear Mr. Henshaw:

The attached is explanatory, and for your information.

Very truly yours,

F-S

Not reviewed after dictation

Monterey, Calif. June 28, 1914.,

Ed. Fletcher,
San Diego, Cal.,

Dear Sir:

In reference to giving you an opinion on the Pocatello Plant will say, think it is wasting time as I don't believe you can accomplish anything along the line referred to. Were you dealing directly with that man Turner, you might accomplish something because I understand he is rather a bright fellow and wants to do about what is right, but he is surrounded by half a dozen mutts that couldn't do anything clean if they tried to.

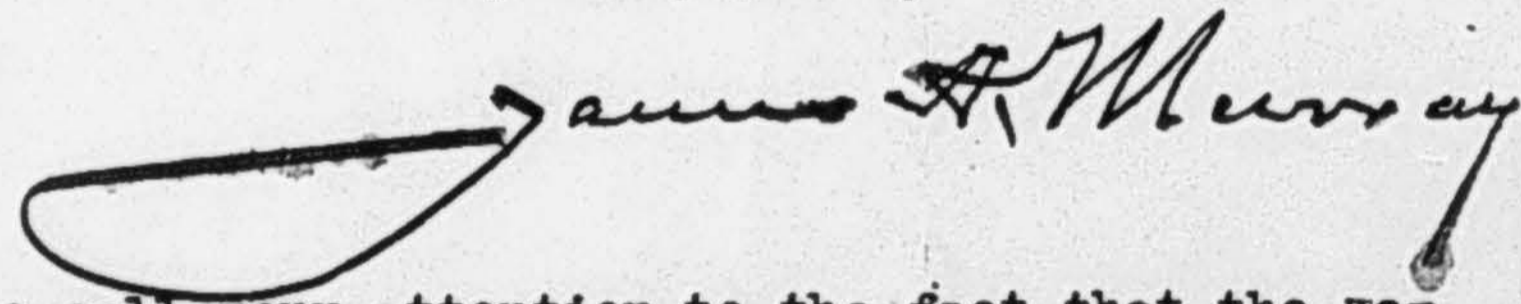
I don't think you understand the situation very well. Pocatello is liable to be a town of 20,000 or 25,000 inhabitants and it is no trick to get water enough to supply a population of 50,000 inhabitants if the consumers are metered, with the expenditure of very little money. Therefore, to the city, the plant is worth a million and a half. And were matters as they should be, I wouldn't care to sell for a million, knowing that it would be a good investment at such a figure. However, as I told you I have so many irons in the fire I was willing to get rid of some of them, and would make you this proposition. You can have the plant for \$325,000 cash, of course cash means ninety days, or even six months, or will sell it to the city for \$350,000.00 and take bonds. don't care whether

#2-

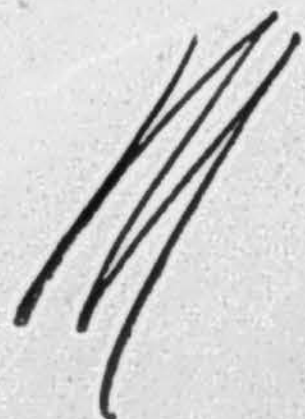
the bonds run for ten years or fifty.

Or, will arbitrate, as you once suggested, the city to pick a man, the water company to pick a man, and if they could not agree, we will allow a Hydraulic engineer of national reputation for a third party. or will allow Chief Justice of any state who is not interested in said matters to act as the third party. Of course there has been a lot of underhanded work done in relation to this matter, that I am cognizant of, and even now Utility commission orders certain work done, while at the same time the city proposes to put in an independent plant. But the Supreme Court of the United States will have something to say about those matters before we are much older, and whatever they say, we have to abide by.

Very truly yours,



N.B. I want to call your attention to the fact that the water furnished the people of Pocatello, has been analyzed more than once, and I believe it is the best in the United States.



July 1, 1914.

Mr. James A. Murray,
Monterey, Cal.

Dear Mr. Murray:-

I can buy an undivided half interest in 620 acres of land which runs to the center of the San Diego River above the Old Mission for about \$12 or \$15 an acre and probably a little less. It controls nearly a mile up and down the San Diego River through that canyon above the Mission and we can have lots of fun with the La Mesa Irrigation District or the City or any one. I would like to make an offer of \$3,500 cash and glad to have the Cuyamaca Water Company take it over. We can't lose a nickle on it and there being riparian owners below, we are always in position to make the other fellow a lot of trouble if there is any monkeying going on. We are just below the La Mesa Irrigation Reservoir site. If you care to, send me a check for \$3,500 and I will buy the property as cheap as I can and I am heartily in favor of the Cuyamaca Water Company buying the property. Of course a good deal of it is rough land, but I don't see how on earth we can loose a nickle on it and it may be a big advantage to us at some future time to block the other fellow's game. I would advise having it deeded to the Title Company and held in trust for Mr. Henshaw, you and I. Would advise you to send me down \$3,500 and let me buy this property for the Company's account.

Yours very truly,

EF-BK

SAN DIEGO, CALIFORNIA, July 5, 1914.

Mr. James A. Murray,
Butte, Montana.

Dear Mr. Murray:

The Water Commission of the state of California has handed down its decision recognizing our water filings on Boulder Creek, above Boulder Creek Dam, and giving us Permit No. 1, the first permit that the State Water Commission has ever given.

We have just received telegram that the U. S. Government has also recognized our right of way application and water filings, and in order to protect our filings we must go to work no later than the 15th of July and continue this work. This means that the upper reservoir site that you saw a year or so ago is the point of diversion at the present time, and the water from there can be run around by conduit into Tulley Reservoir, which you are to see next.

We will have to proceed immediately with the construction of a small diverting dam on Boulder Creek, at any rate, so I have ordered this work commenced in a small way and will talk this matter over with you when I come to Butte.

A copy of this letter has been sent to Mr.

Henshaw.

Very truly yours,

T-3

Hunters Hot Springs, Montana
July Tenth, 1914

Mr Ed Fletcher,
San Diego, California.

Dear sir:-

In relation to the water proposition will say; if you want it for yourself, or your people, you can have it at Four Hundred and Fifty Thousand Dollars (\$450,000.00) or if the City should want it they can have it at the same figure; or the Company is willing to arbitrate and abide by the decision of the arbitrators or they are willing to have a valuation placed upon it by the State Utility Commission.

The above proposition holds good for thirty days.

Yours very truly,

Lindsay
W. H. Henshaw
By *J. A. Murray*



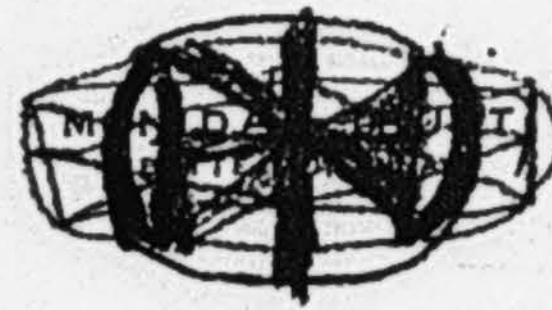
Hunter's Hot Springs, Montana July, 16, 1914.

Ed. Fletcher.

Sir,-

If agreeable to you we will sell the property purchased from the San Diego flume Co, now known as the Cuyamaca Water Co at a price to be placed upon same by the State R.R. Commission plus \$150,000, together with any money expended on the plant since July, 1, 1914. This proposition stands (so far as I am concerned) until Sept, 1, 1914. After said date this proposition will be null and void as time is the essence.

Yours very truly,



Butte, Montana, July 27, 1914.

Ed Fletcher,

San Diego, Calif.

Dear Sir:

Did intend to wire you to-night, but believing that writing would be more secretive. Just received a letter from a party in Le Masa who seems to be very much interested and desirous that the Le Masa district should purchase the Guyamaca system. However I would prefer that the City get a hold of it, every thing, being equal; as if they had the Guyamaca system and spent a few dollars on it, they could go to sleep, so far as furnishing of water for all time. As I may become a resident of that burg in the near future, I feel a little interested along those lines. However, it is a matter of business, so far as you and I are concerned, and as you have authority to act, until the first of September, why I would presume that it would be, first come first served, and as we do not require cash, I would suppose you would be able to do business with one of the parties. I would come down at once, if I thought it was necessary, but I do not think it is necessary, as my presence would not be very important. I may run down any time, but I hate to travel over the San Pedro at the present time, as there are so many flies.

Very truly,



Hunter's Hot Springs, Montana July 31, 1914

Mr Ed Fletcher
San Diego, Cal.

Dear sir:-

Replying to your wire will say - you have an option and can act along those lines. So far as the manner in which payment is to be made, that, I should judge would make but little difference; so far as I am concerned I would prefer bonds. I do not care whether they run twenty or fifty years. I would prefer to sell to the City on almost any condition rather than let those nuts at La Mesa have the property; if the city get the Cuyamaca Water System the La Mesa will be up a tree. Of course the El Capitan dam site goes with the system.

I can see that the guardians of the City's welfare are bright men; they are not looking after the present wants of the city but when it will have a population of four or five hundred thousand and while they are friendly to the owners of the Cuyamaca Water Company, they can afford to be, for they are getting a property for the city that will be worth at least Ten Million Dollars in ten years and all that will have to be done to make it worth Ten Million will be to build two reservoirs; again, they don't have to pay for it until they have collected double what it cost from the consumers.

If it is absolutely necessary for me to come down there I can start almost any day. I will be in Butte Sunday and Monday next and you may wire me there just what has been done.

You know they have called an election in Pocatello to vote \$400,000.00 bonds for the purchase of the present plant or to build a new one. I do not believe I will be able to do any business with them as the water alone is worth half a million.

^{rights}
Yours very truly,

SAN DIEGO, CALIFORNIA, August 20, 1914.

Mr. James A. Murray,

Hunters Hot Springs, Mont.

My dear Mr. Murray:

Have been expecting you every day. You certainly are a flea.

Am disappointed not to see you down here, for I need your advice. The Water Commission recommended the purchase of the Scripps ranch, and condemning the El Capitan Dam site, as you know. The City Council unanimously turned it down. This made the Water Commission sore. I made an offer to the City at a valuation to be placed by the Railroad Commission, plus \$150,000. Three members of the City Council are in favor of it. The Mayor is opposed to it in this way: He feels that we should put a price on our water system, and if the City does not like it then the City should condemn. He is in favor of securing it, but does not like the way we are going at it.

Enclosed find clippings that will be of interest. Boons has certainly gone the limit; also, Choate, one of the Water Commission who got turned down cold.

We are going ahead rapidly with our raising of the flume, so as to be able to furnish the City with water the first of December, whether they buy the system or not.

J. A. H.,

-2-

The City will decide within the next ten days whether they buy the system or not.

In the condemnation suit against Healion, a jury of twelve men fixed our friend Boone in good shape. I took them out on the ground, and they gave a judgment of \$722.50. The trial lasted five days. Boone ordered a jury, and they came from all over San Diego County, and he did everything he could to run the expense up. The cost of the suit alone, including jury expenses and court expenses, was over \$1000. That is the way Boone got back at us, by making it as expensive as possible. He accepted our money and did not appeal the case.

Have been out campaigning four days with Eshleman. He says I can do him more good than in any other way by forming Johnson-Eshleman clubs all over the state. I have started one here and one in Los Angeles. Will get away for a few days this coming month and take in the northern part of the state, as well. He has turned over Imperial County for me to handle, and I will spend a week there later on.

I shall just simply have to have \$5000 to clean up the payments on the flume, and the purchase of the lumber for raising the sideboards. Please send me at least \$5000.

Yours very truly,

F-S



Hunter's Hot Springs, Montana

August 26, 1914

Mr Ed Fletcher,
San Diego, California.

Dear sir:-

Just reached here and find your letter waiting me. I note in the enclosed clippings what Messrs Shoot and Boon say relative to the Cuyamaca System. Now I depended on you solely as to the value of this property and if it has no more value than those gentlemen placed upon it I have been deceived.

In conversing with a gentleman named Boone at the time ~~we~~ purchased this property, he, Boone, claiming to be an attorney and representing the San Diego Flume Company, which is now the Cuyamaca Water Company, stated to me that the property was worth more than a million and he being a lawyer is supposed to be a truthful man, so of course I took his word. Now then, since we purchased the property ~~we~~ have expended on the system more than \$400,000.00 and you say you need more money; now if the gentlemen whose names appear before me in the clipping are truthful men, and we should expend say - \$200,000.00 more, why the property wont be worth a nickle. I have read the statements of those two gentlemen and also the statements of yourself and Mr Sweet, and all that I



Fletcher # 2

Hunter's Hot Springs, Montana

will say relative to the matter is that there are no lies in the latter statements.

Now if lining thirty odd ^{Miles} of flume with rubberoid at the suggestion of four experienced men, who ~~was~~ ^{are} willing to put up a bond that it will last ten to fifteen years has no value, as against such experienced men as Shoot and Boone. why ~~we~~ have thrown away forty five or fifty thousand dollars. I cannot say whether the gentlemen referred to are rubber men or not, but I do not think I had better invest any money in San Diego County without consulting them. A man who is prone to lying is bound to overdo it sometime.

They inadvertently boosted your game; they admit that the El Capitan dam site belongs to the Cuyamaca Water Company, and almost in the same breath claim that with the expenditure of a few thousand dollars they could build a reservoir there that would hold twenty three billion gallons of water; now, if this is the case, the El Capitan Reservoir Site or Dam Site is worth a "dam site" more ^{than} ~~than~~ we are asking for the whole system.

I expect to start south shortly; will stay a day in Pocatello and one or two in Zion but will see you soon,
Yours very truly,
J. A. M.



Hunter's Hot Springs, Montana Sept 20th, 14

Mr Ed Fletcher,
San Diego, California

Dear sir:-

I have just read a very lengthy article in the San Diego Union by a man named Boone. Now if Boone is a truthful man, and all men are supposed to be truthful until they are proved otherwise (which in most cases it is not difficult to do,) the Cuyamaca Water Company, or its property, is easily worth Five Million. Evidently the article is intended as a knock but in some cases a knock is really a boost, and this is certainly one of them, and if his statement is true the El Capitan dam site is worth three times what we ask for the whole property. I am satisfied when I reach San Diego, which I hope will be in the near future, that we can dispose of this property to the Le Mesa bunch at almost any price we ask ~~for~~ but from the Boone standpoint I do not think we should dispose of it at any price.

I may send you a telegram in a few days which you may have published if you feel like doing so.

Yours very truly,

J. A. M.

Sept. 21, 1914.

Mr. James A. Murray,

Hunters Hot Springs, Mont.

My dear Mr. Murray:

I regret exceedingly to hear that you have had ptomaine poisoning, but I hope that by this time the pain has left and that you are on the road to recovery. I should like very much right at this particular time to have you here, but don't blame you, under the circumstances.

The city council are unanimous in approving the purchase of the Volcan system. An election will be called to purchase the Volcan within thirty days, and as soon as that election is called the city council are going to buy the Cuyamaca system by ordinance. It will not necessitate a vote of the people. Everything is coming our way.

Boone is making such a fool of himself that nobody will answer him. I don't see why the Union does not shut Boone off, but he is about the only one that is howling now. It will probably be the last of October before the city council will pass an ordinance buying the Cuyamaca, but I am letting them use their own judgment as to time. They agree with me that the city should own all of the damsites and reservoir sites in the county, and immediately, but they think it is better policy to wait until after the election is called on the Volcan before taking over the Cuyamaca. As stated before, the Cuyamaca will be taken over before the first of November, but the election to purchase the Volcan system, or to reject it, will not take place until December sometime.

Sweet is drawing up all necessary papers and contracts to protect our interests in the sale of the Cuyamaca system to the city, and if you are not coming down here within the next thirty days, I will go to Montana, so as to get the final contracts signed up individually.

Sometime ago, you told me that you would pay me a reasonable commission if I sold the Cuyamaca to the city. I take it for granted that you still feel that way. If I don't make good money for you I don't want a cent, but if I do make good money for you in the sale of the Cuyamaca, I would certainly appreciate a liberal commission for putting the deal through, and know that you will be fair with me in this matter. It has been a hard fight, and I have stood a lot of abuse. Right now it is hard for me to carry this thing through on account of lack of

J. A. M.,

-2-

finances. I am trying to stave everybody off that I possibly can until the system is sold or until we get a revenue from the city for the sale of water to them this winter.

By December 1, 1914, we will have the flume raised 8 inches the entire length - 36 miles - and in addition will have the flume relined on the sides, for the entire distance, with rubberoid roofing. This is going to cost considerable money, but is absolutely necessary, as the present sideboards on the flume are rough on the upper edge, and it is impossible to get a decent joint. The only leaks at all on our flume at the present time is at the joints where the bottom and the sides meet. I am putting in a 24-inch strip of rubberoid roofing the entire length of the flume on the sides and will lay over 6 inches on the bottom. If we hadn't lined our flume this spring, leakage would have been so great that we would have been out of water at the present time.

I have just installed a pumping plant in the El Monte, which was bought from Healion, for \$8,500. We find the wells are in pretty good shape, but will have to redrill six or eight of them. We expect to start in this coming week pumping about 500,000 gallons a day, and within 30 days to be pumping at least one and a half millions or two million gallons daily.

The pumps are being leased to the city, on the understanding that we will get what water we need for domestic purposes for Cuyamaca consumers.

It may be interesting to you to know that the city of San Diego has the last two years used all the water that fell on the water shed of 365 sq. miles, and in addition to that they have drawn on their reserve at the rate of 5,500,000 gallons daily every day since July 1, 1912.

Enclosed find clipping from today's Union that will be explanatory. Also clipping from last night's Tribune. Also map and statement published in the Sun.

You will remember that we offered to put in a pipeline and furnish water to the city of El Cajon, providing they would dig the trench and refill it. Our offer was made subject to the approval of the Railroad Commission. The City of El Cajon appealed to the Railroad Commission and have got their consent allowing the Cuyamaca Water Company to furnish the city of El Cajon with water, so it is up to us at an early date, and before we turn the system over to the city of San Diego, to put the El Cajon pipe line in. It will be up to the City of San Diego then to furnish the City of El Cajon with water.

This is also a matter of importance to you, individually, so that the El Cajon Valley lands that you own will always be supplied with water, and at city rates. The cost of this installation is going to be around \$4,000, but when the Railroad Commission puts a valuation on our system, of course, we will get the benefit

of the cost of digging the trench and all the labor connected with it, in addition to the cost of the pipe, so we will probably make a profit of about \$1500 to \$2000, by immediately making this installation.

It will cost easily \$15,000 or \$20,000 to put the flume in condition for flood waters this winter to the city. We will have to rebuild all the trestles, and furnish new stringers in many cases, in order to carry the extra load of water, for we are undertaking now to bring 2000 inches of water instead of 1000 inches, as previously carried, or double the load. It is absolutely necessary to do this to protect our water right, and it is money in our pocket, because the City of San Diego will take at least \$15,000 worth of water a month from us, just as soon as we are able to furnish it from these winter rains. The City tried their very best to get us to put up the money for the pipe line from La Mesa over to their Chollas line, but I turned them down, and the city is now calling for bids for pipe line at their own expense.

It will cost them over \$100,000, but they needed the water, and had to come to it.

In our sale to the city, the only way they can buy without a bond issue is to pay us \$10,000 down, and \$50,000 the first of January, and \$10,000 a month thereafter until 20% of the purchase price is paid. They will then allow us to bond the system for 80% of the purchase price, we keeping the bonds.

There is no use, in my opinion, in trying to sell to the La Mesa District. They have disposed of over \$200,000 worth of bonds for the purpose of building a dam in the San Diego River, just below the Scripps ranch. I am sure that our valuation is going to be in excess of \$1,000,000, and it is too big a proposition for the district to swing, unless we took \$400,000 or \$500,000 in bonds on a contract of purchase, turning the system over to them and let them sell the rest of their million dollars worth of bonds for cash and develop it, themselves. The deal with the city is certainly the best of all.

By the way, I still have the written agreement drawn up by the city attorney of Pocatello, for you to sign, in the matter of sale of your water system to the City of Pocatello. At my suggestion they called an election and voted the \$400,000 worth of bonds to take your system over, and are ready to agree to take it at a valuation set by the court, in condemnation proceedings. I can certainly help you in court there, in getting a good valuation, and is it not better to put the deal through along those lines?

Yours very truly,

F-S

W. H. H. H.
Oct. 10, 1914.

Colonel Ed Fletcher,

San Diego, California.

My dear Mr. Fletcher:

Until I advise you to the contrary, in writing, I, as one of the owners, am willing to sell the Cuyamaca Water System to either the City of San Diego or the La Mesa District, at a valuation to be set by the Railroad Commission of the State of California plus \$150,000, with interest at 6% per annum from July 1, 1914, together with any moneys expended on the system since that date.

Yours very truly,

F-S

GUYAMACA WATER COMPANY
SUCCESSORS TO
THE SAN DIEGO FLUME COMPANY
OFFICE, FLETCHER BUILDING
916 EIGHTH STREET, BETWEEN D AND E
P. O. BOX 1412

ED FLETCHER, MANAGER
LOU B. MATHEWS, SECRETARY
C. HARRITT, SUPERINTENDENT

SAN DIEGO, CALIFORNIA. Oct. 10, 1914.

Colonel Ed Fletcher,
San Diego, California.

My dear Mr. Fletcher:

Until I advise you to the contrary, in writing, I, as one of the owners, am willing to sell the Cuyamaca Water System to either the City of San Diego or the La Mesa District, at a valuation to be set by the Railroad Commission of the State of California plus \$150,000, with interest at 6% per annum from July 1, 1914, together with any moneys expended on the system since that date.

Yours very truly,

A. Murray

F-S

Oct. 14, 1914.

Mr. James A. Murray,
Monterey, California.

My dear Mr. Murray:

Enclosed find letter from Mr. Hazard, which is explanatory. Both Mr. Harritt, Mr. Post and myself feel that it is a mistake not to put a 24" strip of roofing along each side of the flume, so that 6" of it will lap over to make a tight bond on the bottom of the flume and also reinforcing the joint.

The weak point of our whole flume today is at the joints. If we put on a 12" of 18" strip over the crack between the new part and the old, there is not the proper bind, and the lower end will bulge up allowing the water to crawl up underneath and leak out. I am absolutely positive that we should have a 24" strip put on, but before doing so I want to hear from you.

Since you left will say that I have been told that there is no question but what the city will put in a pipe line as agreed, for they must have the water.

Please let me hear from you about this 24" strip by return mail.

Yours very truly,

F-S

Oct. 22, 1914.

Monterey, California, October 16, 1914.

Mr. Ed Fletcher,
San Diego,
California.

Dear Sir:-

City system in fact

Enclosed you will find check for \$5000.00 with which I propose to close the books. If the El Canon people will purchase the pipe, \$500.00 should be ample for digging trench and placing the pipe and back filling. And the remaining \$4500.00 should go a long ways towards finishing the flume if not completing it.

I received your telegram this afternoon and wired my consent for the sale of the El Monte, and when the papers are ready to be signed I will jump on the train and come down and sign.

Now you know I have stated to you on more than one occasion that it is not what a man takes in but what he pays out that counts, and I insist on cutting down the expense of the Cuyamaca Water Company to this extent:

Let all your engineers go; all your draughtsmen; also all your stenographers up stairs, as I take it that they are superfluous and the superfluity of paying them overweighs the popularity.

Now, I do not want to have to call your attention to this matter again.

Very truly,

Dict. M.

*We will cut out
the proposed work at
the Drinking Dam*

Mr. James A. Murray,

Monterey, California.
(Copy to St. Francis Hotel, San Francisco)

My dear Mr. Murray:

Enclosed find copy of letter from Mr. Harroun under date of October 20th, and copy of my answer, which is explanatory.

You have ordered me to discharge all engineers and draftsmen. It is utterly impossible for me to present our case to the Railroad Commission without the necessary help. I have not yet received any word from you what to do since I wrote you; but if the help is discharged, it will be necessary to move for a continuation of the hearing or have it withdrawn altogether.

Will you please see Mr. Harroun in San Francisco and go over this matter with him?

Yours very truly,

F-S

~~Cuyf~~

Oct. 24, 1914.

Mr. James A. Murray,
Monterey, California.

My dear Mr. Murray:

Mr. Crouch, the attorney for the City of La Mesa has been in to see me and said that he could make a sale to the La Mesa Irrigation District, satisfactory to us, of the Cuyamaca Water Company; that his idea is to enlarge the district and guarantee the bonds absolutely good and satisfactory to our attorneys. He said he wanted \$20,000 for putting the deal thru. I told him that if he put the deal thru satisfactory to us that we would pay him \$10,000, but under no conditions would we give an option, and that we were free at any time to sell to anyone we saw fit, without regard to him.

Crouch is a strong man. He came within an ace of getting the nomination for district attorney. He is a bright lawyer, and can put the deal through if any one can. I paid him \$150 for expenses to start the ball rolling.

There are two reasons why I have done this. One is that it will stir the City of San Diego up in the matter of the purchase of the Cuyamaca system, and the other is that way down deep I can't help but feel that the district ought to own that property, rather than the city, but, as we agreed when you were here, the first legitimate proposition that gives us our price I am in favor of letting it go.

I hope that what I have done meets with your approval, and I believe absolutely that it is a good thing in any event, for we are not tied up to anything unless we want to be.

Yours very truly,

F-S

~~Murray~~

Oct. 27, 1914.

Mr. Ed Fletcher,
Manager,
San Diego, Calif.

Dear Sir:

In answer to your request of recent date, asking for money to raise the diverting dam and build other dams, will say that, as you know, we are not now receiving, neither have we at any time received even enough money to pay operating expenses. Yet, we have in good faith spent, with the approval of the Commission, \$400,000 or \$500,000 in development of the system.

It is absolutely impossible to sell a bond under existing circumstances, for no bond house will consider it when they find out that our water system is not paying operating expenses.

I expect the Railroad Commission to put a reasonable valuation on the system, and establish rates that will enable us to sell bonds sufficient to properly develop the system. If they do this, you can assure the Railroad Commission that I will see that the Cuyamaca Water Company is properly financed for necessary future development for the conservation of flood waters.

Yours very truly,

Nov. 4, 1914.

Mr. James A. Murray,
Monterey, Calif.

Dear Mr. Murray:

The enclosed bill from Fairchild-Gilmore-Wilton Company, for \$240.63 came to hand this morning, being for assessment against your property, Lot I, Block 121, Horton's Addition to San Diego, and if not paid by November 3d a bond will issue to cover same.

You will note that the envelope is dated 11:30 p.m. Nov. 3d, and was received by us the morning of the 4th.

Kindly let us know whether you want us to pay this or if you will send your own check.

Yours very truly,
CUYAMACA WATER COMPANY,

Secretary.

H-S

Mr. James A. Murray,
Monterey, California.

My dear Mr. Murray:

It is necessary that I have at least \$10,000 or \$15,000 to pay the emergency expenses of the Cuyamaca Water Company. The flume should be relined by the first of December, and I will have to pay the weekly wages of the men. This is going to cost a large amount of money. The Gas Company bills should be paid, in order to save the discount. Mr. Sweet wants some money, as he has had nothing for nearly a year, and I ought to give him at least \$500.

There are a number of other bills coming on, including the pay roll, that I can't very well stand off, and I hope that you will relieve me of this worry about meeting expenses, by letting me have at least a check for \$10,000 to take care of the emergency expenses up to the first of December, anyway.

Yours very truly,
CUYAMACA WATER COMPANY,

F-S

Cuyaca

Nov. 10, 1914.

Mr. James A. Murray,
Monterey, California.

My dear Mr. Murray:

I am in receipt of yours of November 4th, and contents noted: also check for \$10,000.

I am going to show your letter of November 4th to the Railroad Commission. They might as well know just how we feel on the subject.

We have had an inch of rain the last twenty-four hours, but it rained more at Grossmont than it did at Cuyamaca Lake.

We are on a contract to put the pipe line into El Cajon. I will follow your instructions, and order the pipe at once.

Yours very truly,

E-F

WESTERN UNION

Form 2589

RECEIVERS NO.	TIME FILED	CHECK
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DAY LETTER

THEO. N. VAIL, PRESIDENT

SEND the following Day Letter, subject to the terms on back hereof, which are hereby agreed to

Nov. 10, 1914.

Mr. James A. Murray
Monterey, Calif.

La Mesa irrigation district last night passed resolution authorizing purchase Cuyamaca system. Have contract stating terms and conditions now in my possession. Please come earliest date possible. Several important conditions to decide rate hearing etc. before Commission. Wire when you will be here.

Ed. Fletcher

(Chg Ed. Fletcher)

Dec. 1, 1914.

Mr. James A. Murray,
Monteray, California.

My dear Mr. Murray:

I am sending out notices to the stockholders' of the meeting to be held January 5th, 1915, on the direaction of Mr. A. H. Sweet. Is it necessary for us to go ahead and hold this meeting since there has been other changes?

Kindly advise me as early as convenient,
and oblige,

Yours very truly,
CUYAMACA WATER COMPANY,
By _____
Secretary

LHM:BB

Dec. 23, 1914.

Mr. James A. Murray,
Monteray, Calif.

My dear Mr. Murray:

I wonder if you realize the "Hell" I am going thru in trying to finance the Cuyamaca system at the present time. It is doing me a great injustice, and it is losing you from fifty to a hundred thousand dollars, as well. If I am not relieved of this burden of financing, and given an opportunity to give my time and energy in the presentation of the case to the Railroad Commission it means a rotten presentation of the case, and the loss of a large amount of money. The La Mesa Irrigation District have hired Mr. Earl, former Chief Engineer of the State Railroad Commission, as their Civil Engineer, and Mr. Docwilder, of San Francisco, one of the best highway engineers of the state. We must have our case perfected and presented properly, and to do this it is going to cost at least five thousand dollars between now and the fifteenth of February. If we do not do it, it will be a criminal waste of money.

Since Mr. Henshaw came into the Cuyamaca Water Company Mr. Henshaw and I have kept up our assessments and you should pay in \$12,500. in order to keep your share of the assessments. I can get no more money out of Mr. Henshaw, cannot absolutely borrow a dollar from the banks, and there is no money, whatsoever, to pay the December pay roll.

To give you an illustration of how the banks

Mr. Murray -2-

are in this city: Six months ago the Merchants National Bank had \$2,400,000. in deposits and had loaned out \$1,800,000. Today it has loaned about \$1,800,000. and its profits are only \$1,600,000; in other words it has loaned out \$200,000. more than its total deposits, and if it wasn't for the fact that it has \$600,000. in reserve, \$200,000. of which of which is loaned, it would be a busted bank.

The flume work is done, and no money to pay off Mr. Hazard. It isn't so much the matter what we owe, that is worrying me, but by spending from six to eight thousand dollars I can get an increase in valuation from seventy-five to one hundred thousand dollars both for a sale as well as a rate hearing valuation. For illustration: The El Monte pumping plant standing as it is will probably get a valuation of from ten to twelve thousand dollars; put in three thousand dollars more, so as to have the pumping plant pumping two million gallons of water per day, and this is the result.

First: We prove one hundred per cent efficiency for our system, and we will never be short of water again at any time of the year. This is worth at least from fifty to one hundred thousand dollars to us, and you will remember that because it was not efficient two years ago the Railroad Commission deducted \$23,000,000. from our total valuation.

Second: By having the El Monte pumping plant in first class shape we can get full value for those eighteen wells and the complete pumping plant together with the value of the land itself will give you at least a valuation of \$40,000,000., say nothing of water right values to be added or from thirty to forty thousand

Ed Fletcher Papers

1870-1955

MSS.81

Box: 19 Folder: 6

General Correspondence - Murray, James A - 1914



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