

August 3, 1925.

Mr. C. F. Stern, Vice-president,  
First National Bank,  
Los Angeles, California.  
My dear Frank:

Enclosed herewith find basic form of agreement, together with copy of my letter to Belcher, that are explanatory.

It is the best basis for a compromise that ever can or will be made. I did not expect you home until the 15th of August and did not want to bother you. Just what the Board of Directors of the District will do I don't know, but I am very sure that that agreement is the best that can be made and I shall certainly advise the District Directors, even if they cannot approve it, that they submit it to the people and take the responsibility off of the shoulders of the Board of Directors.

Belcher is going to see Mr. Hannan and get his approval, and then the two are going to get John D.'s approval, John D. being in San Francisco, then John D. and Hannan are going to write MacMullen what attitude to take in the matter. Certain members of the city council have a fearful hold on MacMullen and this is the only way to break it loose.

Belcher told me there is no more fight as far as he is concerned against the transfer of the Cuyamaca System to the District. Sullivan told the same thing to Mr. F. M. White yesterday.

We are still waiting for the Supreme Court decision. I was in San Francisco while you were gone. The Attorney General looked the matter up and found that Fred Stearns had not filed his last respondent's brief which the Supreme Court has been looking for. Sanders says that Stearns did not intend to file any final brief but my contention is he should have filed one or written the Supreme Court that he was not going to do so. This has been the cause of the delay. I got action thru the attorney general, also got Judge Sloane who was on the Supreme Court Bench with Judge Myers, to wire the Supreme Court day before yesterday and we ought to get a quick decision in relation thereto.

-2-

I will be up to see you Thursday morning.

Yours sincerely,

EF:KLM

P. S. If the Treanor-Hodges crowd whisper in your ear take it with a grain of salt until you find out the facts from

"Yours truly" .

ED FLETCHER



August 4, 1925.

Mr. Charles F. Stern, Vice-president,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Enclosed find copy of letter to the Santa Fe and San Dieguito Irrigation Districts, on the water, for your information. I have too many good friends in the Santa Fe and San Dieguito Irrigation Districts to leave them in the lurch, and simply had to go on record. As you will see, I softened it down by telling them if they do not want to buy, we will have to make the best contract we can.

One hundred and eight property owners signed petitions of protest against the city buying the system, and ninety percent of them were my friends and customers, so I was in an embarrassing position.

There are eight new houses now being built at Solana Beach. The bank has something like \$80,000 deposits, and things are moving in that section.

Yours sincerely,

EF:KLM

August 4, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, Calif.

My dear Frank:

Inclosed find check for \$225, also 90 day note of the Cuyamaca Water Company. If it meets with your approval kindly return the old cancelled note and oblige,

Yours very sincerely,

EF:AM

August 7, 1925.

Mr. C. F. Stern, Vice-president,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Enclosed find copy of letter to Mr. Belcher,  
copy of the basic agreement , and copy of Mr. McClure's  
letter to the District, for your files.

Yours sincerely,

EF:KLM

August 10, 1925.

Mr. C. F. Stern, Vice-president,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Enclosed find copy of letter to Belcher,  
copy of letter from Mayor Bacon, copy of my answer to  
him and La Mesa Scout article, which you will be  
interested in reading.

I was not aware that the district had any  
intention of eliminating Mr. Smiley until I read it in  
the paper. Crouch is the attorney for the irrigation  
district and I suppose he got in his deadly work  
some way.

Also enclosed find copy of the proposed letter  
to the city council.

Yours very truly,

EF:KLM



August 10, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Referring to the \$100,000 note, inclosed  
find statement of our Secretary, Mr. Mathews,  
which I believe will furnish you with the de-  
sired information, and the facts are as stated.

Yours very truly,

EF:AH

Aug. 11, 1925.

Mr. C. F. Stern, Vice President,  
First National Bank,  
Los Angeles, California.

My dear Frank:

I wonder if you could get me a synopsis of  
the Quinten, Code & Hill report on the water supply of  
the Lake Hodges system sometime at your convenience,  
particularly the net safe yield of Hodges as at present  
constitutde, with the reservations of Sutherland.  
They made a report to you, I believe, on this matter.

I want this report for comparison purposes,  
only, and the San Diego Sun has asked me to get the data,  
but you will not be brought into this matter at all. They  
have the net safe yield studies of Freeman, Savage, Lip-  
incott, King and others, and if it is convenient I would  
appreciate it if you would let me have it.

I believe they made some study in connection  
with the sale of the bonds.

Yours very truly,

EF:KLM



August 11, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find letter from my old friend, J. A. Ream, that is explanatory. He is a thoroughly reliable chap, married a friend of Mrs. Fletcher, and you can find out all about him from A. B. Miller of the Fontana Lands Company for whom he has been working for years.

He wants to go back to his 160 acre ranch in Paradise Irrigation District where he has a 20 or 30 acre apple and pear orchard.

As this trust is in the name of the Pacific Southwest, I was thinking perhaps you would be glad to make him a \$5000 loan at 7%, the security being in your hands. If so, kindly take it up with him direct.

Yours very truly,

EF:AH

August 12, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find letter from Harritt, our superintendent, that is explanatory.

Cuyamaca Lake has less water now than it had on the 31st of December, 1924. It wouldn't last over 60 days and would go dry if we stopped our El Monte Pumping Plant. We are pumping nearly 6,000,000 gallons a day out of the El Monte sands. We are pumping back from Murray Reservoir to La Mesa now to help out at a cost of about \$1000 a month. At the end of the season, based on our present operations, we will still have a year's supply of water for the domestic consumers who take from Murray Reservoir.

The operation of the Monte pumping plant is a fright. The power bill alone was \$5000 last month, but it was at the high rate, and next month it will be at a lesser rate, and the following month at a lesser rate, under the terms of our contract, which was the best that we could get.

To put it another way, we could draw Cuyamaca dry and save \$6000 or \$7000 pumping cost, but it would be a black eye to the whole country.

We have the power company paid up to the first of June in full, including the \$6000 that we failed to pay them last summer and have carried over until recently in the form of notes. I have just made arrangements with the power company to take the note of the Cuyamaca Company at 6% endorsed by you, and I have four months to take care of the power bills until we can close up with the La Mesa District, which I have every reason to believe we can clean up completely in the four month period. I hope same meets with your approval.

Yours very truly,

EF:AH



CABLE ADDRESS  
FIRST

# The First National Bank of Los Angeles

IDENTICAL IN OWNERSHIP WITH  
PACIFIC-SOUTHWEST TRUST & SAVINGS BANK AND FIRST SECURITIES COMPANY

Los Angeles

August  
12th,  
1925.

Colonel Ed Fletcher,  
Fletcher Building,  
San Diego, California.

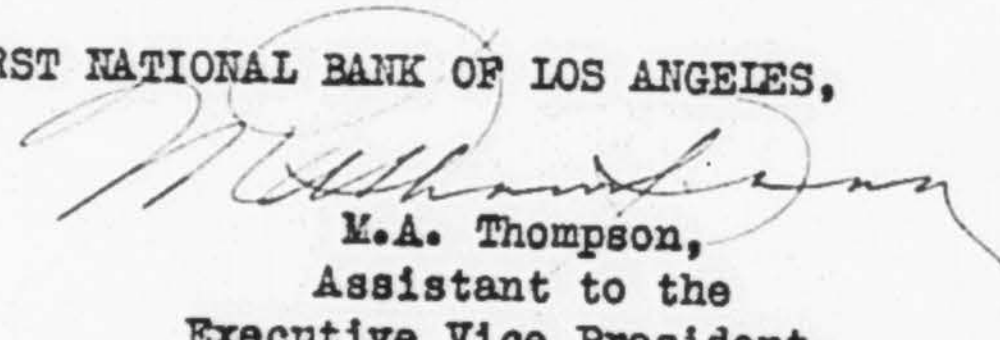
Dear Colonel Fletcher:

Please refer to your letter of August 10th, having to do with the "\$100,000 note", with which you enclosed statement of Mr. Mathews.

Your letter does not indicate that any action is necessary during Mr. Stern's absence, and unless I hear from you to the contrary, it will be placed in his rush file for early attention upon his return.

Very truly yours,

THE FIRST NATIONAL BANK OF LOS ANGELES,

  
M.A. Thompson,  
Assistant to the  
Executive Vice President.

400  
200

August 12, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

I have just received a copy of the proposed contract from Crouch, but am sending it up for your perusal and suggestions.

Crouch did not send his bill as agreed, so I have telephoned again and asked for it.

Yours very truly,

EF: AH



August 13, 1925.

Mr. C. F. Stern, Vice-president,  
First National Bank,  
Los Angeles, Calif.

My dear Frank:

Enclosed find note for electricity  
used for July. I have endorsed it. Will you  
kindly endorse and return, all as per my letter of  
yesterday.

Yours very truly,

EF:KLM

August 14, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find copy of letter from Crouch  
that is explanatory. Mr. Crouch's statement is  
wrong. I promised him \$1500 and he has been paid  
all but \$500 of it. I feel that we are being  
bilked at least \$10,000 or \$15,000 on this.

Yours very truly,

EF:AH



August 18, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find copy of letter that is explanatory. I suspected that bunch of trying to put something over, and my hunch has come true.

Yours very truly,

EF:AH

*Water History*

August 20, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Knowing you are on your vacation, I have not bothered you. The situation, however, has been rich and racy.

In the first place, all opposition from Rhodes, the Council, the Spreckels people and Belcher against the transfer of the Cuyamaca System to the La Mesa District has been withdrawn.

The La Mesa District directors have an auditor going thru our books and checking up the amounts due under the terms of our agreement. They are determined to have the transfer on September first under an agreement with us and they have announced it in the La Mesa papers. We have a meeting with them next Monday night, and I hope to clear up everything so that we can proceed to make a contract and turn over the management of the system the first of September.

The paramount right suit has been argued on demurrer and the attorneys are filing the briefs. There will be no decision until sometime in September. If it is favorable to the City on all counts the case will go to the Supreme Court on appeal. If not, the case will be set for trial on its merits in the Superior Court in October.

Belcher has been working like a Trojan lining up his people. After I got the state engineer to approve the last compromise, a copy of which I sent you, and McClure got the District directors to sign, John D. Spreckels signed the agreement but three members of the City Council balked, and of course, MacMullen balked when the Council balked.

Claus Spreckels has been over here the last two or three days on his own initiative two or three times, and is helping to solve the problem with the Council. Rhodes



has been here three times, also Belcher, and I am inclosing herewith a copy of the last plan which Rhodes and I worked out.

Rhodes tells me that Stewart will approve this last compromise that Rhodes and I have worked out, and if Stewart approves it it will be easy to get the majority of the Council and the mayor.

The purchase of the San Dieguito system by the City will undoubtedly go over. I have made no opposition to it at any time excepting as a property owner of the two districts I protested that the two districts should own it. They are asleep at the switch, and I shall as a citizen of San Diego probably endorse the purchase of the San Dieguito System. Claus Spreckels was over yesterday and dictated an interview that he wants me to sign, a copy of which is herewith inclosed. What do you think about it? Or had I better stay out entirely?

For the last week or ten days the councilmen and MacMullen have been telling the people that with Sutherland dam built and San Vicente, the City will get more water for one-half the price as compared to building El Capitan. They have made themselves the laughing stock of the community because it is only seven or eight months ago that they were hollering their heads off for El Capitan. Rhodes told them all that they were chumps and has talked pretty plain to them. He has temporarily put a quietus on them for the reason he says in the first place they have no money to build Sutherland and San Vicente because they haven't the bonding margin, and the only way it can be done is to have another bond election and transfer the El Capitan funds to Sutherland and San Vicente. It will take a two-thirds vote and it cannot be done because they have educated the people on the San Diego River and they can't get them away from El Capitan, and it is almost impossible to get a two-thirds vote. Also, how are they going to build a dam on a piece of land they don't own and only have an option to buy?

Rhodes called a meeting of the mayor and Council and told Claus Spreckels and Belcher in my presence yesterday in my office that the Council had unanimously agreed to stay with El Capitan and that a compromise must and will be worked out in the near future. Belcher is still working for his plan, while Rhodes is convinced that his plan is the right one - the copy herewith inclosed, which he and I have worked out and which I call the Rhodes plan.

I see many advantages to us in the last plan, altho it keeps me from selling Mission Gorge No. 3 at the present time - yet that has always been a bone of contention - but you and I sell out our distribution lines, the District in perpetuity owns the Cuyamaca System and run it themselves, which they are so anxious to do, and the litigation will be kept up between the District and the City, and if they win out they will be allowed to build Fletcher Dam, which the District is so anxious to do.

I hope you had a fine vacation. Let me know where you went and how you are feeling. I hope to see you soon.

Very sincerely yours,

EF:AH

P. S. By the way, I forgot to add that Claus Spreckels came over yesterday afternoon, told me that he had had a conference with MacMullen, that Mac Mullen had told him that Stewart had suggested a plan which appealed to Stewart and appealed to MacMullen. Claus thought it was a good joke because it is the plan that Rhodes and I have worked out which Rhodes has given to Stewart as his plan, and Stewart has already taken the matter up with MacMullen. If the plan goes thru Stewart will be the first one to announce it.

E. F.



*Water History*

August 22, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

I have had another good laugh. Don Stewart is just shooting off some of his bull, so Rhodes says, when he proposes continuing the litigation, taking over El Capitan, and using Murray Dam jointly with the District along the lines of the last suggested compromise known as the Rhodes plan, which I have sent you.

The Realty Board have taken this matter up in earnest, appointed a committee, and the committee have been to see Belcher, Mayor Bacon and Rhodes, and they are following along the lines of the Belcher plan in every particular. The plan is to at the next meeting of the Realty Board, adopt the Belcher plan, then a strong delegation go to the Council and insist upon its being put up for ratification by a vote of the people. Rhodes told me this morning that a majority of the councilmen would vote in favor of its being put up to the people, and that he is working to that end.

Regarding La Mesa Irrigation District matters, I have a conference with them next Monday night in the matter of taking over the management of the system on the first of September if possible.

Under separate cover I am sending you two papers which gives the report of the Grand Jury, and certainly puts us in the clear 101%.

Yours very truly,

EF:AH

CLASS OF SERVICE	SYMBOL
Telegram	
Day Letter	Blue
Night Message	Nite
Night Letter	N L

If none of these three symbols appears after the check (number of words) this is a telegram. Otherwise its character is indicated by the symbol appearing after the check.

# WESTERN UNION TELEGRAM

NEWCOMB CARLTON, PRESIDENT      GEORGE W. E. ATKINS, FIRST VICE-PRESIDENT

CLASS OF SERVICE	SYMBOL
Telegram	
Day Letter	Blue
Night Message	Nite
Night Letter	N L

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RECEIVED AT

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SAN FRANCISCO CALIF 21

ED FLETCHER

**35**

916 8 ST SANDIEGO CALIF

PARTIAL DISTRIBUTION GRANTED YESTERDAY CERTIFIED COPY OF THE ORDER IS NOW BEING PREPARED BY THE COUNTY CLERK AND SHOULD BE IN MY HANDS ON MONDAY AT WHICH TIME I WILL FORWARD IT TO THE TITLE COMPANY WITH INSTRUCTIONS I AM ANSWERING YOUR LETTER

W S K BROWN.

*cc - Mr. Leane  
Mr. Stern*



August 24, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find copy of telegram  
from Mr. Brown that is explanatory and for  
your information.

Yours very truly,

EF:AH

August 25, 1925.

Mr. Chas F. Stern, Vice-Pres.  
First National Bank,  
Los Angeles, California.

My Dear Frank:

From indications Crouch and Sanders are ask-  
ing about \$3,000.00 or \$10,000.00 dollars for their  
services since the 22nd of June, 1925. Inclose find  
copy of letter to Crouch and Sanders which I wrote  
today.

I think I cleaned Fred Sterns up and the  
Board of Directors of the La Mesa, Lemon Grove and  
Spring Valley Irrigation District will agree on June  
22, 1925. Inclosed find letters which are explanatory.

Very truly yours,

EF:LF

August 26, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find copy of letter that I received from Crouch & Sanders, also copy of my answer in reply.

Last week we got Crouch & Sanders' bill. Among items included is \$125 for maintenance on automobile and \$64.65 for the use of their automobile, altho they never consulted me or asked my consent to go to that expense or to use their automobile. Then again, Mr. Sanders has charged the expense of his wife at Santa Ana. Their total bill for expenses in the Santa Ana case is about \$1800, not including any bill of Smiley. We paid for pressing all their suits and pants, etc., and their laundry.

I will go over this with you later on, but the joke of it is I have made no criticism, or any of us, of the bill to a human being and I have made no statement in public except at the directors meeting at La Mesa. It looks to me that a guilty conscience needs no accuser, for them to come back with such a letter as written on August 25th.

Sanders even puts in a bill for \$50.00 for the use of his filing case and repairs to it.

Yours very truly,

EF:AH

August 26, 1925.

Mr. Chas. F. Stern, Vice-Pres.  
First National Bank,  
Los Angeles, California.

My Dear Frank:

Regarding my letter of August eleventh, 1925, re J. H. Ream loan. Ream can get along with \$4,000. but would like \$5,000. dollars. He has I believe a \$7,000. or \$8,000. dollar equity in his sante estate and one of your branch banks are holding his estate in trust.

Ream has a 160 acre ranch in Paradise Valley with water attached to the whole land. A very cheap water rate. He has put \$12,000. dollars in this development and is going back to live and his equity in the ranch alone is easily worth \$10,000 or \$15,000 dollars.

I have personally examined the land and it is well located. He raises the finest pears and if I remember rightly has 40 or 50 acres of fruit trees. If you can see your way clear to lend him \$5,000. dollars and take both equities as security I feel that you would be more than safe. He only has one \$5,000. dollar obligation to clear the title on all the property and it is not due for 3 or 4 years.

He has worked in my employe many years, married a friend of Mrs. Fletcher, a mighty fine woman; and Mr. Ream is as good as could be.

Very truly yours,

EF:JE



August 27, 1925.

Mr. C. F. Stern, Vice President,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Mr. Brown has agreed to take our note payable December 15th at six percent, for the interest which is due September 1st. Enclosed find note which I have signed. Will you kindly sign and forward it immediately to San Francisco so he gets it by the 1st of September, if this arrangement is satisfactory to you.

I am keeping up the monthly interest payments of about a thousand dollars each month on the San Francisco notes, with the Anglo & London-Paris National Bank.

Yours sincerely,

EF:KLM

THE FIRST NATIONAL BANK OF LOS ANGELES  
PACIFIC-SOUTHWEST ~~WELLS~~ BANK  
FIRST SECURITIES COMPANY  
LOS ANGELES

CHARLES F. STERN

August  
29th  
1925

My dear Colonel Fletcher:

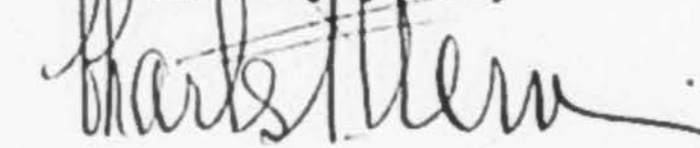
I have signed the note to our friend Brown and have forwarded it to him with a letter, copy of which is attached hereto.

I inclose also the note to the San Diego Consolidated Gas & Electric Company, which I have indorsed in accordance with your request. I do not think that I should be on this note but I am doing it because that is the way you apparently want it and in the expectation that all of these matters will be liquidated within the next few weeks.

I am inclosing another letter from my friend, Dr. Henderson, in re the Golden Chariot Mining Company, about which you may remember I bothered you sometime ago. Do you want to look at it any further in view of the present statements?

I am inclosing a letter in re our friends, Crouch & Saunders, for your use in your discussion with them.

Sincerely yours,



Colonel Ed Fletcher,  
San Diego, Calif.



THE FIRST NATIONAL BANK OF LOS ANGELES  
PACIFIC-SOUTHWEST SAVINGS BANK  
FIRST SECURITIES COMPANY  
LOS ANGELES

CHARLES F. STERN

August  
25th  
1925

My dear Colonel Fletcher:

On my return from my vacation I have read with interest the various letters that have passed between you and your attorneys, Messrs. Crouch & Saunders. It seems to me that we are in danger of getting into a tangle which cannot help but be disadvantageous to all parties concerned, and certainly would do no credit to the diplomacy or sense of fair play of any of the parties concerned.

I trust that calmer counsel will prevail and that we may be able to reach an agreement with Messrs. Crouch & Saunders; certainly, I must object to any suggestion or implication that I am party to any attempt to deprive them of anything which is rightfully coming to them. They should appreciate the fact that I have not had an opportunity to look into this angle of our situation at all and I would certainly feel that any action on their part at this time, and in view of this fact, would be not only ill advised but extremely discourteous.

In looking over the correspondence, I do not find that Crouch & Saunders have presented a bill for their services in the Paramount Rights suit. It is my recollection that Mr. Crouch agreed to do this when I was last in San Diego. If this bill has

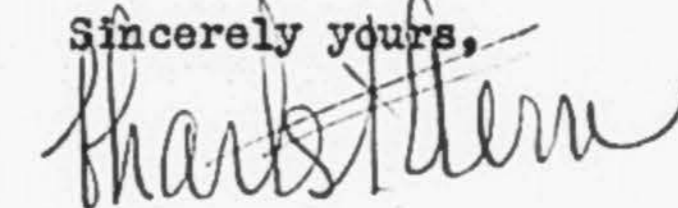
not been presented, please ask again for it.

It is very difficult for me to leave here this week due to my many recent absences but I am planning to come down a week from Saturday and shall hope to be able to straighten out this vexed question, as well as any others which may be pending at that time.

With best personal regards,

I am

Sincerely yours,



Colonel Ed Fletcher,  
San Diego, Calif.



COPY

The First National Bank of Los Angeles  
Pacific Southwest Bank  
First Securities Co.

Los Angeles, Calif.

August 28, 1925.

My dear Colonel Fletcher:

On my return from my vacation I have read with interest the various letters that have passed between you and your attorneys Messrs. Crouch & Sanders. It seems to me that we are in danger of getting into a tangle which cannot help but being disadvantageous to all parties concerned, and certainly would do not credit to the diplomacy or sense of fair play of any of the parties concerned.

I trust that calmer counsel will prevail and that we may be able to reach an agreement with Messr. Crouch & Sanders; certainly, I must object to any suggestion or implication that I am party to any attempt to deprive them of anything which is rightfully coming to them. They should appreciate the fact that I have not had an opportunity to look into this angle of our situation at all and I would certainly feel that any action on their part at this time and in view of this fact, would be not only ill advised but extremely discounteous.

In looking over the correspondence, I do not find that Crouch & Sanders have presented a bill for their services in the Paramount Rights suit. It is my recollection that Mr. Crouch agreed to do this when I was last in San Diego. If this bill has not been presented, please ask for it.

It is very difficult for me to leave here this week due to my many recent absences but I am planning to come down a week from Saturday and shall hope to be able to straighten out this vexed question, as well as any others which may be pending at that time.

With best personal regards, I am

Sincerely yours,

CHARLES F. STERN.

Col. Ed Fletcher  
San Diego, Calif.

August 29, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find copy of letter I have received from Crouch & Sanders in answer to mine of the 26th, also copy of my letter in reply, for your information, and I hope you approve of it.

Yours very truly,

EF:AH



August 29, 1925.

Crouch and Sanders,  
Spreckles Building,  
San Diego, Calif.

Dear Sirs:

Inclose find letter from Mr. Stern, my partner which is explanatory, and will you please let me have immediately a copy of your Paramount right bill or any other bill that you may have against us. One bill being up to June 22nd, 1925 and the other bill from June 22nd, 1925 to date. This bill should be charged to the La Mesa, Lemon Grove and Spring Valley Irrigation District but I will gladly take the matter up with them and bring about a satisfactory arrangement.

They have no money until the bonds are sold and neither have we for that matter, but we would like to come to some agreement with the District but we cannot until all the bills are in our possession.

Your early attention to this matter will be appreciated.

Yours very truly,

EF:LF

August 31, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find clipping from Saturday night's "Sun", also article in this morning's "Union" of Judge Sloane put in on his own initiative. In fact, all of the inclosed is without any encouragement from me. They are commencing to wake up down here to the situation.

Yours very truly,

EF:AH



Interest  
overhead  
att. Fees when City pays  
Sloan

September 1, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Mr. Stearn just gave me a copy of the agreement. He has left out two vital things in this agreement. First, that the District is to pay 6% interest from June 22nd on the entire principal, interest payable monthly from date of June 22nd, the day we deposited the grant deed.

Also the entire principal including the sales price, \$1,100,000, and capital expenses since, is to be agreed upon as to the amount and a statement attached to this contract and approved by all parties.

I am writing this hurriedly, and hope to see you in the next two or three days whenever it is agreeable.

I am waiting for the auditor of the District to approve the statement of what is owing us, and I will bring that up with me.

Yours very truly,

EF:AH

P. S. Inclosed find editorial from Saturday's "Sun". Please return after reading, for my records, as it is the only copy I have and I am unable to get any more.

E. F.

September 2, 1925.

Mr. Charles F. Stern, Vice-Pres.  
First National Bank,  
Los Angeles, California.

My dear Frank:

We have steered clear of a very serious situation. The city crowd were doing their best to stir up the riparian owners and get out an injunction to stop our pumping and several meetings were held but I beat them to it and showed them that the water level in 1915 was lower than it is today and the cause of it was the drought. Thanks to the good work done by Mr. Bickle, cashier of the Bank of Lakeside, as well as to the good work done by our engineer Mr. King, engineer for the Lakeside District.

I am glad to inform you all of the riparian owners below almost to San Diego, have agreed to go into the Lakeside District and eventually it is planned to have the Lakeside Irrigation District amalgamate with the La Mesa District and show the city a united front.

The kickers have been entirely eliminated and they can show no damage and it was the lower riparian owners who were planing to sell their land to the city, who were making the trouble.

I helped the Lakeside Irrigation District get started and all the officers are friendly and it is their intention to get their water from us. Although I still think it is their plan, they can get water from wells if they wanted to. One good well has been developed off the San Diego river and I advised them to buy it. This I believe they have done.



There are two riparian owners who we have had to take care of. They adjoined our El Monte pumping plant. We have sucked all their water and their pumps are dry. They are good friends and we are furnishing them with water free of charge for the rest of the season as undoubtly the sands will be recharged this winter.

We are pumping six million gallons a day, a wonderful plant and taking care of the entire needs of the irrigation district without drawing on Cuyamaca but a little.

The next time you are down I want to be sure and see the pumping plant.

Very truly yours,

EF:JF

September 3, 1925.

Mr. C. F. Stern, Vice-president,  
First National Bank,  
Los Angeles, California,

My dear Frank:

Relative to the \$20,000 loan dated March 10, 1925, with \$25,000 par value of Solana Beach Sales Contracts as security, will say I paid you on May 5th, \$600 collected, on these contracts, and on July 10th \$1,000, and I am enclosing herewith check for \$1,000 more money that I have collected in relation thereto.

If agreeable to you, will you kindly make out a new note in the amount of \$17,400, a six months' note and have Mr. Thompson let me know what the interest is to date and I will send a check and Mrs. Fletcher and I will execute the new note.

You will be pleased to know that there have been fourteen new houses built at Solana Beach the last three months, and four more now in course of construction. Solana Beach is a cinch!

Yours sincerely,

EF:KLM



September 15, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Stearns and Crouch & Sanders backed and filled, altho I kept after them every day, with the result that I got a contract at 8 o'clock Saturday night and the directors of the District had a special call to approve and sign the contract the following Monday. I worked nearly all day Sunday.

Inclosed find copy of letter that I wrote to Crouch & Sanders Sunday afternoon and sent up to Crouch's house. He was mad as a wet hen, and I guess he had reason to be, for he must have been kicking himself - he had made such a fool of himself. He did not know whether he would have time Monday or not to see Stearns again. He had to be in court, he said, and said he would take it up Monday. I took the bull by the horns, went up and saw Fred Stearns personally at his house and went over the whole situation with him. I told him I didn't want to have any more trouble fought out between him and me before the Board of Directors of the District, and that we had better try and get together.

There is no question in my mind, but what Crouch & Sanders, who are now attorneys for the Irrigation District, and Stearns were trapping us, or else it was almost criminal negligence. Stearns sputtered around for a few minutes and then said to meet him at his office at 8:30 Monday morning. When I got there I found Crouch, and they came thru without a whimper and made all the changes that I asked for in my letter of September 14th to Crouch & Sanders, a copy of which is herewith inclosed.

I then called Fred Stearns' attention over the telephone to the clause in the contract which called for all reservations and conditions null and void when the property is paid for, and said I would



have to put all those reservations in the deed. He objected to it, so I telephoned Senator Flint, Senator Flint said a new contract would be all right, so I wrote a letter to Fred Stearns, a copy of which is inclosed, and I will get to work today getting someone to draw up the contract for Stearns seems to be in no hurry whatsoever and is doing everything he can to delay this whole situation for some reason or other.

I got it on straight authority that Weitzel is going to resign in the next four or six weeks, that a new man will be appointed who will work for a compromise on the San Diego River, and Stewart will be left out on the end of a limb.

I was more than happy to be relieved of my agreement to compromise along the Railroad Commission plan, for we will be in a better position to settle with the City and to our own advantage later on, once this deal with the District is consummated.

I wrote Senator Flint last night to hurry up O'Melveny and get his official opinion down as soon as possible, so we can start to advertise the bonds.

The auditor's report, which is attached to the contract, allows us 10% for overhead, \$7,060.58, interest during construction, \$2,565.04, leasing deduction for materials and supplies, etc., \$2593.69, makes an additional addition to bill amounting to \$100,518.09, plus any additional expenditures for the month of August, and interest and overhead for that month, so we will probably be securing 6% interest commencing the first of September on about \$1,203,000 or \$1,204,000 payable monthly. The first payment of interest we will receive on October 15, 1925.

We are one step nearer home, Frank. It has been Hell. I have been sorry many times I ever got you into it. You have been a 100% loyal partner, and my one desire is to get you out of it in an honorable way with a whole skin and a good profit. I had no idea that we would ever have to go thru what we have.

Yours very truly,

EF:AH

September 19, 1925.

Mr. C. F. Stern,  
Hotel Belmont,  
New York, N. Y.

My dear Frank:

Enclosed find article on the front page of the Sun last night, which is explanatory.

Everything is progressing favorably, and I am to meet Senator Flint on Friday re contracts.

Yours sincerely,

EF:KLM

Dictated Sept. 18th



September 21, 1925.

Mr. C. F. Stern, Vice-president,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Enclosed find copy of letter from Mr. Brown under date of September 14th, also copy of my reply and statement showing the credits in cash and salary to Mr. Murray from June 1st, 1910 until his death. He never was paid a dollar for his expense, salary or dividends during the entire period from June 1st, 1910 until his death. Neither did I receive anything excepting my \$300 a month salary.

The interest at six percent figured out something like \$500,000 more.

Yours very truly,

EF:KLM

September 23, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find copy of letter to Senator Flint and enclosures, which all ought to be kept together covering the transfer of the Cuyamaca System to the District, and for your records.

Yours very truly,

EF:AH



September 23, 1925.

Senator Frank P. Flint,  
Title Insurance Building,  
Los Angeles, California.

My dear Senator Flint:

Thanks for your telegram of congratulation received yesterday re the La Mesa District Settlement.

Inclosed herewith find contract of September first duly signed and acknowledged by all parties in interest, taking over the management of the Cuyamaca System, also copy of contract regarding the hunting, fishing, and boating rights, duly signed and acknowledged, also copy of agreement from the La Mesa District covering elimination of attorneys fees and extraordinary engineering expenses which we will not have to pay if for any reason the system should ever come back to us. I am also inclosing copy of reservations prepared by the Southern Title Guaranty Company and certified to by the District and ourselves, being instructions to the Southern Title Guaranty Company to insert in our deed.

After careful examination of these papers, will you kindly inform me if there are any errors, and will you kindly turn over these papers to Mr. Stern for his records at your convenience?

Inclosed find copy of notice to the Railroad Commission of California which I sent them this day in compliance with their Decision No. 15050.

I hope that you will write me that everything is o.k.

Yours very truly,

EF:AH

*cc. Mr. Stern*

September 23, 1925.

State Railroad Commission,  
California State Building,  
San Francisco, California.

Attention: Mr. Brundige, Pres.

Gentlemen:

In compliance with your Decision #15050, this is to inform you that we yesterday signed contracts with the La Mesa, Lemon Grove and Spring Valley Irrigation District for the sale of the Cuyamaca System, and turned over the possession of the Cuyamaca System excepting the Normal Heights, East San Diego, and Kensington Park distribution lines, to the Irrigation District.

The Supreme Court have recently approved the validity of the bonds, the District directors will undoubtedly advertise for bids for the sale of the bonds at its meeting next Monday night, and the entire transaction will be, in all probability, closed within ninety days from date and complete payment made for the purchase price thereof. The management of the system by the District under our agreement is of the date of September first, 1925.

At this time let us thank you all as a Commission, and individually for your service in attempting to bring about a compromise between the District and the City. You rendered faithful service, and the City is undoubtedly the loser by not living up to its obligations. However, both Mr. Stern and the writer appreciate more than we can say your entire fairness and service rendered this community in relation thereto.

Yours very truly,

CUYAMACA WATER COMPANY

Per ED FLETCHER Manager.

EF:AH



( Copy )

La Mesa, California.  
September 1st, 1925.

Cuyamaca Water Company,  
Ed Fletcher and  
Charles F. Stern.

Gentlemen:

Referring to the contract executed between us under date of September 1st, 1925, it is understood that in any accounting (in the event of the surrender of the property as provided in subdivision (h) of Paragraph One of said contract), the La Mesa District shall only be entitled to be credited with such expenses and payments as shall have been made in the actual operation of the physical properties, not including as operating expenses any attorneys' fees or engineering expenses except such engineering expenses as may be incurred directly in connection with the said physical properties.

The District shall also be entitled to be credited with any expenses incurred by it for capital additions upon the said physical properties and for new construction as provided in subdivision (c) of Paragraph One of the above dated contract.

LA MESA, LEMON GROVE AND SPRING  
VALLEY IRRIGATION DISTRICT,

By H. A. Hall  
Pres.

John C. Scott, Secty.

STATE OF CALIFORNIA  
COUNTY OF SAN DIEGO

On this 22nd day of September 1925, before me, Mary M. Braiden a Notary Public in and for said County, personally appeared H.A.Hall, known to me to be the President, and John C. Scott, known to me to be the Secretary of the corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same.

Mary M. Braiden  
Notary Public

C O N T R A C T  
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THIS AGREEMENT made and entered into as of the first day of September, 1925, by and between CUYAMACA WATER COMPANY, a Co-partnership, by Ed Fletcher, surviving partner, ED FLETCHER and C. F. STERN, parties of the first part, and LA MESA, LEMON GROVE AND SPRING VALLEY IRRIGATION DISTRICT, an Irrigation District organized and existing under and by virtue of the Irrigation District laws of the State of California, and situated wholly within the County of San Diego, in the State of California, party of the second part;

W I T N E S S E T H :

THAT, WHEREAS, on the 5th day of April, 1924, the Cuyamaca Water Company did make, execute and deliver to said second party a certain agreement wherein and whereby the said second party was given an option to purchase for the sum of One Million, One Hundred Thousand Dollars (\$1,100,000.00), all of the property described in said option; and

WHEREAS, said option was accepted and exercised by the said second party, and the time for the completion of said option and the terms thereof were subsequently modified by agreements between the said parties, under date of April 23rd, 1925, May 4th, 1925, and June 13th, 1925, all of which said agreements are by this reference thereto, incorporated herein, and made a part of this agreement; and

WHEREAS, it is provided in the said agreements and option that the parties of the first part shall have and reserve certain hunting, fishing and boating privileges upon certain reservoirs described in said agreements, and it is now desired by the said parties to herein agree upon the terms and conditions governing the exercise and use of the



said hunting, fishing and boating privileges, and to also agree upon certain reservations, exceptions and conditions not explicitly, definitely or fully stated in the said agreements hereinbefore referred to.

NOW, THEREFORE, in consideration of the premises, and the obligations and benefits respectively assumed and received by the said parties by reason of the said agreements hereinbefore mentioned, the parties hereto, in consideration thereof, do hereby covenant and agree as follows:

0. The said reservations shall be those contained in a letter from the Southern Title Guaranty Co. dated September 21st, 1925 and hereto attached.

1. That the parties of the first part in the exercise and enjoyment of the sole and exclusive right and privilege to hunt, fish and boat upon the Guyamaca reservoir, and the Fletcher and El Capitan reservoirs when constructed, shall conform to the following regulations in respect thereto, to-wit:

(a). The first parties, their heirs and assigns, shall pay all costs and expenses incident to or connected with the licensing, regulation and maintenance of hunting, fishing and boating privileges upon the said reservoirs, and shall save and hold the second party safe and harmless from any charge or liability of any nature whatsoever by reason of the operation, maintenance and exercise by the first parties of their said hunting, fishing and boating privileges.

(b). The first parties agree to and are hereby required to conform to the sanitary regulations of the Board of Health of the State of California, and to permit no nuisance or pollution of the waters of said reservoirs in violation of any of the laws of the State of California.

(c). That the said first parties shall be, and they are hereby required and agree to keep true and accurate books of account showing all receipts and disbursements

received, paid out or authorized by them in connection with the exercise by them of the said hunting, fishing and boating privileges, and shall pay to the second party twenty-five percent (25%) of such gross receipts. Said amount to be paid on the 15th day of each and every month during the period said parties shall retain and exercise said privileges from the gross receipts received during the preceding month.

(d). It is agreed by the parties hereto that the first parties, their heirs and assigns, shall have free, peaceful, and unobstructed access to said reservoirs at a convenient location for mooring of landing floats and boats, and for caring and maintaining the same, and for access to and from the same by licensees of the first parties to enjoy and exercise the said hunting, fishing and boating privileges.

(e). That the said lakes and reservoirs when constructed and completed, and during the period of said reservation shall be continuously open to licensees of the first parties at all times to exercise the said hunting, fishing and boating privileges at rates therefor to be established by the Board of Directors of the said Irrigation District; provided, however, that in the event the said parties are unable to agree upon the rates fixed by the Board of Directors for the licensees of the first parties to pay for the privilege of hunting, fishing and boating upon said reservoirs and lakes, as being proper rates therefor, then and in such an event the parties hereto agree to submit to arbitration in the usual manner the proper amount of rates to be charged. Both parties to



be bound by and accept the decision upon such arbitration.

(f). The first parties shall have the right to maintain all equipment upon and about the said reservoirs as in the judgment of the first parties shall be necessary or incident to the proper exercise by them and their licensees of the said hunting, fishing and boating privileges. Nothing herein contained shall be construed as in any way obligating said District to construct El Capitan dam or Fletcher dam.

IN WITNESS WHEREOF, the first parties have hereunto set their hands, and the District has caused these presents to be executed in its corporate name by its President and Secretary thereunto duly authorized, as of the day and year first herein written.

CUYAMACA WATER COMPANY

By Ed Fletcher  
Surviving Partner

Ed Fletcher

C. F. Stern by Frank P. Flint,  
his Attorney in fact.  
Parties of the First Part

ATTEST:

LA MESA, LEMON GROVE AND SPRING  
VALLEY IRRIGATION DISTRICT

John C. Scott  
Secretary

By H. A. Hall  
President  
Party of the Second Part

Mr. Hall's and Mr. Scott's signatures acknowledged before  
Mary M. Braiden September 22nd, 1925.

Mr. Fletcher's signature acknowledged by Adelaide Vogel Sept.  
22nd, 1925.

Mr. Flint's signature acknowledged by Martha S. DuBois  
September 18th, 1925.

COPY

September 21, 1925.

Mr. Ed Fletcher,  
920 Eighth St.,  
San Diego, Calif.

Dear Sir:

I submit herewith reservations to be incorporated in the deed from Ed Fletcher and Mary C. B. Fletcher, husband and wife, to the La Mesa, Lemon Grove and Spring Valley Irrigation District, which we now have in escrow:

"Excepting and reserving, nevertheless, unto the grantors, their heirs and assigns, the sole and exclusive right and liberty at all times for a period of fifteen (15) years from and after the first day of September, A.D. 1925, of hunting, fishing, and boating privileges on and about the said property hereinbefore described as Parcel No. 1, commonly known as "Cuyamaca Lake and Reservoir Site," such right and liberty to be held and exercised under and in accordance with the terms and provisions of a written agreement entered into by and between said grantor and grantee under date of September 1, 1925."

"Also excepting and reserving unto the said grantors their heirs and assigns, the sole and exclusive right and liberty at all times for a period of fifteen (15) years from and after the creation of a lake or reservoir of water upon the land hereinbefore described as Parcel No. 2, commonly known as the "Fletcher Reservoir Site," of hunting, fishing and boating privileges on and about the said property, such right and liberty to be held and exercised under and in accordance with the terms and provisions of a written agreement entered into by and between said grantor and grantee under date of September 1, 1925;"

"Also excepting and reserving unto the said grantors, their heirs and assigns, the sole and exclusive right and liberty at all times for a period of fifteen (15) years from and after the creation of a lake or reservoir of water upon the land hereinbefore



described as Parcel No. 7, commonly known as "El Capitan Reservoir Site," of hunting and fishing and boating privileges on and about the said property, such right and liberty to be held and exercised under and in accordance with the terms and provisions of a written agreement entered into by and between said grantor and grantee under date of September 1, 1925."

"Also subject to the following reservation and contingency, to-wit: In the event the grantee, its successors or assigns, fails or neglects within a period of ten (10) years from the 5th day of April, 1924, to erect or construct upon the dam site hereinabove described, and commonly known as "Fletcher dam and reservoir site," a substantial and permanent dam to a height of one hundred and seventy-five (175) feet, then and in such an event all of the property hereinabove described being within what is commonly known as the "Fletcher dam and reservoir site," lying between the 995 and the 1015 contour, U.S.C.S. Datum, shall revert to and vest in the grantors, their heirs or assigns; provided, however, that upon the construction within said ten (10) year period of such dam upon the said property to a height of one hundred and seventy-five (175) feet, then this reservation shall cease and be of no further force and effect. It being understood that the above reservation is based upon the bench mark "Nail high point of concrete, top of diverting dam", being elevation 815.93, U.S.C.S. Datum.

Also subject to the reversionary rights of Abbie Louisa Waterman and Helen Jane Waterman of that portion of land lying in Lot D, Cuyamaca Rancho, as provided in a deed from R. W. Waterman to the San Diego Flume Company recorded in Book 188, page 141 of Deeds, records of San Diego County, which provides in case said premises or any portion thereof are used for other purposes or cease to be used for reservoir purposes, the same shall revert to said grantor, his heirs or assigns."

"Also subject to all easements or rights of way heretofore granted for County roads, highways, public power transmission lines and other public or quasi-public easements or rights of way of record."

Yours very truly,

Ed A. Sears,

Assistant Title Officer.

October 5, 1925.

Mr. Chas. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find copy of financial statement of certified public accountant showing the total amount due us in capital expenditures is \$101,980 in addition to the \$1,100,000, and on both amounts we will be drawing interest from the first of September.

Yours very truly,

EF:AH

Southern Title Guaranty Company:  
You are hereby authorized and directed to insert in our deed of June 22nd, 1925, and approved by the signatures of the parties thereto the above reservations as per your letter of September 21, 1925.

BY John C. Scott Secretary  
BY Ed Fletcher Solo Surviving Partner  
CUYAMACA VALLEY COMPANY

Sept. 22, 1925.  
APPROVED:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



October 6, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find clipping that is  
explanatory.

The District did not advertise  
the bonds for sale last night, but have post-  
poned it for a week owing to the absence of one  
of the directors, and they wanted it unanimous.

Will see you Thursday morning if  
you are in Los Angeles. Hope you had a fine trip.

Yours very truly,

EF:AH

October 9, 1925.

Mr. Chas. F. Stern, Vice-president,  
First National Bank,  
Los Angeles, California.

My dear Frank:

The Weitzel case was set for trial yesterday for  
October 28th, by the District Attorney on two of the four  
counts. Please notify Mrs. Scollard.

I will be up to see you in Los Angeles the  
first of the week.

The San Dieguito bonds went over twelve to one,  
with no opposition from any daily paper at any time. It  
was a good thing for the city, altho they jipped the  
Santa Fe District, by making a new contract which gives the  
city three million gallons a day in perpetuity, a paramount  
right, before the Santa Fe District gets a drop, in case  
of shortage of water.

I just received a letter from Rhodes, the city  
manager, in answer to one I wrote two weeks ago, stating  
that the lands that I own in the Fenton Ranch, between  
the 330 and 395 foot contour are included in the transaction  
to the city. The water company has a five year option to  
purchase from me the above lands, approximately 700 acres,  
between the 330 and 395 foot contour at \$100.00 an acre,  
so this means that I will personally benefit by the deal,  
and I will have \$70,000, almost all velvet. It is an ill  
wind that blows no one any good.

It is an expensive way for the city to buy the  
Sutherland water supply, but the cards were stacked against  
us, and it was absolutely useless for me to fight, so I  
kept out of it and have not allowed my name to be mentioned.  
It is the Santa Fe Irrigation District that is going to  
suffer eventually.

Yours sincerely,

EF:KLM



October 10, 1925.

Mr. Charles F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Have had a conference with the attorney for the Southern Title Company, and I have framed up a letter for them to write to Brown. Inclosed find copy, which they have already signed and which they are holding until I tell them to mail it.

Brown does not get into San Francisco until Wednesday of next week. I expect to be there in San Francisco Thursday of next week and I would like to have Brown get the letter so he can take the matter up with me and draw him out if the letter meets your approval.

On receipt of this, will you kindly wire me Monday if it meets your approval, in which case the Title Company will mail it Monday afternoon, and they will get it in San Francisco Tuesday.

Yours very truly,

EF:AH

October 10, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

My temperature went down 50 degrees when both Stearns and Sanders told me yesterday that the Sullivan crowd were going to fight Tuesday and try and make permanent the temporary injunction in the matter of the La Mesa District purchase of the Cuyamaca System. They have three attorneys against us, but Hendee is the leader. He has been a friend of mine for many years, and I have confidence in him that his word is good and that he believes in fair play. They paid him \$100 for one night to go out there and campaign at a public meeting against us at La Mesa just before the bonds carried four to one.

Acting on Fletcher's hunch, I telephoned Hendee for an engagement to talk this matter over. I believe I can appeal to his sense of justice and fair play to have this suit dismissed - at least I am going to make one last effort Monday afternoon.

Yours very truly,

EF:AH



H I S T O R Y

October 13th, 1925

Dismissal of last injunction suit of Sullivan, Brown and Ricker and Fels, which paved the way for the sale of the La Mesa Irrigation District bonds.

Attach my letter to Stern written Saturday making the explanation. Also my calling up Judge Hendee Saturday night. My conference with him at 10 a. m. Monday morning. My explanation that equity and justice demanded that he cease the prosecution, that the original district was 14,500, that we let out those who had protested and other came in voluntarily to make 18,000 acres. 3500 acres more now asking for admission. That the bonds had been voted, that he was paid \$100 for fighting them for one night's ~~work~~ talk, that everything is unanimous now in favor of the district. The Supreme court has approved everything, and it seems to me it is only persecution that this suit is being continued. If it is persecution he should have the case dismissed at once. Would he not take it up with his clients because I felt sure that by getting the case dismissed now it would mean water development on the river one or two years earlier than otherwise, and a big responsibility was on his head. I convinced him that I was right. He said he would notify Sullivan, that he would withdraw from the case if they did not dismiss the suit and on Tuesday morning the suit was dismissed.

October 14, 1925.

Mr. Charles F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

In reading the La Mesa Scout, I found the inclosed. He should have mentioned your name also. At any rate it was a nice feeling. Kindly return at your convenience.

Yours very truly,

EF:AH



October 14, 1925 .

Mr. C. F. Stern, Vice-president,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Enclosed find copy of letter from the La Mesa  
Irrigation District, approving the final audit for  
September, for your files.

Yours very truly,

EF:KLM

October 26, 1925.

Mr. C. F. Stern, Vice-president,  
First National Bank,  
Los Angeles, California.

My dear Frank:

I called Chief Engineer King's attention today  
to the information Mr. Canny wanted. Mr. King said that  
Mr. Stearns had a couple of times informed the Directors  
of the District that all of the data had been sent to  
Mr. Canny in the matter of the La Mesa bonds certification.  
King went over there again this morning and told Fred  
Stearns of my conference with Mr. Canny, that no  
papers had ever been received, and Mr. Stearns discovered  
immediately that he had never sent the papers to them,  
they had been held in his office for many weeks.

Stearns' whole game has been one of delay, but  
I think half of it has been pure laziness and the other  
half cussedness.

King is forwarding all of the papers to Mr.  
Canny today, and Mr. McClure has promised to push the  
thing along so we can have the bonds certified.

The resolution was passed last Tuesday night  
advertising the sale of the bonds. Also a resolution  
asking the Bond Commission to certify to the bonds. They  
are advertising now for the sale of \$1,500,000 of bonds,  
and the date for opening the bids will be Nov. 9th, 1925  
at 10 a. m.

Yours sincerely,

EF:KLM



October 16, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Yesterday you brought up the question of interpretation of our agreement regarding what was coming to me from my interest in the Cuyamaca System. I thought that was all understood by letter between us, but if there is any misunderstanding, I am sure we can agree when the time comes that we get together with our feet under the table to straighten things out.

I want to say right now in advance, that you can't row with me even if you want to. I don't want you to say one cross word to me, Frank, because I am sensitive as the devil at criticism, and so are you, and I want to commit myself finally and irrevocably now that if you and I don't agree on the interpretation of anything, let Senator Flint and Judge Sloane, two of the most honorable men in California, settle it, and it will be final as far as I am concerned.

Brown told me Wednesday that he had not put things over with the inheritance tax men the way he expected in the matter of that \$85,000 Murray note coming to me, there might be just a possibility of a misunderstanding, so when we get our money, or whenever you want to, you and I alone will get our feet under the table together and bring up all these matters.

As far as I am concerned, I want to be your partner for life, and I hope you feel the same toward me. For that reason I am trying to be extra careful that there be no misunderstandings, and if there are, I want you to feel that I will go the limit to do the right thing by you, as I know you would do by me.

Sincerely yours,

ED FLETCHER

EF:AH

THE FIRST NATIONAL BANK OF LOS ANGELES  
PACIFIC-SOUTHWEST ~~TRUST~~ BANK  
FIRST SECURITIES COMPANY  
LOS ANGELES

CHARLES F. STERN

October  
19th,  
1925.

My dear Colonel Ed:

I have before me your letter of October 16th, and hasten to reply before either of us lose sleep over a situation that is not going to develop.

Certainly, you and I cannot afford to quarrel; with equal certainty I think that neither of us desires to quarrel. I have enjoyed my association with you in a personal way, and I hope to continue it for all of the days that are granted to both of us.

My statement to you merely stated a fact, namely that there are some details regarding our own settlement which will need to be discussed. I have not looked up the back correspondence, and I spoke rather spontaneously when I made the remark to you. I recall that you wrote me a letter regarding the final disposition of the one-twelfth interest you purchased from the Henshaw Estate. It may be that you also covered the twelfth that you already owned. I shall look that up, of course.

I had nothing particular on my mind but the thought that we have the pleasure of a talk coming to us. Certainly, no thought that we would develop any disagreement.

*File with other papers.*

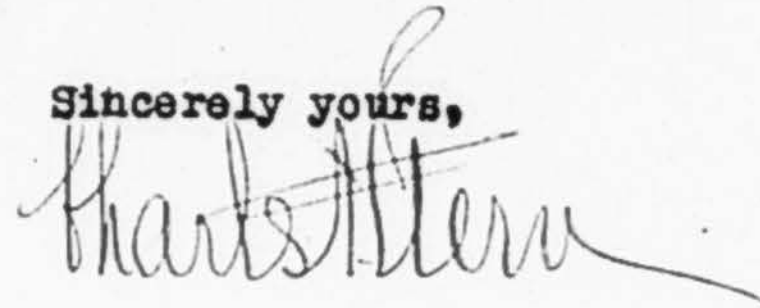


2.

I am not quite clear what you mean by the \$85,000 Murray note, over which Brown seems to have some difficulty with the Inheritance Tax men. I am quite content, however, to leave that also until we get to it, whatever it may be.

So don't let us borrow trouble on this or any other score. When the District has sold its bonds, and the money is available to us to divide, then we will sit down and divide it, and I do not anticipate anything but a pleasurable discussion.

Sincerely yours,



Colonel Ed Fletcher,  
San Diego,  
California.

October 20, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

On my return from my Mexican trip with Mr. Chandler, I find that the decision of Judge Conklin is not so bad after all. They held a meeting of the La Mesa District directors last night, also a big delegation from El Cajon and La Mesa met on the question of future management of the District. Everything was harmonious. Hall came out with a good interview, saying the decision had no affect on the District - they were going right ahead - and I have received the following information confidentially: That \$100,000 of the first bond issue will be used to commence the construction of Fletcher Dam, and they are going to start work immediately that the bonds are sold.

Do you think the sale of the bonds will be adversely affected by this decision of Conklin irrespective of this paramount right suit? The City has always conceded we are entitled to three or four million gallons a day. Judge Conklin now confirms it in his decision, and certainly the bonds are good irrespective of how this paramount right suit is settled it would seem to me.

I am sure that we can make a satisfactory arrangement for five years at least for the Murray Estate to take their payment in bonds. You and I can well afford to take ours in bonds too with only a sufficient amount to be sold to pay off our bills, and I am sure that can easily be done. I can sell some of them myself. The above is based on there being no bids for the bonds and we having to take them ourselves.

I received the check for the first month's interest from the La Mesa District - approximately \$6009 - which paid off some of our pressing bills and paid \$2500 to Crouch & Sanders. I also paid \$2500 last month to



Crouch & Sanders on account of attorneys fees.

I haven't heard from you yet whether to send that letter of the Southern Title Guaranty Company to Brown or not, showing that there is due the Murray Estate December first, 1925, \$504,500 including interest, etc., with a discount of \$53,750, which is your interpretation of the discount the day I was in your office. I feel this letter should go forward at an early date, and from my conversation with Mr. Brown, I am of the opinion this is his interpretation of it as well re the discount.

Yours very truly,

EF:AH

October 20, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find the note for power  
for the month of August. Kindly endorse as  
per the request of the Gas Company and return.

Yours very truly,

EF:AH



X

October 26, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find statement of accounts prepared by our secretary showing what we owed on September first, 1925 according to our books.

I have never inventoried Crouch & Sanders' bills, and we have paid them \$5000 on account during September and October.

When you became interested in the Cuyamaca System in April, 1923 we owed the First National Bank as of that date, \$25,500.00.

The indebtedness to Pauline Kuehner - \$1,353.33 - is the last payment on the 160 acres below the El Capitan damsite. The Healion \$15,000 is the balance on the \$35,000 which it cost to purchase the Fletcher damsite and reservoir site.

The City of El Cajon is paying the note to the First National Bank, and will shortly make the payment of principal. Mr. Murray and I financed them for their distribution lines, and we borrowed the money from the First National Bank, so one offsets the other.

Roughly the situation is as follows:

Receipts from sale of system to the District -	\$1,200,000
Value of Normal Heights, East San Diego distribution lines	200,000
Refund from City of San Diego, cost of condemnation suit, approximately	15,000

In addition, we will have in lands the following:

160 acres Kuehner property, the San Diego River running thru it for three quarters of a mile below El Capitan.



Also considerable acreage along the shores of El Capitan Dam on the south side for nearly a mile.

Also eight or nine hundred acres around the Fletcher damsite.

Also 120 acres on King Creek, Cope Deroa Mining Company.

The island at Cuyamaca Lake.

The 15 years' hunting, fishing and boating privileges on Fletcher, El Capitan, and Cuyamaca..

Also your half interest in the profits of Mission Gorge No. 3 over and above the \$100,000 as agreed on.

The District are going to spend \$100,000 of this money in commencing the construction of Fletcher Dam as soon as the bonds are sold. I am satisfied that there will be such a fight among the citizens of this city as to whether El Capitan or Sutherland should be built first that it will bring about an early compromise between the District and the City, and I am still willing to bet even money that either El Capitan or Mission Gorge No. 3 will be the first dam to be built by the City.

Yours very truly,

EF:AH

P. S. We have collected over \$6000 interest on the \$1,200,000 sale to the District for the month of September. We will do the same for October and November, so that means \$18,000 to apply to our debts.

Will send you up a statement of the Normal Heights, East San Diego receipts and disbursements soon.

E. F.

GUYAMACA WATER COMPANY

ACCOUNTS PAYABLE

SEPTEMBER 1st, 1925

First National Bank of San Diego - NOTES -	\$63,500.00
First National Bank of Los Angeles "	35,000.00
C. C. Clardy - Note . . . . .	3,091.72
U. S. Cast Iron Pipe & Foundry Co. . . .	4,000.00
W. D. Hall Company. . . . .	8,407.95
Western Metal Supply Company . . . . .	16,225.57
San Diego Cons. Gas & Electric Co. Notes	13,680.52
Machinery Pipe and Supply Co. Notes	1,389.96
Chas. H. Lee . . . . .	636.47
Chester B. Loveland . . . . .	265.60
John R. Pearson . . . . .	428.50
John F. McKnight (Studebaker Car) . . . .	175.00
Pauline Kuehner . . . . .	1,333.33
M. C. Healion - Lake Helena Damsite . . .	15,000.00
Crouch and Sanders. . . . .	223.84

T O T A L      \$ 163,358.46

(The City of El Cajon Note, \$8,043.97, at the First National Bank, is guaranteed by the Cuyamaca Water Co.)

Cash on hand and in the banks, September 1st    \$8,043.97

Oct. 25, 1925.



October 27, 1925.

Mr. C. F. Stern, Vice-president,  
First National Bank,  
Los Angeles, California.

My dear Frank:

The District Attorney, Mr. Kempley, says you have been subpoenaed and that the subpoenae has been returned.

There will be no need of you here on Thursday but in all probability on Friday. It might be carried over until Saturday of this week if that is what you prefer and be more convenient. Will keep you posted.

Where is the original statement that we all signed that Sunday and also my statement after my trip with Weitzel to the depot?

Yours sincerely,

EF:KLM

October 28, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Confirming our telephone conversation, I would feel terribly embarrassed if you should fail to show up on your subpoena when the district attorney asks for you as a witness in this Weitzel case, and have it known that you were standing out on a technicality of the summons not having been personally served on you. I was mighty relieved when you told me that you would come when desired. Otherwise, we would be playing right into the hands of Weitzel and his bunch.

Weitzel's game, from what I hear, is to claim first that we were trying to bribe him - not he trying to blackmail us - and second, that he is a legislative officer and it was not a felony to ask for a bribe. By your refusing to show up, it would lend color to his claim, which of course, is absolutely false, but the reaction would be bad in my opinion for both of us, the principals, not testifying.

I will telephone you as the case progresses, and probably Saturday morning will be in plenty of time.

Yours very truly,

EF:AH



October 28, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

The State Bond Certification Commission have approved in every particular the La Mesa Irrigation District bonds, and Mr. Barr was here yesterday and says they are going to put in a bid.

Yours very truly,

EF:AH

October 29, 1925.

Mr. Chas. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Judge Cary, one of our superior judges, told me last night that it is common talk at the court house that this Weitzel case was only a sham battle- that there is almost no possibility whatever of a conviction owing to the fact that the real chance to convict him is on the grounds that he is an executive, and as that case is now being appealed to the Supreme Court, the trial on the two present counts is on the grounds that he is a legislative officer, and it is very plain to see by the law of this state that it is not a felony for a legislative officer to ask for a bribe, while it is a felony for an executive officer.

Inclosed find editorial from last night's Sun on the front page that is explanatory. It is needless to say that I had nothing whatever to do with the writing of it.

The report is that Weitzel is going to be vindicated by the jury declaring him not guilty, and he will immediately resign hoping that the case will not be pressed against him if the Supreme Court eventually decides that he is an executive officer.

With kind regards,

Very sincerely yours,

EF:AH



October 29, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

The thought came to me last night that the bookkeeper failed to include two items in that statement.- one for a credit of \$24722.59 for the sales of water during August, and the other is that we must take into account that we will have to refund for the new pipelines to Thum and the Mt. Helix-Grossmont lines under our contract. I am referring to the new line to the center of the Thum tract and reservoir, which was put in under contract, and which the district has taken over - also the new line to the top of Mt. Helix put in by Mrs. White and myself; Grossmont and Helix, also the Thum land having been taken into the District.

They are entitled to a refund under our agreement with the District and with Thum and Mrs. White. The amount involved is somewhere between \$25,000 or \$30,000 - pipelines that have been built since the original option was given, and on the understanding that if the District took in these lands there would be a refund at actual cost.

Yours very truly,

EF:AH

October 30, 1925.

Mr. Charles F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find copy of letter that I sent Treanor, also copy of Judge Sloane's opinion. I took out all the feeling in the letter as you suggested. Treanor has made no reply.

The one man whose friendship and confidence I desire in addition to yours, is Mr. Harry Chickering. When the right time comes, you might call Mr. Chickering's attention to the fact that Mr. Treanor from the beginning was insanely jealous of my connection with Mr. Henshaw, and he was trying to trip me up time and again. The first open break was when he came here when I was in the hospital on my back after the accident, and told the people in the office that he would have full charge from then on, which turned out not to be the case for several years afterwards.

He made a bad break when he demanded that deed in the Gates matter and I called him and made him back up.

You will remember you outlined to me a plan of financing Warners Dam which I put up to Henshaw, and Treanor killed it, but a year later had to come back to the exact financing that you outlined. It was Mr. Babcock who congratulated me in Treanor's presence when the financing was completed. This happened at Warners Dam while we were eating lunch, and Treanor was supposed to have put over the whole method of financing.

Treanor told Henshaw that I had bought Mission Gorge No. 3 and was not loyal to my partners for so doing, you remember, and that brought about the first ill feeling between Henshaw and me, but Henshaw had had a shock and



his memory was gone. I had five letters to prove that I had given him every opportunity to come in, and he had turned it down, and then I had his consent to buy it. Another time Treanor got left!

But it was the beginning of the end when the announcement of the building of Henshaw Dam was given out, and altho I had been an associate, had worked for years on the project, and was associated at the time, Treanor never mentioned my name in his interviews to the paper.

I could give you a dozen more instances where he has given me a rotten deal, but I took it; and thank the lord, I made a fine settlement with Henshaw, and Treanor helped me to do it - he was so anxious to get rid of me.

All the above I can show at any time by the records if and when they were ever needed.

Treanor did not hire me to buy these lands in San Pasqual Valley except for one reason, and that was that I could save him a lot of money. It was thru no love, you can rest assured of that.

I want your and Chickering's confidence and friendship. As far as Mr. Treanor is concerned, he can go hang, but I am not going out of my way to knock him. Life is too short. The bitterness is all gone, as far as I am concerned, but he has done me the greatest injustice one man can do another.

With kind regards,

Sincerely yours,

EF:AH

~~his memory was gone. I had five letters to prove that I had given him every opportunity to come in, and he had turned it down, and then I had his consent to buy it.~~

November 3, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Belcher was up this morning and asked me for a subscription for the Mercy Hospital. He got to discussing the Weitzel situation, commended us for it, and said he was sorry to have missed you yesterday.

We then got to discussing John Treanor, and Belcher said - "Every time that your name has come up, I have boosted your game, Ed, and it was in the last week before McMullen, I told John D. Spreckels that I had known you for seventeen years, that never to the extent of an eye lash had I ever seen one thing in my seventeen years of business activity with you where you were anything by 100 percent straight, and further than that, that you had done more for San Diego County than any living man except John D. Spreckels, and more than any other five men in the county, and that I was willing to testify to that if desired."

It brought tears to my eyes, Frank, coming voluntarily, and made me very happy.

Sincerely yours,

EF:AH

P. S. Inclosed find copy of letter I have written to Senator Flint, for your information, regarding the Evans matter that Belcher took up with me.



November  
Ninth  
1925

Mr. Charles F. Stern,  
First National Bank  
Los Angeles,  
California,

My dear Frank:

Hall, of the La Mesa District, asked me if you would take a warrant for all or part of what is coming to us this month. He said their receipts had fallen from \$18,000. to \$7,000 during the month of October, for the sale of water, owing to the four inches of rain which we have had. What do you advise? I think I can cash their warrant without any trouble -- but is it advisable?

Yours very truly,

EF:F

GUYAMACA WATER COMPANY

SUCCESSORS TO  
THE SAN DIEGO PLUMB COMPANY  
OFFICE: FLETCHER BUILDING  
210 EIGHTH STREET, BETWEEN BROADWAY AND E  
P. O. BOX 1412

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

SAN DIEGO, CALIFORNIA.

November  
Ninth  
1925

Mr. Charles F. Stern,  
First National Bank,  
Los Angeles, California.

My dear Frank:

I wrote to Mr. Alvin Frank the other day and asked him if he was going to bid on the La Mesa District Bonds. He telephoned me, thanking me for calling it to his attention, and stated that he would send Mr. Jack Neil down, with full authority to act. I worked with Mr. Neil a half a day Friday and Saturday, and he stated that he would put in a bid, without any conditions, for \$1,500,000.00 in Bonds. He said that he had sent word to McClure and to Mason & Co. for an expression re. the water situation -- also to Mr. Canney. That explains Canney's telegram to me, and I sent you a copy of same and the answer. Neil agreed to see me Saturday night, but failed to keep the engagement. He came in this morning and said he was going to make a bid. I took him out there when the bids were opened, and much to my surprise I found that the bid was subject to the compromise being affected between the District and the City. At twenty minutes past ten, in my presence, he got a telegram from Mason and Co., and was about as mad a man as you ever saw. Later he told King and myself, and Mr. Jackson also heard it, the following story: That Saturday he had talked with Alvin Frank; that he had seen the City Attorney; that the City Attorney of San Diego had told him that there was no question but that every domestic consumer would get water, even if the City won the suit; that it was a fight over the control of the river; and he informs Frank that their bid would have no strings to it; the bid would be 98, and that he would accept O'Melvina's opinion, and the certification of the State Bonding Commission, only. But Saturday afternoon late he got a telegram from Mason, which I saw, stating that McClure had said that it would be safe to make a condition that a compromise be affected between the City and the District, and that was the reason that Neil put that condition in the bid. It seems that later McClure saw what a monkey he had made of himself in this situation, after having approved



Mr. C. F. Stern,  
11/9/25  
-2-

everything, and informed Mason to forget that remark, but it was too late -- the telegram arrived there twenty minutes too late, after the bids had been opened.

Mr. Neil told me that if the District would cancel all bids, he would make a bid of 98 for the bonds, and he asked me to keep him posted and he will quietly step in and take these bonds away from Banks, Huntley and Co., if they do not accept the bonds 'as is' within the thirty-day limit which the La Mesa District Directors have given the Banks, Huntley Co. in which to come through with the money.

Do you advise me to write to Seidel along these lines, or not? I would much prefer not to.

I read the telegram that he received this morning from Mason & Co. informing him to ignore McClure's remark, and advising Neil to use his own judgement as to making the condition or not.

Kindly advise me.

Yours very truly,

EF:F

November 10, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

I tried twice yesterday to get you by phone. I suppose you know by this time that Weitzel was convicted on both counts. Inclosed find Sunday morning's "Union" that is explanatory.

Sample roasted the tar out of me. He had nothing else to do and no defense for Weitzel whatever except seven witnesses as to his good character. Five or six of them Weitzel bought goods from or did business with them. Belcher was the only one at whom I was surprised when he testified that so far as he knew, Weitzel's reputation was good. Senator Sample has killed himself in this town. I have had one flood of congratulations, both for you and myself for the service we have rendered the city, and one of complete denunciation of Sample. I am keeping my mouth shut, making no criticism of Sample whatever. He belonged to our dancing assembly of twenty couples. The wives of ten or twelve of them were going in a body to notify them never to come again. This was on Saturday. I nipped it in the bud just in time and stopped it. To my utter amazement, I was informed this morning that the women changed their tactics, and each of them wrote Senator Sample a letter and told him where to head in at and never to come back.

Of course it was the invisible government and this bunch of politicians, including MacMillan, that forced him to do it, for it has been published in the papers of San Diego at least fifteen different times my praises as the biggest man in San Diego outside of Mr. Spreckels, the above uttered by one Senator Sample. I knew something was coming because Sample stopped me in the court room and said - "Now, Ed, I am hired to acquit Weitzel, and what is said in the court room must be forgotten between you and me", but I can never forget it. He showed me up as a rascal and a worm, guilty as hell of trying to bribe Weitzel instead of Weitzel trying to blackmail us. But, Frank, my con-



science is clear. It has been a hard sacrifice to go thru all this, but we have rendered a service that in later years we will be more and more proud of.

The following is the wording of a letter signed by the entire Fellowship Class that expresses their opinion, and which I received in this morning's mail, as well as any amount of congratulations:

"We the members of the Fellowship Class of the First Congregational Church, want to extend to you our abundant and sincere appreciation of the great service that you have just rendered our city and its entire citizenship.

"We realize that it is not a pleasant task to antagonize these elements and thus submit to the abuse and denunciation of unscrupulous parties opposed to clean government and for this reason we want you to know that we applaud you and your colleagues for the good work you have done in bringing about the conviction of this city official."

Yours very sincerely,

EF:AH

THE FIRST NATIONAL BANK OF LOS ANGELES  
PACIFIC-SOUTHWEST ~~TRUST~~ BANK  
FIRST SECURITIES COMPANY  
LOS ANGELES

CHARLES F. STERN  
EXECUTIVE VICE PRESIDENT

November  
13th  
1925

My dear Colonel:

I have before me your two letters of November 9th.

First, with reference to taking the warrant of the La Mesa District for the November payment:

If we were going to hold on to this property very long, I would say not to establish the precedent. Inasmuch as we ought to get rid of it within the next few weeks, I would say let's keep the management of the District sweet. If you can cash the warrant, as you suggest, perhaps it would be best to accept it.

I have read with interest your resume of the circumstances surrounding the Alvin Frank bid. I have had a talk with several people interested in the syndicate bid and they all express the confidence that their requirements can and will be met, clearing the way for a firm sale.

I understand that Code, of Quentin, Hill & Code, is down there now looking over the situation. You ought to see him. The legal end of it is to be submitted to O'Melveny for an opinion, not necessarily validating our title but stating that the District will have sufficient water in any event to make the bonds good. Senator Flint and I are going to talk to O'Melveny. I shall not make any other arrangements to handle the bonds unless and until the syndicate bid fails, and I do not think it will fail.

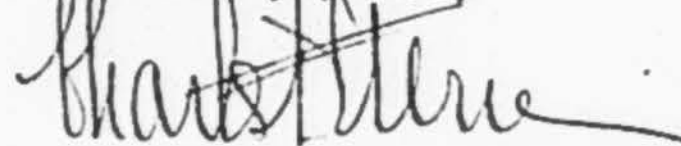


Alvin Frank is none too responsible and while he might come through, I much prefer to do business with the other crowd, who are thoroughly responsible and respectable.

I have read the newspaper clippings you sent me relative to the Weitzel trial with keen interest. Of course, we cannot expect to play with pitch and not have some of it stick to us but we do seem to have come through reasonably well. I am glad your friends are responding in the way that you have right to expect.

With best personal regards, I am

Sincerely yours,



Colonel Ed Fletcher,  
San Diego, Calif.

November 16, 1925.

Mr. Chas. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find copy of letter from  
the state engineer, also Mason's letter.

Yours very truly,

EF:AH



November 16, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Mr. Code of Quinton, Code and Hill, and his engineer have been here from Wednesday until Saturday going over everything with the District in the matter of checking up the water supply, etc. with the engineers. I have known Mr. Code for a good many years and on a very friendly basis - so much so, that I did not look him up for fear he would get the idea that I was trying to influence him. On Saturday he asked for a conference with me thru Mr. King, so I took them to luncheon, had a nice talk with them, and they have asked me to go out over the system with them next Thursday. We will leave at 7 o'clock, and I will leave on the 2 o'clock train, catching the Lark for San Francisco out of Los Angeles Thursday night, as I have two or three matters to take up in San Francisco, meet our son Charles, and see the game Saturday.

I know that Mr. Code feels there is not enough water for the 18,000 acres, and the question of titles enter into it, but I am leaving those two phases of the question out of the argument entirely. I am simply saying that that is a question for the attorneys and the engineers to handle, but from the standpoint of security of the bonds, it is unquestioned - that he can go down to the city attorney and find out from the city attorney that we have no intention of taking away the water that has heretofore been put to beneficial use, even if they could - and the security of being adjacent to the City of San Diego, in fact its suburbs, and they admitted to me that in ten years the whole thing would be purely a domestic property.

What headway I made with him, I don't know. I would appreciate any suggestions you have to make on my trip Thursday.

Yours very truly,

EF:AH

November 17, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

I acknowledge receipt of yours of the 13th, and glad to see that they will pay cash instead of asking us to take a warrant.

I wrote you yesterday about my interview with Mr. Code and my trip on Thursday with him. If you have any suggestions to make, kindly telephone Wednesday.

Have just received a telegram from Mason & Company of San Francisco, and have an engagement with them Friday in San Francisco, and am keeping in touch with them, if for any reason the Banks-Huntley crowd do not come thru, but I am more than glad to hear from you that everything looks so favorable.

Yours very truly,

EF:AH



X  
THE FIRST NATIONAL BANK OF LOS ANGELES  
PACIFIC-SOUTHWEST BANK  
FIRST SECURITIES COMPANY  
LOS ANGELES

CHARLES F. STERN

November  
20th  
1925

Dear Mr. Schroeder:

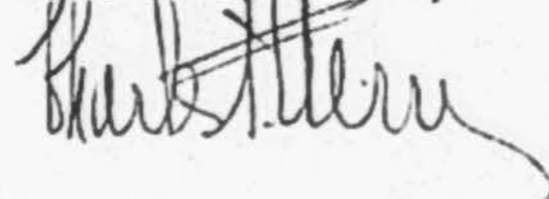
I have been derelict in acknowledging your courtesy in wiring me on the 7th instant of the conviction of Councilman Weitzel. I appreciated your thought very much indeed and this was the first information that came to me.

Of course, I did not care a great deal about what happened to Weitzel; that is to say, I was not and am not particularly interested in putting him in prison. I have had to do with a good many criminals through handling the state's prison convicts in State Highway Construction and I was impressed with the thought, in talking to Weitzel, that he was noticeably deficient in his moral perceptions and had very little, if any, appreciation of the normity of the thing he was suggesting - in fact almost a moron morally.

None the less, as the situation develops, Weitzel's conviction was tantamount to a vindication of our position and a verification of the charges which we made and, from that angle, of course highly desirable. I trust that this distasteful episode may help awaken the civic consciousness of the City of San Diego, for frankly your city needs this awakening.

Again expressing my cordial thanks, I am

Sincerely yours,



Mr. F. O. Schroeder,  
C/o The Independent,  
San Diego, Calif.

November 23, 1925.

My dear Frank:

I am sorry to have missed you but it would hardly be the decent thing for me to tell you to your face that the score was 26 to 14.

In San Francisco, I met Messrs. Frank & Mason; also Mason's representative, Mr. Heedle. They told me they were going to make a definite bid without any conditions if Banks, Huntley & Company fail to take the bonds on the 9th of December, and have gone so far as to ask me to put in the bid for them. They will get in touch with me in a few days, and I will keep you posted.

Mr. Brown said he would not mind recommending, in any event, that the Murray Estate take \$100,000 of the bonds, and I am satisfied they will pay about par for them.

We are keeping the engagement for a week from next Saturday, Sunday and Monday for you and yours.



November 30, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find clipping from the "Sun"  
of November 20th showing that they were ready to  
convict Councilman Weitzel in ten minutes except  
for this one woman, who always believed him guilty,  
but didn't have the heart to do it.

Yours very truly,

EF:AH

December 1, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find copy of letter from  
Mr. McClure to Hall, President of the District,  
for your information.

Yours very truly,

EF:AH



December 2nd, 1925

Mr. Charles F. Stern, President,  
Pacific Southwest Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find copy of resolution that was passed unanimously last night. I didn't carry out our idea of writing a letter to each voter but have something else started that I will tell you about when you come down and believe you will approve.

Yours very truly,

EF:ME

December 9, 1925.

Mr. C. F. Stern, Vice-Pres.,  
First National Bank,  
Los Angeles, California.

My dear Frank:

Confirming our telephone conversation this morning, Mason put in two certified checks amounting to \$50,000, and offered 95½ for all the bonds.

It is now 2:30 this afternoon, and they are still in session out there. I got Hall on the phone just five minutes ago, urged him to carry out your program, and he said that things were in a tangle and he didn't know how things would develop, but he personally was doing what he could to carry out your wishes.

Harritt told me this afternoon that there is going to be some formal action taken next week by the City Council, and probably favorable, in the matter of buying the Normal Heights, Kensington Park and East San Diego pipelines. Harritt has been doing some noble work for us and is carrying the brunt of the whole thing.

Harritt says that Rhodes advises that neither you nor I sign any agreement, but let everything be handled thru Mr. Harritt. This is satisfactory to me, and I guess will be satisfactory to you as long as we get results.

Hendee is working with Rhodes on a tentative contract to be submitted to us soon.

Inclosed find clipping that may be of interest.

Yours very truly,

EF:AH



December 10, 1925.

Mr. C. F. Stern, Pres.,  
Pacific Southwest Trust & Savings Bank,  
565 S. Spring St.,  
Los Angeles, California.

My dear Frank:

Mr. Neale of J. R. Mason Company was in to see me this morning; also Mr. Mason himself last night over the phone informed me that Mr. Banks of Banks Huntley Company wanted him to go into a conference at the hotel. Mr. Neale this morning told me that Mr. Mason had a conference last night with Mr. Banks and Mr. Lewis, that both of them seemed half stewed, and they made the following statements:

That they thought they had bid too high for the La Mesa Irrigation District bonds; that each of them only had a small interest in the syndicate, but that there was a possibility of their withdrawing from the Banks Huntley syndicate and playing ball with the Mason people and buying the bonds in at a much lower figure, saving \$50,000 or \$60,000 at least, and would the Mason people consider it?

Mason told them "no". Mr. Neale said that he had no proposition to make them, and Mr. Neale further said that Mason did not care to work with those two gentlemen - that if the syndicate did not buy the bonds on the 21st, that he hoped you and I would take the matter up with Mr. Mason as they were in as good a position as anyone to either buy or sell the bonds thru their agency.

The above is written you for what it is worth, and I don't see any use of passing it on, for time will tell whether these two gentlemen are quitters or not.

Yours very truly,

EF:AH

Dictated but not revised.

THE FIRST NATIONAL BANK OF LOS ANGELES  
PACIFIC-SOUTHWEST BANK  
FIRST SECURITIES COMPANY  
LOS ANGELES

CHARLES F. STERN

December  
11th,  
1925.

Dear Colonel Fletcher:

This letter has reference to the letter received by you from our friend, Brown, under date of December 4th. I think Mr. Brown is in a very Christian and helpful frame of mind.

My suggestion would be that you reply along these lines:

(a) Thanking him cordially for his courtesy and consideration.

(b) Stating that the moneys which we owe on installment payments are available to him on demand.

(c) That we anticipate that we shall close the deal prior to the end of the year, but that we see no reason why payments should not be withheld until January if it helps his situation, provided that our attorneys do not find difficulties.

(d) That regardless of the date at which payment may be made to the Murray Estate, we shall want to settle the question of discounts on deferred payments as of the date that we receive our money from the Irrigation District, and are in position to make cash payment under our contract with the Murray Estate.



2.

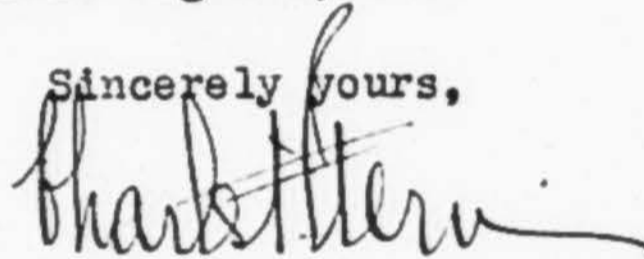
(e) I would thank him for his interest in the bonds, and keep that door open in case we might later wish to make part payment in bonds.

I do not quite know how we could withhold payment until January, if the District pays us our money on the 21st of December. The entire situation might be permitted to remain in escrow for the intervening period, but so far as I am concerned, I want to clean this thing up, and be in a position to enjoy the Holidays, and I am very sure you feel the same way about it.

As a matter of fact, now that I come to analyze it, we cannot receive money from the District until we have delivered title to the Cuyamaca. We cannot deliver title until we have secured it from the Murray Estate, and the bonds of the District can be issued only, if and when title to the Cuyamaca property is in the District.

With best personal regards, I am

Sincerely yours,



Colonel Ed Fletcher,  
San Diego,  
California.

*cc - Mr. Brown*

December  
Eleventh  
1925.

Mr. Charles F. Stern,  
First National Bank  
Los Angeles,  
California.

My dear Frank:

Inclosed find copy of letter that Harritt wrote to Rhodes today -- at Rhodes' request. I read it over the 'phone to Mr. Hall and he approved it. I also had Judge Hendee approve it before letting Harritt sign it. Everything looks mighty favorable.

Very sincerely yours,

EF:F



December 11, 1925.

Mr. C. F. Stern, Pres.,  
Pacific Southwest Trust & Savings Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find interview that was in all papers, given out by Mr. Crouch. It was the most inopportune time to give out an interview. Mr. Hall, President of the District, resents it, and said Crouch had no authority.

I am just mean enough to think that it was deliberate, to continue the litigation and stop the transfer, and our friend Crouch is in "cahoots" with the gang, hoping by this method to hurt or kill the sale of the bonds. I may be entirely mistaken.

I am going to ask Hall to telephone Higgins and repudiate Crouch's interview, and at least get things settled for a time so that we can sell our bonds and get our money.

I rang up Fred Stearns this morning, and he has agreed to immediately telephone to Mr. Beebe.

Yours very truly,

EF:AK

December 11, 1925.

Mr. Chas. F. Stern, Vice-president,  
First National Bank,  
Los Angeles, Calif.

My dear Frank:

Enclosed find San Diego Herald. It is a scream. Don't fail to read it.

I told you months ago that Treanor was getting his foot in it, also the city, but Treanor got his money even after official notice was given the city that the city was buying a public utility. The Railroad Commission declared it a public utility November 24th and it will be interesting to see what the future outcome is. Will talk to you more about it when I come up.

Will have that water dope for you shortly.

Yours very truly,

EF:KLM



December  
Seventeenth  
1925.

Mr. Charles F. Stern, Pres.  
Pacific-Southwest Trust & Savings Bank,  
Los Angeles,  
California.

My dear Frank:

We secured a check from the La Mesa District today for \$6,009.90 for interest, and paid them for water consumed during the month of November \$2,271.82.

Inclosed find copy of contract duly signed. I telephoned to Mr. Smiley and called his attention to the fact that we were losing out in our rights to build a small reservoir and create a lake for resort purposes at Fletcher Dam site, and with his consent I changed Article No. 2 to read in a manner protecting us, and I hope same meets with your approval.

Yours very truly,

EF:F

December 18, 1925.

Mr. C. F. Stern, Pres.,  
Pacific-Southwest Trust & Savings Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find notice from the First National Bank.

This covers a loan of \$50,000, with Henshaw's note of \$30,537.50 and eight or nine hundred acres of land as security.

Do I understand that the bank wants a new note?

Yours very truly,

EF:AH



December 21, 1925.

Mr. C. F. Stern, Pres.,  
Pacific Southwest Trust & Savings Bank,  
Los Angeles, California.

My dear Frank:

Inclosed find the usual Christmas greeting from the Fletcher family - a San Diego product that I am sure you will enjoy.

It has been one strenuous year, but I was happy to have Mr. Barr tell the Board today that they would take the bonds. Mr. Fred Stearns as usual fell down and failed to deliver the O'Melveney letter certifying to the legality of the proceedings, altho everything else was all ready to shoot. The result was that everything was postponed until the 2nd of January when the bonds will be delivered thru your bank.

I had a nice visit with Mr. Barr, took him up to the top of Mt. Helix, and as he expressed a desire to see a little of Mexico, I promised him this spring to make up a party and I would take him for a two or three day trip below the line.

Well, old top, I wish you and yours many happy returns of the New Year, and will be up to see you shortly.

Very sincerely yours,

EF:AH

December 24, 1925.

Mr. C. F. Stern, Pres.,  
Pacific-Southwest Trust & Savings Bank,  
Los Angeles, California.

My dear Frank:

Mr. Hendee, the attorney, after a conference with Higgins yesterday, said that he didn't see but what everything was o.k., and he would recommend the sale of the Normal Heights distribution lines to the City, but would like an expression from the La Mesa Irrigation District in relation thereto. I got hold of Hall, got him to agree to sign a letter that Stearns would approve and got Stearns to approve the letter herewith attached, which the president and the secretary signed, and Mr. Hendee believes will be satisfactory to Mr. Higgins. I guess we are on our way, - old top.

Wishing you a Merry Christmas and many happy returns of the New Year,

Very sincerely yours,

EF:AH



December 30, 1925.

December 30, 1925.

Mr. C. F. Stern, Pres.,  
Pacific-Southwest Trust & Savings Bank,  
Los Angeles, California.

My dear Frank:

I received a telephone message from Brown that the Murray Estate would take \$110,000 of the La Mesa Irrigation District bonds at par. I telephoned Mr. Baer, who said he would take it up with the syndicate. Today I received a telegram stating that they are unwilling to sell at that figure and would not name any figure.

Mr. Baer telephoned that he wanted me to sell the proposition to their salesman, and twenty-five bond salesmen of San Francisco and Los Angeles are coming down Saturday. I assume that the Cuyamaca Water Company should extend this courtesy and pay the expense of the transportation if this is your wish. I will get them up to the top of Mt. Helix and I am sure they will be favorably impressed.

Yours very truly,

EF:AH

Mr. C. F. Stern, President,  
Pacific Southwest Trust & Savings Bank,  
Los Angeles, California.

My dear Frank:

I understand that the bond money will be paid to the Pacific-Southwest on Monday by the bond syndicate, and as soon as it is deposited I assume you will telephone Mr. Hall, the President of the District. Mr. Hall has agreed that the next day, Tuesday, the 5th, they will deposit a check for what is coming to us with the Southern Title Guaranty Company. I have made all arrangements with the Southern Title Guaranty Company to wind the title business up so that the money will be available to us inside of 48 hours - possibly 24.

I paid the monthly interest to the Anglo & London Paris National Bank Thursday.

AS you know, I have given an order on the Southern Title Guaranty Company to the Gas Company, Western Metal Supply Company and others, to pay the bills that we owe. With your approval, I will pay off all our bills immediately, thereby stopping interest, and leave the rest of the money in the bank until we get our personal affairs straightened out.

For my satisfaction, as well as yours, I want you to send down some expert from your bank and go over all the accounts of the Cuyamaca Water Company since we have been associated together.

I am glad to inform you that Judge Hendee has been very successful in the negotiations with the City, and informed me by phone last night that the city attorney is going to spring a sort of a surprise around New Years on the public by announcing the intention of the City immediately to take over the Normal Heights-East San Diego distribution lines, and their plan is to pave the way for an eventual compromise with the District. I have already been approached by city officials indirectly to assist in bringing about this compromise.



The City is now asking for a mile and a half of rights-of-way for a pipeline across my land outside of the Mission Gorge Reservoir No. 3. I have informed Mr. Rhodes personally that the right-of-way will have to be above the 335 foot contour so in no way to interfere with the future building of Mission Gorge No. 3. We are going to get our \$150,000 and interest out of Mission Gorge No. 3 in my opinion, and in the near future. Everything looks very rosy for the future.

The La Mesa District, Mr. Hall told me today, are bound to build Fletcher Dam, and no compromise will be made with the City that does not include the building of Fletcher Dam. Wow!!! We will have the finest resort in Southern California around Fletcher Lake. Wow!!!!

I am sending you a La Mesa Scout under separate cover. You had better read the three different articles in it.

Wishing you and yours the Compliments of the Season,

Very sincerely yours,

EF:AH

THE FIRST NATIONAL BANK OF LOS ANGELES  
PACIFIC-SOUTHWEST BANK  
FIRST SECURITIES COMPANY  
LOS ANGELES

CHARLES F. STERN

December  
31st,  
1925.

My dear Colonel Fletcher:

First, just to wish you all the joys that the New Year can bring to those who richly deserve them.

1925 has been a tempestuous year for both of us. I have joined with you in the stormy voyage that Guyanaka has had, and I have had a few other snips at sea at the same time.

Had someone told us a year ago today that the end of the year would see our ship not yet in port, it would have disturbed us some, but we have grown and been strengthened because of the experience, and all things are well that end well.

I appreciated the photograph of the All-Fletcher Basket Ball Team. Certainly, you handed on to those boys of yours your own heritage of clean blood, running through a splendid body. I will admit that your equatorial region is expanding somewhat in later years, but even at that, I think you could still show those lads a thing or two, good as they are.

I am looking forward with pleasure to having Charles with me. I am not going to spoil him by making him teacher's pet, but you can depend upon it that I shall have a watchful and friendly eye on him all the while.



2.

Your arrangements with reference to disposition of the funds from the sale of Cuyamaca are perfectly in order as outlined in your letter, until such time as we can perfect our own personal settlement.

I have no desire to audit the Cuyamaca accounts. Your statement to me will be entirely sufficient. X

The progress toward the sale of our distributing lines seems very satisfactory, but I shall not feel that we have made a sale until the contracts are signed and of record.

Since I have been in Southern California, and watched its development, I have been more and more impressed with the idea that all one needs down here is limitless patience and a strong constitution, - time takes care of the rest.

As the year draws to its close, I am thinking of you and yours in rather sentimental fashion, hence this rather pointless letter.

With best personal regards, I am

Sincerely yours,

Frank Stern

Colonel Ed Fletcher,  
San Diego,  
California.

copy - Lucie  
Steve  
Mrs Doyle  
Mr. Thum



**Ed Fletcher Papers**

**1870-1955**

**MSS.81**

**Box: 27 Folder: 29**

**General Correspondence - Stern, Charles F - 1925**



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