

Loma Linda Sanitarium and Hospital
LOMA LINDA, CALIFORNIA

You might show
him this typewritten
letter, In your letter
to me at Monterey he
knew what you
have done with the
Council of anything
M.H.

January 5, 1921

Mr. James E. Murray,
Butte, Montana.

My dear Mr. Murray:

Enclosed find letter from the Union Trust Company. It is probable, however, that if it comes to a show-down and you want me to do it, I can bring influence to bear and have James A. Murray sign an agreement protecting the Union Trust Company, and have the property deeded to him or the Monidah Trust.

We are getting the case into the supreme court at the earliest possible date. Sweet and Encell are handling it. Nothing can be done about the sale of the property until we get a decision from the supreme court. In the meantime the La Mesa Irrigation District directors are going into the matter carefully and there is strong sentiment in favor of buying the system, but I do not believe they will call an election until after the supreme court decision is rendered as to the water rights.

Yours very truly,

EF:KIM

Frotter
stop work

King
Bacon

Muston

January 7, 1921

Mr. James A. Murray,
Monterey, California.

My dear Mr. Murray:

Enclosed find copy of article in the "Sun", written by W. H. Porterfield, part owner of the Sun. He means all right, but it is articles like this that just stir things up and make trouble for all of us, and particularly make the Spreckels people mad, but you no more can shut up Porterfield than you can stop the wind.

I am pleased to inform you, however, that we have a more friendly City Water Commission than we had before. If we have a dry year, there will be some action taken this summer. It will mean either the sale of the Cuyamaca System to the La Mesa Irrigation District, or the City, by next fall at the latest.

I expect to get a request for a written proposition this coming week either from the La Mesa Irrigation District, or from the Chamber of Commerce Committee of La Mesa to sell to the district. The La Mesa Committee appointed by the La Mesa Chamber of Commerce, which committee includes the President of the Chamber of Commerce, are all strong for the purchase of the Cuyamaca System by the district. Their only fear is that the assessments will be high, and they are anxious to get some kind of an assurance from the city that the city will buy water from them to help their revenue. The La Mesa Chamber of Commerce committee, I understand, are going this week to see the City Council and try to get some obligation or encouragement from them that they will buy water. If they can get the necessary encouragement, I am satisfied there will be an election within the next ninety days to purchase the Cuyamaca System at \$1,350,000, we taking six percent - forty year bonds at par in payment, turning over everything that we have excepting the 700 or 800 acres of land outside of Cuyamaca Lake.

Cable Address "RICHARD" San Francisco
WESTERN UNION TELEGRAPHIC CODE

HOTEL ST. FRANCIS
UNION SQUARE
SAN FRANCISCO



MANAGEMENT - THOMAS J. COLEMAN

January 11, 1921.

Mr. Ed Fletcher,
San Diego, California.

Dear Sir:

You are authorized any time during the year 1921 to lease to the City of San Diego or to a Municipal Water District or irrigation district the Cuyamaca Water System, its entire holdings in San Diego County both personal and real excepting the lands outside the reservoir site at Cuyamaca Lake on the following basis:

\$50,000.00 down and \$50,000.00 each six months thereafter with 7% interest, payable semi-annually until such time as the sum of \$1,350,000.00 plus 7% interest shall have been paid, after which time a deed will be given to the property mentioned above but until said sum and interest is received, we are to retain possession of the property. This might be termed a lease with an option of sale. It is understood that the system is to be properly maintained by ourselves and the revenue received from the sale of the water to be used in the proper maintenance of the system, any surplus over and above the necessary amounts to maintain the system to be applied on the lease contract and credited at the end of each six months period. Any failure to make any and all payments as above specified shall constitute a cancellation of the lease and option of purchase. If the purchaser desires any improvements made, then they shall advance the money with which to do it on plans to be mutually agreed on. A proper legal instrument protecting all parties interest is to be drawn up and this lease and option of purchase must be approved by the State authorities. The purchaser can make payment in full at any time on 30 days written notice thereby stopping interest and when the property is paid for we will execute deed and show clear title by a title company.

Yours sincerely,

James A. Murray

Page Two

I am going to Sacramento Monday to vote for Harding for President, being one of the Presidential Electors of the State of California, and hope to see you in Monterey Wednesday or Thursday of next week.

Very sincerely yours,

EF:KIM

cc- James E. Murray
Griffith Henshaw
John Treanor

HOTEL ST. FRANCIS
UNION SQUARE
SAN FRANCISCO

MANAGEMENT - THOMAS J. COLEMAN

January 11, 1921.

Mr. Ed Fletcher,
San Diego, California.

Dear Sir:

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\$50,000.00 down and \$50,000.00 each six months thereafter with 7% interest, payable semi-annually until such time as the sum of \$1,250,000.00 plus 7% interest shall have been paid, after which time a deed will be given to the property mentioned above but until said sum and interest is received, we are to retain possession of the property. This might be termed a lease with an option of sale. It is understood that the system is to be properly maintained by ourselves and the revenue received from the sale of the water to be used in the proper maintenance of the system, any surplus over and above the necessary amounts to maintain the system to be applied on the lease contract and credited at the end of each six months period. Any failure to make any and all payments as above specified shall constitute a cancellation of the lease and option of purchase. If the purchaser desires any improvements made, then they shall advance the money with which to do it on plans to be mutually agreed on. A proper legal instrument protecting all parties interest is to be drawn up and this lease and option of purchase must be approved by the State authorities. The purchaser can make payment in full at any time on 30 days written notice thereby stepping interest and when the property is paid for we will execute deed and show clear title. by a title company.

James H. Murray

HOTEL ST. FRANCIS
UNION SQUARE
SAN FRANCISCO

MANAGEMENT - THOMAS J. COLEMAN

January 11, 1921.

Mr. Ed Fletcher,
San Diego, California.

Dear Sir:

Referring to my letters to you of January 11th, 1921 in reference to the leasing and selling of the Cuyamaca system will say that if you sell the system as outlined in my letter of January 11th, 1921 to you for the sum of \$1,350,000.00, I will pay my proportion of a commission of \$50,000.00 to you; if sold at \$1,250,000.00 your commission to be \$25,000.00 and my proportion of the commission to be paid is five-sixths of the total commission and you are to get one-half of your commission when \$100,000.00 has been paid and the other half when \$200,000.00 has been paid.

If necessary Very sincerely yours,
and you think advisable
you can charge this rate
of interest at 5% or 6%
James H. Murray

February 1, 1921

Mr. James A. Murray,
Monterey, California.

My dear Mr. Murray:

The owner of the La Mesa Scout and the El Cajon Valley News has proven a success in business, and has got both papers paid for. Practically everybody in that section buys his papers.

I went on his note for \$1500 to help him buy the papers, and he has paid it off in full. He now want to buy the Lakeside and Ramona papers, and print them all from one office. In order to finance it, he wants a \$2500 loan on a \$5000 property in El Cajon where he lives, and will pay off \$500 a year, and the interest for the first two years, and pay it all off the third year. He will deed the property to a title company to be held in trust for you and he will pay 7% interest, possibly eight if you insist on it.

I wish you would make the loan, because it means that we will get a fair deal in both the La Mesa Scout and El Cajon Valley News when it comes to selling the Cuyamaca system.

This letter will serve as an agreement whereby I will take over the mortgage myself. If Mr. Smith does not pay the \$2500 and interest within the three years, for the property is worth \$4000 or \$5000, and we are both absolutely safe. I hope you will send me a check for \$2500. I will have the property deeded to the title company in trust for you, or whomever you may designate, and if this letter is not sufficient, if you will draw up a contract, I will sign it, agreeing to take the property off of your hands and pay you the \$2500 and interest within three years.

The security is a very nice house and lot in the city of El Cajon.

You may think I have been slow in the matter of selling the Cuyamaca system, but I have not. I have been trying to bring it around so that of their own volition they ask for a price on the Cuyamaca system, and signify their intention or desire to buy. I am

Feb. 8, 1921.

Mr. James A. Murray,
Monterey, Calif.

My dear Mr. Murray:

The City Water Commission has asked us to make a price on the Cuyamaca System on the basis of \$50,000 down and \$50,000 every six months until paid, we holding title to the property until it is paid under lease contract.

I have written Mr. Henshaw, asking him to give his consent, and in a short time, I hope to give you some good news.

Yours very truly,

EF:HDS

sure to get that request from the La Mesa Irrigation District within the next 30 days, but in the meantime we have had very little rain, and the City of San Diego is mighty scared about its water supply. Mayor Wilde has appointed three new members of the Water Commission, two of them are friendly and there is every reason to believe that we will have an opportunity to sell the water system to the city this summer.

Remember I have a bet up with you, that I will sell this system within twelve months? Don't forget that bet, for I am going to sell it as sure as the sun rises and sets.

In order not to have any hard feelings with Henshaw I wrote and told him that we were going to sell and asked him to either buy me out or give authority to sell when you and I sell. They did not answer the letter, but I have had one talk with them, and I am satisfied they are ready to sell whenever you are, at least that is Mr. Treanor's talk to me. Mr. Henshaw himself is in the hospital sick, and is not attending to much business, but Mr. Griffith Henshaw, his son, and Mr. Treanor and myself have been running his affairs, and I do not look for any trouble from the Henshaws at all when the time comes to sell.

Very sincerely yours,

EF:KIM

March 10, 1921.

Mr. James A. Murray,
Monterey, Calif.

My dear Mr. Murray:

Please look at the map that I sent you recently and you will see Lot 17 at Murray Hill is east of the Santa Fe Railroad track. It is 1-3/10 acres. Please let me know what you want for it. I can probably get \$1,000 for it, if sold on easy terms, and 7% interest.

Yours very sincerely,

ED:HLS

A G R E E M E N T

JAMES A. MURRAY,

Ed. FLETCHER,

and H. G. HENSHAW.

THIS AGREEMENT, made this 22 day of February, 1921, between JAMES A. MURRAY, of Butte, Montana, and ED FLETCHER of San Diego, California, and H. G. HENSHAW, of San Diego, California, WITNESSETH:

That whereas, the said above named parties are the owners as tenants in common of that certain water works system known as the CUYAMACA WATER WORKS of San Diego, California, the said James A Murray being the owner of an undivided five-sixths ($5/6$) interest in said property and the said Ed. Fletcher being the owner of an undivided one-twelfth ($1/12$) interest in said property, and the said H. G. Henshaw, being the owner of a one-twelfth ($1/12$) interest in said property, and,

Whereas, the said owners are desirous of fixing in a definite and certain manner their respective interests and rights, and also their obligations growing out of the ownership and operation of said property as a water works system,

NOW THEREFORE, it is hereby mutually agreed as follows, to-wit:

That the said parties are the owners of said property above referred to as tenants in common owning the same in the proportions set forth above and operating the same as tenants in common, but in the form of a partnership business, dividing the earnings thereof, if any, in the proportion in which the several owners are interested therein; that said owners, agree, one with the other, that in the management and control of said property they shall not make any claim or claims for services rendered, or to be rendered unless agreed upon in writing and it is agreed that said property shall be managed and controlled by agents and employees hired by the owners and whose compensation shall be paid out of the earnings of said water works system, it being understood that in the management of said business neither


of said co-owners shall have the power of attorney to enter into any contracts or expend any money in the conduct of said business, except ordinary current expenses, without the consent of the other co-owners, it being understood that all expenses incurred in the operation of said business shall be paid out of the earnings thereof and in case of any losses or expenses over and above the income of said plant the same shall be borne by said owners in the proportion of their respective interests in said property.

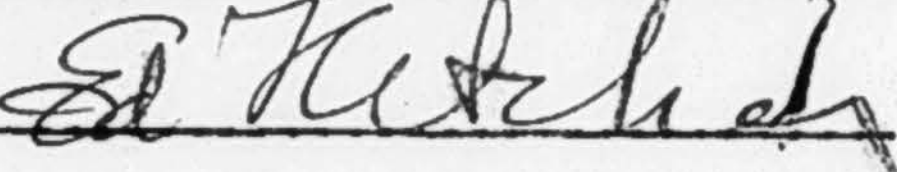
while the books of the Company show that J. A. Murray draws a salary of \$200.00 a month and Ed. Fletcher draws a salary of \$300.00 a month, as a matter of fact neither one of them draws any salary, nor are they to draw any salary until the property is sold or it gets on a paying basis, at which time both will draw a salary to be agreed upon by them at that time.

It is the intention of the parties hereto that the name "Cuyamaca Water Company" shall be considered as a fictitious name intended to describe said water works plant and business for convenience and that said business is not to be construed as a partnership business as between the parties hereto, it being the intention of the parties hereto to conduct said water works system solely as tenants in common, with all of the rights, obligations and duties resulting from said relation and either or any of said co-tenants shall have the right at any time to sell their respective interests in said property and upon such sale the purchaser thereof shall assume the same relation to the parties hereto as his grantor and in no event shall this arrangement be construed as a partnership as between the parties hereto.

It is mutually agreed by and between said co-owners that attached hereto is a statement prepared by L. B. Mathews, bookkeeper and secretary for the Cuyamaca Water Company, and signed by each of the parties hereto, showing the account of each of said parties in relation to said business.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year in this instrument first above written.





March Seventeenth 1921

Mr. James A. Murray,
Monterey, Calif.

My dear Mr. Murray:

While the rainfall has been light this year, we have been very successful in filling Murray dam. It is full to the spillway at 99 feet. The water stands at 90 feet 7 inches and we will come near to filling it this season.

The city has had hard luck, and they are preparing a contract which they will submit to our attorney tomorrow, for purchasing a minimum of 3 million gallons a day for six months at 10 cents a thousand gallons. This will give us an income of \$50,000 or \$60,000, in addition to our increased rates, so things never looked better for the Cuyamaca Water Company than this year.

The City Water Commission is unanimously in favor of buying the Cuyamaca system. They have had one meeting discussing the subject, but the commission feels, as a matter of policy, it is better to first get this contract signed up and let it become public, and do not attempt to get the city to buy the Cuyamaca system until the new councilmen are elected. There are only five councilmen and four of them are up for re-election. The primaries will be next Tuesday, and the election the 2d of April. There is to be a new Mayor elected also.

I want to get this contract for water signed up by the old council, and there is every indication that we will have the Cuyamaca System sold by the 1st of next June.

I sincerely hope you are feeling good.
Yours very truly,

EF:KLM

cc- J. E. Murray

James T. Murray
Attorney and Counselor at Law
55 WEST BROADWAY
Butte, Montana

March 19, 1921.

Mr. Ed. Fletcher,
San Diego, California.

Dear Mr. Fletcher:

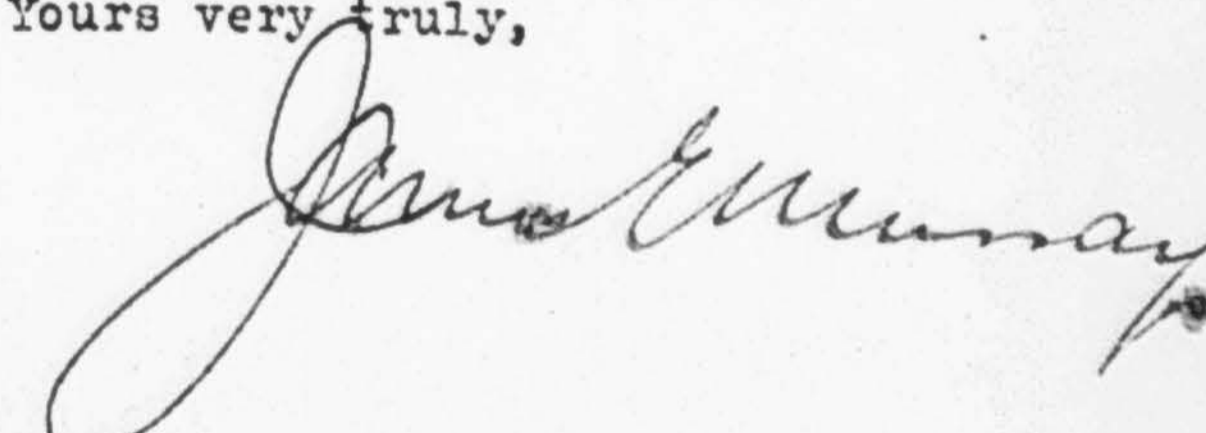
At Mr. Murray's request, I am sending you herewith the papers executed by Alexander Murray in the Lampe matter. In Mr. Murray's letter he tells me to forward the papers to you and is turning the matter over to you, and that you intend to secure him. Please acknowledge receipt of these papers so that I may report to him that I have followed out his instructions.

I was awfully sorry that I did not get to see you in San Francisco. I left my address at the St. Francis Hotel so that you could find me at the Plaza before I left.

I received your letter informing me that negotiations were proceeding for a sale of the plant and that you would probably have me come down when the negotiations had progressed far enough to make certain that something would result. I wish you every success and will be glad to hear from you.

With kind regards to yourself and family, I beg to remain

Yours very truly,



JEM:N

March 28, 1921.

Mr. James A. Murray,
Monterey, Calif.

My dear Mr. Murray:

Sometime ago, you authorized me to sell 2.28 acres of land for \$150.00 an acre, just this side of the El Monte Pumping plant, on the south side of the road; land which we have no use for whatever, and I have done so.

Enclosed find deed, signed by Mr. Henshaw and myself. It is not necessary to have your wife's signature. Will you kindly sign and return, if you are still desirous of selling.

I expect the City Council today to ratify the agreement to buy about \$50,000 of water from us for the next six months.

Yours very truly,

EF:HLS

March 31, 1921.

Mr. James A. Murray,
Monterey, California.

My dear Mr. Murray:

I acknowledge receipt of yours of March 28th, regarding Mr. Wadham. The indications are good that he will be elected.

The City Council, by formal resolution, passed an ordinance to buy a minimum of 3 million gallons, and a maximum of 5 million gallons of water a day from the Cuyamaca system, commencing April 1st, for six months, so we are dead sure of getting \$300 to \$500 a day income for the next six months, which will pay off all of our debts and put us in fine shape.

I had another meeting with the City Water Commission yesterday. They are drawing up a resolution approving the purchase of the Cuyamaca System and will present it, in all probability, to the city council and to the citizens of San Diego sometime during April.

Do not forget to send me that deed to the Murray Hill lots for the Grossmont Union High School. They will advertise for bids just as soon as you sign the deed.

I do hope both you and Mrs. Murray are feeling better. I will be up to San Francisco in a couple of weeks, and will drop down and see you for an hour or two anyway, and let you know how things are going.

Yours very truly,

EF:KIM

April 4, 1921

Mr. James A. Murray,
Monterey, California.

My dear Mr. Murray:

At the request of the Water Commission, I wrote a letter stating the reasons why the City should acquire the Cuyamaca System, and enclosed find copy of letter which I have written, and which, I hope, meets with your approval.

We are furnishing the City 2 million gallons of water a day, and the last of this week we will be furnishing at least 4 million gallons daily, I hope.

I only regret that we did not have money enough to concrete the 20" pipe clear thru, for if we had done so we could have furnished the city 6 million gallons a day now, or \$600.00 a day revenue.

Election is tomorrow, and as soon as the new council and mayor are elected, I am satisfied the Water Commission will immediately recommend the purchase of the Cuyamaca System. The election is costing us \$500 or \$600 for promotion expense, but it is absolutely necessary, and I know meets with your approval.

I hope to see you in a few days when I come to San Francisco for a day to see the State Railroad Commission and the State Water Commission.

Hoping that both you and Mrs. Murray are feeling O. K. I am

Yours very sincerely,

EF:KLM

April Fifth 1921

Mr. James E. Murray,
Butte, Mont.

My dear Mr. Murray:

I acknowledge receipt of yours of the 19th, and contents noted, in the Murray-Lampe matter, and the property will be deeded to the Moniday Trust, as per your instructions.

I have signed up a contract for six months to sell a minimum of 3 million gallons and a maximum of 5 million gallons of water a day to the City. This will enable us to pay off all of our debts and put the company on a sound, financial basis with our increased rates, if we do not sell. I have positive information, however, that the water commission will recommend the purchase of the Cuyamaca System within the next few weeks. Will keep you posted.

Mr. Murray was down here for two or three days and seemed to be in good health.

I will have the certificate brought down showing the property in the name of the Monidah Trust.

With kind personal regards, I am

Very sincerely yours,

EF:KLM

April 6, 1921.

Mr. James A. Murray,
Monterey, Calif.

My dear Mr. Murray:

It is a good thing that we are not incorporated, for the taxes which the Cuyamaca Water Co. would have to pay if it were a corporation would be more than doubled. All public utilities (water and gas) are assessed 7-1/2% of their gross earnings as State taxes under the King bill, which has just been passed by this Legislature. This means that this year, with our increased rates and with what we are selling to the City, our taxes would amount to \$12,000 or \$13,000, while we are only paying about \$5,000 as a co-partnership, and each year our taxes will get heavier, but I hope in a short time to see the City of San Diego acquire our System. Every indication is good.

Yours very truly,

EF:MLS

cc
J.E.H.

April 6, 1921

Mr. James A. Murray,
Monterey, California.

My dear Mr. Murray:

Enclosed find clipping from the San Francisco paper which shows there are other water companies that have been having their troubles, however, we are on the right side of the ledger again, thank heaven. I am satisfied we are going to stay there.

By this morning's paper I see that Wadham was defeated by 95 votes. It may take a re-count to settle it. If Wadham is defeated by Bacon, it is a sure thing that Bacon will have it in for the Spreckels interests as long as he is in office. On the water question I believe that both men are all right. All the old city council were re-elected. Will write you as soon as it is finally determined who has been elected Mayor.

Hope the madam is hereself again and that you are feeling well.

Very sincerely yours,

EF:KLM

LAW OFFICES
SILAS W. MACK
MONTEREY, CAL.

April 11, 1921.

Ed. Fletcher,
San Diego,
Calif.

Dear Sir:

Enclosed you will find two deeds,
which I presume will fill the bill as far
as they are concerned.

I looked over the statement of the
Cuyamaca Water Co. I realize that you are
doing well, but the expenses of running the
thing are something outrageous. We can
hold on for a month or two, hoping that
there will be something done. If not, I
will promise you that the expenses will be
cut down several \$100 a month, if I have
to take charge of it myself.

Very truly,

J. A. Murray

April 15, 1921

Mr. James A. Murray,
Monterey, California.

My dear Mr. Murray:

I acknowledge receipt of your letter of
the 11th, and contents noted. I also acknowledge
receipt of the two deeds - one to the Grossmont
Union High School District, and one to A. C.
Griffith, ~~referring~~

Referring to the expenses of the Cuyamaca
Water Company, you fail to appreciate that during
the winter time we have to go over the flume and
put it in good condition. You are not aware that
we have also put the flume in first-class condition,
at an expense of about \$3,000, from Murray Hill
reservoir to Eucalyptus Reservoir. This simply
had to be done. All of the above has been charged
to expense.

Then again, the city election cost \$500
or \$600.

You get the monthly statements, and if
you will write me what the individual expenses are
that you want information on, I will be glad to answer
in explanation, and if you are then dissatisfied I do
not blame you for criticism, but I do think you should
let me know definitely what items you are criticizing.

We are now furnishing 4 million gallons of
water a day to the city, with an income of \$400.00 a day.
It has cost us several hundred dollars to get ready to
furnish this water.

Am very sure you will be satisfied at the end
of this season with the showing done with the Cuyamaca
Company. I expect to sell at least \$8,000 or \$10,000
worth of water to the city this month, and at the end
of this season, if we do not sell the Cuyamaca System,
we will be entirely out of debt and have the Cuyamaca
Water Company on a good paying basis. The City Water
Commission has recommended the purchase of the Cuyamaca

Page Two /

System and filed its recommendation yesterday. I will get you a copy and mail same tomorrow.

Very sincerely yours,

EF:KIM

April 19, 1921.

Mr. James A. Murray,
Monterey, Calif.

My dear Mr. Murray:

Enclosed herewith find report of the City Water Commission in the matter of the acquisition of the Cuyamaca System.

If the City Council asks the Water Commission to get a price on the Cuyamaca System, I have told them that our price is the valuation put on it by the state engineer. They are "jockeying for position", and in my opinion will offer somewhere around \$1,200,000, or possibly \$1,250,000. I thot it was much better for them to make us the first offer, and stand for the present on \$1,451,000.

Things will be brought to a head one way or another in the near future, I believe. My private opinion is that if they buy it at all we will get somewhere around \$1,300,000 or \$1,350,000. In the meantime we are furnishing water to the city at the rate of \$400 a day.

Yours very truly,

EF:KIM

LAW OFFICES
SILAS W. MACK
MONTEREY, CAL.

April 21, 1921.

Ed. Fletcher,
San Diego,
Calif.

Dear Sir:

Just received your letter containing clipping. The author of the clipping, I guess, is a very reasonable kind of fellow.

Of course if you cannot get more than \$130000, you had better take it, although the property, counting interest, has cost us more than that. However, anything you do in the matter will be satisfactory, I guess, as it may be more important to you than anybody else. Outside of yourself, I don't believe there is a man in San Diego who knows what the value of the Cuyemaca would be to the City. As a matter of fact, as an auxiliary plant, it is worth more than their present system, as things are.

You well know that a few hundred dollars or a few thousand makes no difference to us in a matter of this kind, and I notice that they are all desirous of being the owners of the Cuyemaca. If it belonged to the City I should feel more like investing in the town myself.

Very truly yours,

A. Murray

WELL "SICHART" San Francisco
ERN UNION TELEGRAPHIC CODE



HOTEL ST. FRANCIS
UNION SQUARE
SAN FRANCISCO

MANAGEMENT - THOMAS J. COLEMAN

April 26, 1921.

Mr. Ed. Fletcher,
San Diego.

Dear Sir:

In thinking over your proposition in relation to the Cuyemaca, will say I am the owner of five-sixths already and I could go on and issue bonds just as the other parties propose, then I would not have to play second fiddle, and under their management I do not know whether things would go all right or not. Therefore, I would much prefer you would sell to the city along the lines you speak of and anything you get over \$1,300,000. will be yours.

However, holding these gentlemen's proposition might act as a club over some of those councilmen. That is all I believe I have to say at the present time.

Will sell to those parties you speak of but want the first bond at the price suggested.

Yours very truly,

A. Murray

May Third 1921

Mr. James A. Murray,
Monterey, California.

My dear Mr. Murray:

Enclosed find editorial in the La Mesa Scout, also official action taken by the City Council, also editorial in tonight's Sun.

Am pleased to inform you that the Water Commission is unanimous in favor of the purchase of the Cuyamaca System, and I have been informed by a member of the Commission that three out of five in the City Council are in favor of the purchase of the Cuyamaca System.

Everything now depends upon the new Mayor, - Mayor Bacon who took the chair today. I am taking the new Mayor out in a few days to go over the water project. I have a feeling that he is going to be friendly.

The official count showed that Bacon won by 83 votes, but Mayor Wadham has brought a suit in court to oust him.

The citizens of East San Diego hold a mass meeting tomorrow night and from what I hear they are determined to join in now with the La Mesa Irrigation District and buy the Cuyamaca System, so you see there is plenty of activity, and out of it all, the Cuyamaca System will be sold, in my opinion, and at an early date.

Yours very truly,

EF:KIM

May 4, 1921

Mr. James A. Murray,
Monterey, California.

My dear Mr. Murray:

As per clipping sent you the other day, the El Capitan suit has been filed, however, I had three members of the City Council out yesterday, and there will be another story very shortly. All three of them are in favor of buying the Cuyamaca System, if the price is satisfactory.

The City Water Commission today has been instructed to get a final price and submit same with their recommendation.

I am taking the Mayor and the other two members of the City Council out next week.

In the meantime to protect ourselves we will be there when the El Capitan suit is heard in court.

A committee of citizens met in East San Diego last night, and it was the unanimous opinion that East San Diego, Normal Heights and Kensington Park should join in with the La Mesa Irrigation District, and acquire the Cuyamaca System. A committee has been appointed and there will be a conference next week between the La Mesa Irrigation District Directors, the City Trustees of La Mesa, Trustees of the City of East San Diego and representatives from Kensington Park and Normal Heights. Certainly there can be no harm in competition for our Cuyamaca System.

Yours very truly,

EF:KIM

May 9, 1931.

Mr. James A. Murray,
Monterey, California.

My dear Mr. Murray:

Inclosed find questions put up to us by the City Water Commission, also the questions put up to the City Council by the Water Commission, in relation to the water at El Capitan and Cuyamaca. I will prepare the answers today or tomorrow.

We have had a fine rain of nearly two inches and have stopped drawing on Cuyamaca. It will be probably two weeks before we will have to draw on Cuyamaca again. We sold over twelve thousand dollars worth of water to the city in April; paid off all our debts excepting the First National Bank, and paid twenty-five hundred to the First National Bank. I hope to have all our debts paid off inside of ninety days. We will sell at least thirteen or fourteen thousand dollars worth of water to the city this month.

I took out three members of the City Council last week, and they are convinced now that the city should buy the Cuyamaca System. I am taking out the other two members tomorrow -- Held and Heilbrun. I take out the Mayor and two or three other city officials on Friday. At no time has it looked more favorable than at the present, that the City will buy our system. The Mayor must appoint a Water Commissioner very shortly. He is not committing himself as to whom he will appoint. I believe I will convince the City Officials that they had better abandon El Capitan, buy the Cuyamaca System, and build the Mission Gorge. There will be over two hundred square miles more water-shed if the Mission Gorge is built than if they build El Capitan. Our Engineer states that it will cost four or five million dollars to build El Capitan.

The Condemnation Suit of the City against the Government should be heard on the 26th day of May. I am interested to see that the Indians get a fair valuation for their lands. There is a frame-up on the part of the City, so I have heard, to get a ridiculously low judgement and thereby secure the land at a low price, while the more it costs the City, the more it will be in our favor.

- 2 -

J. A. M.
5/9/31 -

A Committee has been appointed from the La Mesa Irrigation District, and the districts of La Mesa, East San Diego, Normal Heights and Kensington Park, and they meet this week to derive some way or means of purchasing the Cuyamaca System. As yet this has not been made public. We can't have too many -- it is a good thing to get them all after the Cuyamaca System. It may make it look a little better to the City.

I sincerely hope you are feeling better. I may run up to San Francisco for a day some time the middle of next week -- about the 18th. Will you be in San Francisco at this time?

We have not enough water in Cuyamaca Lake to give all the consumers on the flume a full supply, and we will have to pump. I have asked the State Railroad Commission for an additional charge of 2½¢ per 100 cubic feet to pay for the cost of pumping. We must keep back some water in Cuyamaca Lake, and we must keep water in the flume all the time, and it is very important to give the flume consumers all the water they want.

With kind personal regards, I am

Very sincerely yours,

EF:ZF

San Diego, California.
July 16, 1921.

Mr. H. H. Savage,
City Hall,
San Diego, Calif.

My dear Mr. Savage:

I have been informed by three or four parties that you have made the statement that the Cuyamaca System was bought for \$150,000 and they did not have over one-half million dollars invested in same. I do not know how true that statement is, but I want to correct a false impression.

Inclosed find sworn statement before the State Railroad Commission of California, made by our secretary, which is explanatory. This investment is based on our original purchase of \$150,000 for a property that cost \$1,200,000 originally.

We are now placing an order for two-ply rubberoid roofing with a burlap center, which can not be torn, and we will this fall put our flume in condition for at least eight or ten years with a nominal maintenance charge.

The people of this city do not appreciate fully, in my opinion, the value of the Cuyamaca System, in connection with the diversion of the Santa Isabel and the Sutherland water. The combined yield of the Cuyamaca system with the Fletcher Dam built and the Sutherland water diverted is approximately 15,000,000 gallons daily, with a large power development, 900 foot power drop, in addition, which will bring many thousands of revenue annually.

The physical properties of the Cuyamaca System now consist of fifty-eight miles of pipe line now in use in our distributing system, Cuyamaca dam, and about 1000 acres flooded, Murray dam, and over 200 acres flooded, Murray Hill Reservoir, Eucalyptus Reservoir, 30 odd miles of flume, such as it is; but for argument's sake, throwing away the flume, the rights of way, and the grading, could not be duplicated today for \$300,000. In addition, we have over a mile of tunnels between one and two miles of concrete conduits and siphons, permanent construction, including Westwater Siphon, Sand Creek, etc., and, as you know, we have steel siphons at South Fork and Chocolate, all of which will not have to be replaced.

The El Monte pumping plant is our most valuable asset, with nearly 9,000,000,000 gallons of water available and practical to pump. We have acquired pumping rights from El Monte to Lakeside, which are unquestionable, and six or eight million gallons a day can be pumped for a year to come, with three or four million gallons daily over a period of five years of drought.

We own nearly one-half of the riparian rights on the San Diego River. We own the El Capitan Dam site and part of the reservoir site.

The deed to the Fletcher dam site goes on record this week, and all we have to do is to condemn about 200 acres of Healion's land to complete our unit.

The above is in general the assets of the Guyanaca Flume Company without any mention of water rights whatever, and should satisfy any reasonable man that it is impossible to think of acquiring such properties for any such sum as you are reported to have said is the cost, i.e., \$500,000.

Our figures, as to capital invested, were audited by the Railroad Commission in 1919.

I hope to have a letter from you that the statements attributed to you are a mistake.

Believe me,

Very sincerely yours,

EF:AM

copies for Judge *Luce*, Mayor Bacon, Roscoe Hazard, Jerry Sullivan, Jr., Chandler, White, John Held, Virgil Bruschi, Fred Heilbron, Harry Weitzel, Don Stewart, Julius Wangenheim, Melville Klauber, George Stone, Dr. Bard.

JJD.

DEPARTMENT OF THE INTERIOR
UNITED STATES LAND OFFICE

Los Angeles, California,
(Place)

November 14, 1925.
(Date)

J. A. Murray,
Monterey, Calif.

Dear Sir:-

Enclosed find copy of Commissioner's letter, dated 9th inst, in which he denies your right to repayment in connection with application No.013283, for an easement for reservoir and right of way for canals effecting lands in Ts.14 and 15 S., Rs.2 and 3 E., S.B.M., within the Capitan Grande Indian Reservation.

Yours truly,

[Handwritten Signature]
Register.

RECEIVED
U. S. LAND OFFICE
Los Angeles, Calif.
NOV 14 1925

ADDRESS ONLY THE COMMISSIONER OF THE GENERAL LAND OFFICE
2 X

UNITED STATES
DEPARTMENT OF THE INTERIOR
GENERAL LAND OFFICE
WASHINGTON

November 9, 1925.

IN REPLY PLEASE REFER TO
Los Angeles 013283 "F" JKR

Murray, J. A.,
Fletcher, Ed,
Reservoir and Canal. : Instructions.

Register,
Los Angeles, California.

Sir:
November 20, 1919, the Department approved two maps filed by James A. Murray and Ed Fletcher for an easement for reservoir and right of way for canals affecting lands in Ts. 14 and 15 S., Rs. 2 and 3 E., S. B. M., within the Capitan Grande Indian Reservation, pursuant to the provisions of the act of March 3, 1891 (26 Stat., 1095), and Sec. 2 of the act of May 11, 1898 (30 Stat., 404).

By office order of March 19, 1925, the grantees were required to file proof of construction of or relinquish the rights obtained under the above described grants.

April 15, 1925, there was filed in your office by the grantees an application for repayment of \$2782.50,

Los Angeles 013283 "F" JKR

deposited by the grantees at the time of filing said application as damages to Indian lands, stating therein that they, the grantees, had been prevented, by concerted action of a group of Indians, from utilizing the right of way granted. The Indians by threats, so it is claimed by the grantees, of personal violence, prevented the construction of the project.

The Office of Indian Affairs was requested to submit a report as to the rights of the grantees therein and by letter of June 17, 1925, the Assistant Commissioner of the Office of Indian Affairs advised this office that there was no evidence to substantiate the claim of the grantees that they were prevented by the Indians from utilizing the grant above described, and thereupon, by office order of July 13, 1925, you were directed to notify the grantees that they were allowed 30 days in which to file relinquishment as formerly required, or to make other satisfactory showing in the premises. On August 27, 1925, you transmitted to this office additional evidence tending to support the charge that the grantees had been prevented from occupying said right of way.

September 15, 1925, the record was transmitted

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to the Secretary of the Interior with a request that instructions be issued as to procedure. October 23, 1925, the Department advised this office that:

"It is admitted by Mr. Fletcher, who, it appears, is now entitled to the sole and exclusive possession of the properties of the Fletcher-Murray interest; that the failure to construct pursuant to the grant approved on November 20, 1919, was the result of a change of plans in the operation of the water system; and the foregoing facts strongly indicate that such change was due, not to the opposition of the Indians as alleged but to other causes for which neither this Department nor the Indians are responsible and with which neither is necessarily concerned. Had the grantees in good faith desired to construct and encountered opposition from the Indians, the Department, had the matter been brought to its attention, would have been ready and willing to take such action as might be necessary to place them in possession, but they did not at any time, so far as the records show, complain to the Department of any interference by the Indians or ask its assistance. Such a complaint at this late date, when the period prescribed by law for completion of the project or forfeiture of the grant has elapsed, is not well founded and the demand for refund of the amount deposited as indemnity for the Indians can not, therefore, be entertained."

With regard to the matter of requiring relinquishment, the Department said:

"* * * it may be well to consider for a moment the right acquired by the grantees, the act of March 3, 1891, supra, provided for rights of way through public lands and reservations

Los Angeles 013283 "F" JKR

of the United States for ditches, canals, and reservoirs for the purpose of irrigation. These rights of way were to be obtained by making application in the local land office and ultimately secure the approval by the Secretary of the Interior of a map of the ditch, canal, or reservoir. The rights acquired by such approval were considered by the Supreme Court of the United States in the case of Kern River Company vs. United States (257 U. S., 147), wherein it was held, in effect, that the grant was to become effective when the approval was given, and that the approval, once given, could not be recalled or annulled by the Secretary, either for fraud practiced in securing it or for mistake in giving it, as to do that it was necessary to resort to a suit in equity
* * *

"After carefully considering the whole matter, the various elements entering into it, and the rights of the parties, it is my conclusion - first, that the request for refund is without merit, and, second, that, in view of the refusal of the grantees to voluntarily relinquish the grant, and in the absence of any showing the rights of the Indians are adversely affected by the outstanding grant, or that the lands covered thereby are desired or needed by other parties for irrigation development purposes, the matter should rest in statu quo until future developments show the need of further action."

In view of the foregoing departmental instructions, the application for refund is accordingly dismissed and no further action will at this time be taken looking to the cancellation of the grant by forfeiture proceedings.

Notify the grantees hereof.

Very respectfully,

Commissioner,

Ed Fletcher Papers

1870-1955

MSS.81

Box: 19 Folder: 12

General Correspondence - Murray, James A -



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