POSTAL TELEGRAPH - COMMERCIAL CABLES

RECEIVED AT OME 2211 SUNSET MA

EGRAM

DELIVERY No.

The Postal Telegraph Cable Company Incorporated transmits and delivers this message subject to the terms and conditions printed on the back of this blank

Z Sacramento Calif Apl 23, 1915

43 Gs V 8 collect DESIGN PATENT No. 40529

1234 pm

Ed Fletcher

San Diego Cal

bridge refund unanimously

Senate today.

Edgar A Luce.

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POSTAL TELEGRAPH - COMMERCIAL CABLES

RECEIVED AT

TELEPHONES HOME 2211 SUNSET MAIN 82

DELIVERY No.

*15-65

The Postal Telegraph-Cable Company (Incorporated) transmits and delivers this message subject to the terms and conditions printed on the back of this blank.

DESIGN PATENT No. 40529

49 gs o 19 Collect 5 pm

Z- Sacramento Calif Apr 28 1915

Ed Fletcher

San Diego Cal if

Yuna road bill appropriating one hundred thousand dollars passed favorably out of assembly committee last night Spread news

Edgar A Luce

Henry Con Top vor

M.A. LUCE

EDGAR A. LUCE

LUCE & LUCE ATTORNEYS AND COUNSELORS AT LAW SUITE BO3 WATTS BUILDING SAN DIEGO, CALIFORNIA

August 12, 1915.

Ed. Fletcher, 916 8th St., San Diego , Calif.

My dear Fletcher:

The La Mesa Irrigation District has submitted to me your three letters of date August 10th and 6th, and have requested that I answer them as the legal advisor of the District. The three letters can well be answered by the simple statement that we expect you to abide by the terms of the contract, and that we shall certainly insist upon the fulfillment of the terms of the contract to the letter.

In regard to your letter of August 6th, we are perfectly willing at any time to unite with you in having the State Commission approve the bonds. We desire, however, to call your attention to the fact that such approval is not, under the terms of the contract, a condition to be fulfilled before the system is transferred to us. The approval of this commission in no way effects the validity of the bonds, but merely makes them security for the deposit of public money. Therefore, such approval may be had any time, but we do not expect to secure such approval before the transfer of the property is entirely consummated.

In regard to your letters of August 10th, we will state that the fact that an action has been brought against our District by the La Mesa Homes Company in no way effects the transaction under the terms of our contract with you. We agreed to furnish with the bonds an opinion of Dillon Thomson & Clay as to their validity. This we are ready to do and it should be sufficient. It of course would be impossible to guarantee the bonds against a suit or attack by other persons, and such action can in no way effect our contract. For your own information, however, we will state that the Supreme Court of this State has decided that incorporated Cities may be included within the boundaries of an Irrigation District. We are, therefore, confident that there is no merit in the suit instituted by Judge Boone.

In regard to your second letter of August 10th intimating that you would bid ninety cents on the dollar for the bonds or that the District would in some way discount the bonds in transferring them to you, we would like to call your attention to your contract with the District in Section Third of which you agreed to bid par for the bonds and for an amount of bonds equivalent to the amount fixed by the Railroad Commission as the value of your system.

POSTAL TELEGRAPH-CABLE COMPANY COMPANY THE COMMERCIAL CABLE COMPANY



THE GREATEST TELEGRAPH AND CABLE SYSTEM IN THE WORLD.

EXTENDS OVER TWO-THIRDS OF THE WAY AROUND THE EARTS.

THE POSTAL TELEGRAPH-CABLE COMPANY (INCORPORATED)

TRANSMITS AND DELIVERS THE WITHIN MESSAGE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

To guard against mistakes or delays, the sender of a message should order it REPEATED: that is, telegraphed back to the originating office for comparison. For this, one-half the regular rate is charged in addition. It is agreed between the sender of the message written on the face hereof and the Postal Telegraph-Cable Company, that said Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any understand message, beyond fifty times the sum received for sending the same, unless specially insured, nor in any case delays arising from unavoidable interruption in the working of its lines, or for errors in cipher or obscure messages. And this Company is hereby made the agent of the sender, without liability, to forward any message over the lines of any other Company when necessary to reach its destination.

Correctness in the transmission of messages to any point on the lines of the Company can be insured by contract in writing, stating agreed amount of risk, and payment of premium thereon, at the following rates, in addition to the usual charge for repeated messages, viz.; one per cent, for any distance not exceeding 1,000 miles, and two per cent. for any greater distance.

the Company for transmission.

This is an UNREFEATED Message and is transmitted and delivered by request of the sender under the conditions named above. Errors can be guarded against only by repeating a message back to the sending station for comparison.

The above terms and conditions shall be binding upon the receiver as well as the sender of this message.

No employee of this Company is authorized to vary the foregoing.

CHARLES C. ADAMS, VICE-PRESIDENT.

CLARENCE H. MACKAY, PRESIDENT. EDWARD REYNOLDS, VICE-PREST. AND GENERAL MANAGER.

CHARLES P. BRUCH, VICE-PRESIDENT.

V 80 62

POSTAL TELEGRAPH-FASTEST SERVICE IN THE WORLD

EDWARD J. NALLY, VICE-PREST. AND ASST. TO THE PRESIDENT.

POSTAL TELEGRAPH-FASTEST SERVICE IN THE WORLD

CHARLES P. BRUCH, VICE-PRESIDENT.

EDWARD REYNOLDS, VICE-PREST, AND GENERAL MANAGER. CLARENCE H. MACKAY, PRESIDENT.

CHARLES C. ADAMS, VICE-PRESIDENT.

TRANSMITS AND DELIVERS THE WITHIN MESSAGE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS :

THE POSTAL TELEGRAPH-CABLE COMPANY GINCORPORATED)

THE GREATEST TELEGRAPH AND CABLE SYSTEM IN THE WORLD. EXTENDS OVER TWO-THIRDS OF THE WAY AROUND THE EARTH.



THE COMMERCIAL CABLE COMPANY

POSTAL TELEGRAPH-CABLE COMP

LUCE & LUCE

ATTORNEYS AND COUNSELORS AT LAW SAN DIEGO, CALIFORNIA

August 12, 1915.

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The La Mesa Irrigation Mistrict has audmitted evad bons into one diof few was each to arestel country .Joinvald sat to toulvis Lage! sat as ment towens I Learners on well be answered by the simple statement one to entropy and the terms of the contract of smust soft in themflittlet soft more tatent gladeries field on cond

In regard to your letter of August 6th.
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In repair to your leavess of August 10th, we wall elect that the fact that action has been brought against end afosthe vew on mi vasquot asaall seel ad end to toltraid too tremassion and the transport of the terms of the server with the served the value of the borne as spinion of liller Thomson & Clay as ed altrode to bee on or viser era en widl . This er al de sufficient. It of course sould be impossible to carefullus noides abbe has encared resto of Mostra to the a turis a same cen in so way effect our conveact. For your orn information, however, we willist out that the deprene Gurt of this State has decided lo estraband end midte behalout ed yam estrio betarogramitae of en in institution, the are, therefore, confident that an is no merit in the suit instituted by Judge Hoone.

Jeneya to restal knoose andy of Everst al not relieve the thet you would bid ninety cents on the dollar for ent same or that the District while to some way discount the beens in transferring them to you, we would like to call your assession to your contract with the District in Rection Third of to various na rot bas shaod and rot rat its or beares may deline colesianos booslina end bed texti datome eds of trelavisos elico The tave they it emiles end of

any way change the terms of this contract, and we will expect you to adhere to its exact terms. In conclusion, on hehalf of the District, I would like to state that all three of your letters carry the impression that you are attempting to avoid the terms of the express written contract and I am instructed by the District to state that the District will insist upon the fulfillment of the terms of this contract as agreed upon by you and will enforce their rights necessary in the Courts.

Yours very truly,

EL/D

M.A. LUCE

EDGAR A. LUCE

LUCE & LUCE
ATTORNEYS AND COUNSELORS AT LAW
SUITE 803 WATTS BUILDING

SAN DIEGO, CALIFORNIA

November 5, 1915.

Col. Ed. Fletcher c/o W. G. Henshaw, 762 Mills Building, San Francisco, Calif.

Dear Colonel:

Judge Boone has filed a notice of appeal in the case of the La Mesa Homes Company vs. the Irrigation District. We had supposed he would drop this matter but he seems determined upon causing us trouble. Dillon Thomson & Clay, Mr. Sweet, and ourselves all agree I think that there is no merit in Boone's suit. We could probably get an opinion to that effect from Dillon Thomson & Clay and could also protect Murray by some agreement. However, in order to hasten matters the District has requested me to submit the following proposition:-

Your Company to deed to us the property described in the Railroad Commission order in payment of \$150,000.00 in bonds and additional bonds to make up the interest due you and the interest on the unpaid balance of the purchase price for one year. The balance on the purchase price as fixed by the Railroad Commission to be secured to you by a mortgage on the property purchased. This mortgage to be satisfied and paid off by bonds as rapidly as the certificate of their validity is obtained and the approval of the State Bonding Commission.

We have about \$200,000.00 in bonds that have already received the final certificate of Dillon, Thomson & Clay and these of course could be delivered immediately. You can readily see that through this method we can accomplish practically the same purpose but can leave you amply secure and can also defeat Boone's efforts to hold up the sale. If this plan goes through we can then take our time to defeat Boone in Court and settle the whole matter.

Will you kindly lay this matter before Murray for his approval. We wish you would get some definite authority from Murray so that we could hurry this matter through. If he would only come down here for a week or two we could undoubtedly settle the whole matter.

I have written to W. R. Williams, the Bank Superintendent in regard to the approval by the bonding commission of our bonds and calling his attention to the fact that Narboe has not answered any of our letters. I hope to hear from him very soon.

Yours very truly,

EL/D

Wir Milder

Nov. 15, 1915.

Sen. Edgar A. Luce, Watts Bldg., San Diego, Calif.

My dear Senator:

Answering yours of November 5th, will say that Mr. Murray had agreed to meet me last Wednesday in San Francisco, but when I reached there found he had received word by telegram that he could not be there until Saturday. He will be here within a week, in all probability, and we will take up the matter at that time.

Yours very truly,

EF:B

M.A. LUCE

EDGAR A. LUCE

ATTORNEYS AND COUNSELORS AT LAW
SUITE 803 WATTS BUILDING
SAN DIEGO, CALIFORNIA

December 24, 1915.

Col. Ed. Fletcher, 8th and E. Sts. San Diego, Calif.

Dear Sir:

In response to our telephone conversation this morning in which you asked me to submit to the District the proposition of leasing your system with an option to purchase and a payment for the system at the expiration of five years, in cash, I took the matter up with the officials of the District immediately by telephone. They instructed me to inform you that they would not consider the proposition at all.

Furthermore, after careful consideration on the part of the officers of the District, \$\frac{1}{2}\$ have been instructed to call your attention to the present condition of the negotiations between us. In the first place, the District entered into a written contract with yourself and Murray in the best of faith possible and of course expected you to fulfill the contract and keep your written word. We have followed the contract strictly and you and Murray have without any just cause absolutely repudiated that contract. I have advised the District that the contract is enforceable and that you are in default in the matter and liable to the District either for heavy damages or specific enforcement of the contract.

Sometime in September at your request I went to your office and met Mr. Murray and yourself. Mr. Murray there stated to me that he would carry out the contract already entered into if he could be satisfied as to the validity of the bonds. We discussed somewhat then the dismissal of the Boone suit and the opinion of Dillon Thompson & Clay, and my understanding was that if the Boone suit were dismissed or if we had an opinion from Dillon Thompson & Clay that the bonds were valid that Murray would carry out the contract.

Negotiations were again opened during the last couple of weeks and Murray repeatedly stated that if the bonds were valid they were worth par, if not, they were worth nothing. He stated then that he did not care anything for the opinion of

Dillon Thompson & Clay, but must have the judgment of the Supreme Yourt of the State. The written contract had provided for the opinion of Dillon Thompson & Clay and we expended \$1200.00 to obtain it. Now Murray repudiates that whole section in the contract and wants us to go farther and get the opinion of the Supreme Court. Even after we tentatively agreed to do that, he stated he would only bid 90 for the bonds, even though he had previously stated that if they were valid and upheld by the Supreme Court they would be worth par.

We even went farther and offered to take a lease on the system, turn over \$150,000.00 in bonds immediately and give a surety bond for the faithful performance of the lease. Now, you refuse to even do that and instead offer a proposition of a lease for five years and and purchase of the system at the end of that time for cash.

I do not see how you can blame us for being impatient. Every time we met your demands you insisted on more. We have not in any of our negotiations succeeded in getting from you a definite proposition in writing. I have received no communication whatever in the way of a suggested modification of the contract except one from Mr. Murray, agreeing to extend the original contract if we practically gave up all the matters for which we have contended. I do not see how we can gain anything by further negotiations. We frankly do not believe that you will agree to any fair proposition at the present time and that it is your intention to absolutely violate the original contract and, in our opinion, for no just reason.

Doubtless you are acting upon the advice of your attorneys and we have no criticism to make of that as we have the highest respect for the opinion of your attorneys. We, however, feel pretty confident of the law in the matter ourselves and are certain that there is no reasonable ground or excuse for your attitude in this matter.

I have advised the District to proceed in Court and Before a jury to enforce their legal rights under the original contract, and I feel quite sure that we shall proceed at once to do so.

You of course understand that there is nothing personal in the above. I am merely trying to state to you frankly the feeling of the officers of the District in the matter and of the advice I have given them as their Attorney. I feel it my duty to advise my clients in the matter according to my idea of the law, and of course do my utmost to protect our rights. I hope that both you and Mr. Murray will understand the matter in this Might and will assign to me only the motives of protecting

EDGAR A. LUCE

LUCE & LUCE ATTORNEYS AND COUNSELORS AT LAW SUITE 803 WATTS BUILDING SAN DIEGO, CALIFORNIA

February 2 3, 1916.

my clients.

With best personal regards, I am,

Yours very truly,

EL/D

Ed. Fletcher,

8th and E. Streets City.

Dear Colonel:

Enclosed I am sending you a copy of the opinion of Dillon Thompson & Clay upon the bonds of the District. One is the opinion on the bonds already sold and the other is the opinion on the bonds not yet sold.

We delivered this same copy to your Attorney, Mr. Sweet some months ago and informed you of it, so there is no justification in your statement that you have never received an opinion asto the validity of these bonds. I am therefore sending you this so that you will have no excuse for claiming that we have not given you the opinion.

You will note that the opinion is an unqualified one and whenever you purchase the bondsof the district you will receive an opinion similiar to the one marked No. 1. We have never claimed that you should take any bonds that were not validated and Dillon Thompson & Clay's opinion and your contract plainly states that. We are only asking you to fulfill the terms of your contract, which you have not done.

Yours very truly,

EL/D

Molher

EDGAR A. LUCE

ATTORNEYS AND COUNSELORS AT LAW
SUITE 803 WATTS BUILDING
SAN DIEGO, CALIFORNIA

January Fourth,

1919.

Col. Ed. Fletcher,

city.

Dear Col. Fletcher:

In response to your letter of December 30th. I can only say that I can assist you some in matters relating to the Company, which depend upon my memory largely mfor accuracy.

The San Diego Flume Company was organized in May, 1886, on a capatalization of a million dollars. Quite a large portion of this capital was subscribed by the following subscribers:

S.H. Marlette, who was the principle subscriber, a lumberman, I think, from the Northern part of the State.

George D. Copeland, who was a citizen of San Diego; had been a member of the Legislature, and a Collector of Internal Revenues in the State of Indiana, before locating here.

Milton Santee, another director and subscribef of a small amount of stock.

T.S. VanDyke, Howard Crittenden, R.H. Stretch, were also subscribers and directors; the last one being a Civil Engineer.

Among the active promoters though, at this time, was one W.E.Robinson of San Francisco, a lawyer who was connected with the Crittenden family of San Francisco, and a very energetic promoter.

Robinson was not a stockholder, at first, but soon absorbed some of the stock. Engineer Stretch only remained with the Company a short time. One Graham became the Engineer and carried the work to completion. Robinson, however, was one of the first to be compelled to relinquish his stock, and stepped out of the Corporation.

Col. Ed. Fletcher, 1/4/19.

-2-

Most of the above subscribers, by assessments and borrowing of money, were enabled to complete the Flume to the vicinity
of the Cajon Valley, sometime in 1888 or '9.

About this time the Company's subscribers had borrowed all the money they could obtain at the Banks on their stock; and Bryant Howard, President of the Commercial Bank interested himself in the enterprise.

He called into his office, E.W.Morse, M.A.Luce, Allan W. Hawley, and placed the proposition before us, that it was absolutely necessary for all real estate owners of San Diego to come to the relief of the Flume Company; and complete it into the City of San Diego in order to save the City from droughts, and that we must sacrifice money in order to complete the enterprise into the City. My recollection is that Bryant Howard and Allan W. Hawley put in twenty-five thousand dollars; each; E.W.Morse and myself, ten thousand dollars each, and we were made directors in the Company.

Other parties were interested in this matter, and subscribed capital stock in small amounts. But by this action on our part we were enabled to complete the Flume project by continuing the ponduit to the vicinity of La Mesa, and continuing the pipe line into the City of San Diego.

In order to accomplish this however, it was necessary that we undertake an enterprise of buying some real estate in the vicinity of La Mesa that would come under the flume water, dividing it into ten acre tracts, known as the "La Mesa Colony", and these tracts were afterwards sold, after the completion of the flume into San Diego, and the money applied to finishing the work.

In February, 1889, the completion of the flume was celebrated in San Diego by display of the "new water", as it was termed; and a large assemblage of those interested in the City of San Diego to celebrate the event. There were many honorary Presidents of the day, and speeches were made by many citizens; among which were John Brennan of Sabux City; D.C.Reed, now of this City; Judge Puterbaugh and Col. W.G.Dickinson, President of the San Diego Land & Town Company.

Robinson had already sold out all of his interests; and Van Dyke very seen afterward. I doubt if Robinson received anything over and above the debts which were secured by his stock. Van Dyke, however, did come out with some money from the enterprise.

A few years after this enterprise was completed in San Diego, the depression caused by Bank failures in 1893, and other adverse circumstances, brought all the parties heretofore mentioned in such condition as to their finances as to compel them to yield all their stock into the hands of other parties who could control, with some capital, the enterprise. Mr. Sefton, Banker and Manufacturer soon got control of the Company and bought up all the stock necessary to govern it; and quite a few assessments compelled all the old stockholders to yield their stock. I think all of them lost whatever they put into the enterprise. I know that I did; and I am sure that Mr. Norse and Hawley also lost theirs.

I know very little about the financing of the Company after Sefton became controller. It was bonded to some English parties, and afterward they became the owners of the property, by some settlement or process of which I have no recollection. Them Mr. Helliam first appeared for the English bondholders, and took, charge of the Company.

It was undoubtedly true that at the time of the celebration, the water used in the pipe line to show off the water to the celebrants, was from the San Diego River, and not from the flume, having been pumped up for that purpose. For the water in the Flume failed to run on account of some defect in the engineering proposition; so that on the day we expected to celebrate, we were in a quandry as to how to make it a success, and by employing the San Diego equipment, we were enabled to make the celebration appear to be a success.

As to any other humorous incidents in regard to the matter, I think there were very few such instances. The whole matter became one of tragedy, rather than humor. As to the participants in the construction of the flume, they all lost their investments in the Company, and all have passed, almost all, anyway, have passed to another world.

Yours, very sincerely,

March 7, 1919.

Miss Marshall:

Enclosed find letter from Luce, regarding the early history. Please frame up a letter to Justice Victor E. Shaw, relling him what I am intending to do and to help me out with all the early history that he can.

EH

LUCE & LUCE

SUITE 803 WATTS BUILDING
SAN DIEGO, CALIFORNIA

March 5th. 1919.

Col. Ed. Fletcher, 920 Eighth Street, City.

My Dear Colonel:

I have been for over a month trying to have an interview with Mr. Healion; but part of the time he has been away and I only succeeded in doing so a few days ago.

He claims that all the books are destroyed, except his own particular Company, which he is not willing to put into my hands. He exhibited one book of the Flume Company to me which gave me some further information in regard to the history of the Company.

It shows that in 1888 the interest of Van Dyke, Robinson and Copeland and some others were bought in by J. W. Sefton and a Mr. Parker.

Parker was the father-in-law of Victor Shaw, who is at present Judge of the Court of Appeals in Los Angeles. Shaw acted as his trustee during the next two years.

Sefton and Parker succeeded in getting a large majority of the stock, and Shaw, as trustee and Sefton thereafter managed it until Sefton, by some means, which is not clearly shown in any books that I could get possession of, got control from Parker, and he was the one who carried on the negotiations with Healion's Company.

The only book of the Flume Company that he has, is a small By-Laws and Constitution book, to which was attached the names of the stockholders at several different times, and that is the only information that we could obtain from Healion.

Wery truly yours,

MAL-LA

Ed Fletcher Papers

1870-1955

MSS.81

Box: 16 Folder: 30

General Correspondence - Luce and Luce



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