

William G. Henshaw
Mills Building
San Francisco

JAN 2 - 1913

My dear Mr. Fletcher - Could you let me know who owns the lighting system in Escobedo & Occurside, or who controls them?

Had a wire from Mr. Heurbaud saying he had read Farum's report and it was very satisfactory - also that Farum was dining with him Saturday.

The olives have arrived for which please accept my thanks. Will give the Judge several cases. The Judge cleared up several points on the law about irrigating companies for Farum which pleased Farum greatly. Now it's up to the people in the East we have done our part well.

Sincerely,
Harry Chubb

Mr. Wm. G. Henshaw,
c/o The Vanderbilt Hotel,
New York City.

Dear Sir:

Arrangements were made for Mr. Wells and the Chief Engineer of the Santa Fe system, Mr. Harris, to go up the San Luis Rey to Warner on the railroad proposition on last Monday. At the last moment Mr. Wells was taken very sick and failed to materialize, but Mr. Harris kept the engagement.

We covered two hundred and sixty miles; I am satisfied that Mr. Harris favors the road in by the way of Temecula and Oak Grove, altho he would not commit himself. They were interested enough in the situation to say that they would recommend to Mr. Ripley, the President of the Santa Fe, to investigate it thoroughly. They are going ahead and will build three or four miles up the San Luis Rey immediately, but that is all for the present.

I wired you today for information from Mr. Hawgood, asking for the old profile that I gave Mr. Hawgood of the survey made years ago and Mr. Hawgood

made a report at that time for Mr. Kerckhoff. The Santa Fe are anxious to see this.

Everything is coming along nicely at this neck of the woods.

Very truly yours,

F:K

Warner's Ranch Pico

Jan. 18 1913.

Mr. Wm. G. Henshaw,
c/o Vanderbilt Hotel,
New York City.

Dear Sir:

I received your telegram instructing me to pay \$2500. on the "Price" option:- I take it that you mean the Pico option, and will do so.

I cannot help but laugh for the reason that O'Neill is very much exercised about the Guajome lawsuit and brings the subject up every time I see him. He is certainly a good dog and is working for us.

Will tie up the Winston property as soon as possible.

Regarding Mareno riparian rights, at last the probate proceedings are such that her attorney could draw up the agreement, which he has done. This was submitted to Sweet day before yesterday. Sweet has suggested several minor changes and the paper has been forwarded to Senator Wright, her attorney, at Sacramento for his approval. I hope to get the attorneys to agree in a few days and a final settlement made, but I shall be extremely nervous over the matter until it is settled.

We sold the Monseratte Ranch to Lower;

he and Keller are extremely friendly lately and are up to a water scheme on the San Luis Rey which I will tell you about when you come back.

I have just found out that Lower is trying to buy the Moreno ranch but I have a friend at Pala that I think will block the deal, and will put it thru on our original plan of buying the water rights direct.

Mrs. Sandford was here yesterday and when I accused her of it, she confessed to me that they were planning on buying the Moro property just east of the Springs. They and the Vailes have been working together. I asked her why they were buying the Moro property and she said they did not expect to stay there very long as they could not get a lease, that they were liable to be fired out at any time, and that they could move their camping outfit and all supplies up there and could run a joint of their own. I told her they need not worry about being thrown off the ranch, that they would be given plenty of notice when the time came, etc. In the meantime, I am trying to block the sale and I say now by all means you ought to buy the Moro property.

Railroad matters are developing much faster than you realize, and prospects are extremely good for the Warners Ranch. Have been over the proposition again with the chief engineer, and also the general superintendent. Am securing rights of way data, etc. for them now. The Santa Fe request absolute secrecy, so I know that you will keep it so.

Can do nothing with Rounssi until I get Clancy

settled up;- am pushing that for all it is worth. I sent the certificate to Mr. Rodolph yesterday borrowing \$3000. for two years. Am deeding Clancy fifteen acres which cost us \$750. and getting his rights of diversion. I am satisfied that I will sell the other sixty-five acres for what the ~~whole~~ thing cost us in a short time.

It is foolish to sell any of our San Luis Rey lands until the railroad starts. I want them to put on a regular subdivision proposition of forty and eighty acre tracts and claim it all up. You control between twenty-five hundred and three thousand acres that can be subdivided.

It is definitely announced that the Phelps-Dodge or Rock Island crowd take over the Spreckels road in case Spreckels gets the road when a decision is made in Court.

Very truly yours,

F:K

Spull

Feb. 10, 1913.

B:K

Mr. Wm. G. Henshaw,

San Francisco, Cal.

Dear Sir:

Enclosed find copy of letter to Post written by Lovell, which is explanatory.

Both Lovell and Post, in order to squeeze every drop of water out of the whole situation, would build all the dams possible, and in addition, supplement the supply by pumping up and down the river. I can readily understand why this plan might work to some considerable extent on the Bernardo and San Pasqual, but not so well on the San Luis Rey, as that is where the South Coast Lnad Company are operating, and it is farther from our intended field of activity.

However, this would require at least another million dollars investment in order to acquire the pumping rights on the Bernardo. Rather than attempt to do that I would indeed advise buying a damsite at an elevation of about four hundred feet that is located in Crescent Valley, about ten miles from Del Mar. You then get every drop of water that comes down from above, you will have no trouble in making arrangements with those below for the building of the dam, and where it becomes necessary,

Wm. G. Henshaw

you can pump right out of this reservoir that I have in mind. The bed rock is there, materials easy of access, cheap construction, being concrete, and in that way you can let them pump to their heart's content up above but you are always below to catch what they lose.

You can get electricity from San Diego at no greater amount than $1\frac{1}{2}\%$ kilowatt delivered at the Reservoir. We are buying it for a cent today for pumping purposes and I think it can be purchased for $1\frac{1}{2}\%$ to 1% in large quantities, providing you will do your pumping in day time.

Don't forget to let me talk this matter over with you; it will only take an hour to show you what my idea is in this connection.

Wire me as soon as you arrive in San Francisco. Everything is going well here; I hope you had some success in the east.

Very truly yours,

F:K

Feb. 19, 1913.

Mr. Wm. G. Henshaw,
Mills Building,
San Francisco, Calif.

Dear Sir:

I have not heard from you for two weeks. There is coming due the Pico payment on March 1st amounting to \$22,500. You have already paid \$2500. This is one of the nicest pieces of land in the San Luis Rey Valley. The balance is on a mortgage payable in two years at 6% interest. The Santa Fe Railroad paid \$1.25 an acre for the adjoining land sometime ago and a lot of it is alkali land which cannot be farmed.

I expect to sell this land out at profit and get your riparian rights for nothing, but I must know immediately whether you are coming thru with the balance of the payment. I might get the Picos to take \$10,000. down and the balance of the first payment in three months, but I must be given authority to act before the last day. The Picos are in San Jacinto and the time is getting short.

Santa Fe riparian rights: I have had their water expert for two days up and down the river; his report will be favorable and I expect to get for nothing from the Santa Fe Railroad the right of diversion.

Winston: I have taken no action toward buying this land at \$200. an acre until you see the property for yourself. It is going to be hard work to get your money back, and there is only one way that you can get it back, which is to put in a pumping plant on the Hooper place and put in a distributing system, pumping water from the San Luis Rey Valley and irrigating the Bryan, Craig, Hooper and Winston places. If you will do this, it will give you a handsome profit on all the other ranches and you can probably get out even on the Winston place. I think it will take at least ten or fifteen thousand dollars to put in a proper kind of a water system for these four places, but it would pay you to do it for we can then subdivide the land into forty-acre tracts and they will sell readily.

I am in receipt of a letter from the Santa Fe Railroad today that they commence construction up the San Luis Rey Valley at once as far as the Mission.

The other properties yet unsecured directly on the river are as follows:

Kitching: They have not yet decided whether to sell their water right or sell their land, but I am satisfied eventually we will have no trouble in closing up one

way or the other. I have gone to Mrs. Kitching personally and she said that she will do business with us one way or the other.

McClung: He still demands \$8500. for his 37 acres. I might be able to get him down to \$8000. but nobody else will buy this piece of land at this price and we can pick him up at any time we want to. I don't advise doing anything with him on this basis.

Clancy: This deal is practically closed, but he tried to put on over on me. In deeding his water rights, he said his title was clear to his land, but I ordered a certificate of title and found out that the west ten acres thru which the river runs, stood in the name of Rounssi. This matter is being straightened out now. I got him to put his deed in the hands of the Bank of Oceanside and have instructed the Bank of Oceanside under no conditions to return his deed. I have put the deed to the fifteen acres which we are giving him with the Bank of Oceanside as well and the papers are now being held by them until Clancy clears his title.

Mareno: It seems almost impossible to get anything out of Mrs. Mareno. I am now having her next-door neighbor buy the property on easy terms. There are 320 acres and will cost approximately \$14,000. I consider you cannot lose any money on this property at this price as it is cheaper to pay \$14,000 on easy terms than to pay \$8500 or \$3000. for the water right. I was up there yesterday and the party that is securing the property for me tells me

that she will talk business just as soon as the moon is right, which will be in about ten days. They are suspicious Indians and we will have to treat them accordingly.

Wakeham: In acquiring the Wakeham land from Jerome O'Neill, it gives us over a mile of riparian rights and we secured a seven-eighths interest in 160 acres. The other undivided one-eighth interest belongs to a Mrs. Shirley in Conway, Kansas. We can get nothing definite out of her one way or the other. She has not paid any taxes on the property for years, but has allowed Wakeham and the Summers estate to pay them and by keeping the property fenced for five years and paying the taxes we could get adverse possession, but her interests should be bought out for we want to subdivide and sell this land immediately, in my opinion.

Smith: Smith at Bay City, Michigan, who owns one half a mile of riparian rights above the Pala Mission will not answer my letters. I went there and saw him once and thought I had him tied up for \$200., but he has since refused to even answer my letters. If you want quick action, there is only one way to do it and that is either for you to come to Bay City, Michigan and then stop off at Conway, Kansas; or, if you want me to, I will leave here and make a quick trip and get them both. In neither case does it amount to much in dollars and cents; the Shirley people owning an eighth interest in the Wakeham tract, but even at \$200 an acre, amounts to only \$4000. At one time they offered to sell their interest for \$3000.

Wm. G. Henshaw

-5-

but this was over a year ago. I am satisfied if I

could see Smith personally I could settle with him for a few hundred dollars and settle the matter, but when I was there he said he was coming out in two or three months to California and wanted to look the ground over and at that time he thought \$200. would be satisfactory to him but would not commit himself at that time.

On the San Pasqual I am getting two miles of riparian rights that will cost less than \$1500. It is in the San Pasqual Valley within four miles of the Pamo dam; in fact, land that would be damaged worse than any other by the construction of the dam. There were eight parties interested in this and I have been holding it off awaiting your return.

There is another ranch of 160 acres with about a mile of riparian rights that I expect to get for \$1000. Then there is the Damron piece about two miles from Del Mar owned by Chauncey Hayes Jr. He asks \$1000 cash for the rights; he is selling the ranch for \$28,000 this week, and asked that I give him an answer within five days. I told him I could not without taking the matter up with you. It seems to me that these water rights at \$1000 are high but if we don't, it is a question if we will ever get them again at that price and I simply told Hayes he would have to wait until I could get an answer from you.

Bernardo Ranch: Thank Heaven, this matter is cleaned up and at a profit. I expect to get the first payment of \$5000, in a few days and we will get back all of our money

and nearly fifty percent. profit within nine months.

On receipt of this letter, wire me about the Pico matter; it is a case where we will have to act, as I strung the Picos for three months and they got mad. They have notified me that if we don't come thru on the 1st of March, the price will be \$200 an acre.

If you want me to come east, I would like to come right away so that I could spend one or two days at the good roads convention at Washington on March 7th next. I am very much interested in getting the National Highway via the Southern route but would not make the trip unless I could make you pay a good share of my expenses in cleaning up the Shirley and Smith matters, which I think I can do.

A copy of this letter has gone to San Francisco and one to New York.

With kind regards and hoping that you have landed that New York bunch, I remain

Very sincerely,

WF/AK

**P.S. You may ~~not~~ need the addresses, they are as follows:
Henry B. Smith, Bay City, Mich. Auto and Bicycle mfg.**

Mrs. Jessie Shirley, Conway, Kansas

March 6th, 1913.

Mr. Wm. G. Henshaw,
San Francisco, Calif.

Dear Sir:

In regard to the Volcan Land &
Water Company, the only book that I have is
the Minute book.

The directors are Wm. G. Henshaw,
Victor H. Metcalf, Ed. Fletcher, Frank J. Belcher,
and A. H. Sweet.

I have never seen the books of the
Volcan Land & Water Co.. If you will send down the
printed resolution that you want put thru, we will
call a meeting of the Board here and push it thru
and get it cleaned up.

I expect to see Vail today or tomorrow
and will follow up your suggestions.

Very truly yours,

F K

William G. Henshaw
Mills Building
San Francisco

San Francisco, Cal. March 6, 1913.

Mr. Ed. Fletcher,
San Diego, Cal.

Dear Sir:-

I enclose copy of a letter written to Post and want
you to make a memorandum of this matter, so that you and I can
talk it over when we meet.

I am very glad indeed, that you had the water filed
upon and think it is wise to make the application to the
Government as suggested, but as you can see from the letter my
only doubt is as to who would be better in charge of it, Post
or Hawgood.

I am very much inclined just at present to put it
entirely in the hands of Post with him to be steered as to the
legal end of it by McKinley or Sweet, or both of them.

Yours truly,



WGH

Mr. Henshaw personally dictated this letter but had
to leave the office before it was ready for his signature

*Volcan Land
water Co*

San Diego, California.
March 20th, 1913.

Mr. Ed. Fletcher, Secy,
Volcan Land & Water Company,
San Diego, California.

Dear Sir:

Referring to your statement that the Volcan Land & Water Co. are contemplating the construction of their water system, and in answer to your inquiry as to whether the City of San Diego in the near future will be in a position to buy water from your system in case you are in a position to furnish us with water, will say, as you know the City of San Diego owns its own water system, and under ordinary conditions, we are in a position to furnish enough water to supply a hundred to a hundred and fifty thousand people. However, the City of San Diego has doubled its population in the last three years, today we have approximately eighty thousand people within the city limits of San Diego and ten or fifteen thousand more just outside the city limits. There is every indication that by the 1st of January, 1916, we will have a hundred and fifty thousand inhabitants at least.

We understand from you that in the construction of your water system, the elevation will be such that you can furnish water to all the high levels and can deliver it under pressure at any elevation desired for the city's needs. In purchasing water from you in this way, we could do away with pumping of considerable water for the

Mar. 8, 1913.

Mr. Wm. G. Henshaw,
San Francisco, Cal.

Dear Sir:

I am in receipt of yours of the 6th and contents noted.

I think you make a mistake if you don't let Mr. Post handle the Government end of it in the matter of filing upon the waters, as Post has been eleven years with the United States Government service and he has made good with Mr. Murray and myself. He knows every detail of it much better than Hawgood, and Mr. Post is the man that is protecting you in this case by making the suggestion; in fact, by acting for you while you were east. Post is in touch with Sweet at all times in this matter. However, I think you better talk it over with Mr. Post the next time you come down. I instructed him to write you in full in relation to it; in fact, at his suggestion I ordered him to make the filings while you were east.

Very truly yours,

F:K

for the high levels.

We would be pleased to see the system of the Volcan Land & Water Co. developed at an early date, and believe we will be in a position by the time said system is completed, to buy considerable excess water over and above our supply. In case we need the excess water we feel that a reasonable price for same under the circumstances would be 6¢ to 8¢ a thousand gallons. If the Volcan Land & Water Co. are in a position to guarantee to furnish water at a certain date to the city of San Diego, say within the next two or three years, we would be very glad to entertain a firm proposition from the Company and it will be given careful consideration.

Again assuring you that the City of San Diego is not only willing but anxious to see every drop of water developed that is possible in this country, and for that reason we will be glad to give you all the encouragement possible,

Very truly yours,

William G. Henshaw
Mills Building
San Francisco

Remarks

San Francisco, Cal. March 20, 1913.

Mr. Ed. Fletcher,

San Diego, Cal.

Dear Sir:-

Answering yours of the 19th in relation to the riparian rights on the San Bernardo Rancho, I beg leave to say that the enclosed wording I think would be satisfactory if it meets with the approval of yourself and Mr. Sweet.

I want particularly to call your attention to the question of the right of way for the conduits and whether that couldn't be cleaned up at this same time.

Yours truly,



WGH

Handwritten initials

Kelly

March 20, 1913.

Mr. Wm. G. Henshaw,

San Francisco, Calif.

Dear Sir:

Things are jumping at this neck of the woods and the wind is shifting every day. I have it on good authority that Canfield has bought the Buck Higgins land above Honseratte. There is every evidence that Keller and Canfield are going ahead with their water deal; there is no question in my mind but what they are proceeding to build that dam at Honseratte as recommended by Post, taking in that valley north of the house; this will cost \$200,000., and they intend to divert the water of the San Luis Rey River by gravity to fill the dam. In order to do this, they have to buy the Buck Higgins property, so as to build a conduit line on grade.

There have been four or five people after Kelly; we secured his option at the psychological moment. There is not a piece of land between Los Angeles and San Diego that can be bought for the same money per acre today, no matter how rough it is. Kerckhoff paid \$500. for an option at \$200. an acre seven years ago. He would better have bought the Kelly land at \$200 an acre at that

time than to have gone into Carlsbad and paid what he did for his Carlsbad holdings. Those lands today stand the South Coast Land Company an actual cost of \$300 an acre, including interest.

Now Kelly offered Harris his money back and then intimated that he would give him \$500 profit if he would throw up the option; therefore it was utterly impossible to do anything with Kelly, and we will have to come thru according to our agreement. The only way on earth that we can get any time is by getting the title company to hold up the certificates. This I believe we can do for sixty days anyway and I will go the limit to help play the game.

Very truly yours,

F:K

*Del Mar
Property*

March 20, 1913.

Mr. Wm. G. Henshaw,
San Francisco, Calif.

Dear Sir:

My understanding is that you authorized me to tie up the property north of Del Mar for sixty days providing I could do it for \$1000 or \$1500. I expect to do this and get things into shape the next forty-eight hours.

The more I consider this property, the more favorable it looks to me for this reason: I can assure you that you can make satisfactory arrangements with the Santa Fe Railroad to put down some wells on the Santa Fe Ranch and immediately commence the development of this property. It is true that this water is not as good as mountain water but it serves the purpose, at least for a while, the same as at Del Mar.

In purchasing this property, which we expect to take under option, we will own a strip of land from the ocean to the Santa Fe Ranch line, the entire distance. This enables a beautiful subdivision proposition and with the exception of the two or three hundred acres or so on the ocean front, the balance of it would only average around \$50

William G. Henshaw
Mills Building
San Francisco

San Francisco, Cal. March 22, 1913.

Mr. Ed. Fletcher,
San Diego, Cal.

Dear Sir:-

Answering yours of the 20th in which you refer to Canfield and Keller building a dam at Monserrat, it would appear to me that my holdings on the river below them are such that they will have to obtain the rights from me before they can impound either the surface or the underground flow. However, this matter will be determined later.

I am sorry that we had to pay Kelly \$5000 but I know you did the best you could.

I am still waiting to hear the result of your tying up the lands back of Del Mar and back of the South Oceanside tract. In the latter case, do I understand that the 350 acres you referred to actually adjoin the South Oceanside Spencer property?

I may be leaving for the east Wednesday or Thursday of next week, but it is not yet settled. In the meantime, I would like you immediately upon receipt of this, to forecast what moneys you will need say, to the middle of April.

Yours truly,
Wm. G. Henshaw

WGH

an acre, which I consider very cheap under the circumstances.

The tremendous advantage is that you can have water within sixty days and commence selling within sixty days, thereby making a market a good prices for your water for domestic purposes when the time comes that you can deliver water from the mountains.

In picking up this property north of Del Mar and the Kelly property, you have picked up the two best and cheapest properties that I know of on the Pacific Coast from Los Angeles to San Diego.

Very truly yours,

F:K

Kelley

March 28, 1913.

Mr. Wm. G. Henshaw,
Care of Waldorf Astoria,
New York City.

Dear Sir:

Enclosed find copy of telegram that I sent you at Chicago. The South Coast Land Company are boring wells and are going right ahead and put in a \$50,000. pumping plant, furnishing water to the city of Oceanside and Carlsbad. Two rigs are now on the ground.

Charles Kelley, from whom we bought the 1700 acre ranch, pledged me that if any one came after his Lot "I", which I believe we ought to own, (1200 acres back of Thum at Carlsbad and back of the tract we have already bought), Kelley promised to come to me and give me first chance. Kelley has been my neighbor for five years and we have known him for fifteen years, he is as straight as a string. The price of the land is \$100. an acre. It controls a considerable amount of water, sufficient to start things going either at Carlsbad or the Kelley 1700 acres. I am quite sure we could develop fifty to hundred inches of water there, altho it would more or less brackish, but would start things growing, and in other words, put

us in position two years ahead of time to sell the land. In other words, we could commence to sell right off if we could develop even twenty-five to fifty inches.

Have had a nice talk with Thum who came down with me. He will not sell to Keller without seeing me first; in fact, I told him frankly that there was a good possibility of being able to furnish him with water and he would have to give us a good bonus either in land or cash, or let me sell his land. I trust Thum like a brother and I am satisfied that we have tied up everything now so that Keller is a fool if he goes ahead and develops water simply for Carlsbad alone, but I do wish that we controlled the South Coast Land Co. stock.

Keller has found out that I control the Kelley land and in a very funny way. Henry Keller's next door neighbor in Los Angeles is a man by the name of Hennessy, an engineer on the Santa Fe Railroad. I went up with Mr. Kelley to look over Lot "I" the other day and Hennessy was the engineer that took me up. They are not allowed to stop at Farr Station, which is Kelley's place, but my Santa Fe pass did the work and the conductor told Hennessy that it was I is the reason that he stopped. That night Hennessy and wife went over to play cards with Keller and his wife. My boy Edward happened to be there during his vacation week; (Keller's boys and mine have always been very friendly), and my little boy, twelve years old, was keen enough to see that something was doing, so he pricked up his ears and heard Hennessy tell Keller that I had

stopped off with Kelley that afternoon. Keller immediately surmised something was up and sent a man down to Kelley to find out if the Kelley property was for sale. I have already taken the Kelley option before in the name of Chas. Partridge, but to be doubly safe, I had Kelley tell everybody that the beach property that we bought had been withdrawn from the market.

Then Keller's man asked about Lot "I", 500 acres of which is in Carlsbad, and Kelley told him that Lot "I" was not sold but he would give him a price tomorrow. When I arrived in Los Angeles I received a telephone message from Kelley to this effect. I took the next train to San Diego; Kelley met me at the train and told me the whole situation. At seven o'clock this morning I made a deal whereby I paid him \$1000 down, \$1500 more in two weeks, which gives us a sixty day option on Lot "I", 1200 acres at \$100 an acre; the option being for sixty days to May 27th, at which time one-fourth is to be paid down and the balance in one, two and three years with a release clause, subject to existing leases and subject to an old oil lease which has never been taken advantage of and which I consider no good.

On receipt of this, please wire me if I shall pay the additional \$1500 or not and extend the option, for I will have to put up the \$1500 in two weeks or lose out. Out of the 1200 acres, there are about 1000 acres that are tillable, and if there is oil anywhere on the coast, it will be found on this land, in my opinion. I don't want to see this piece of property get away from us.

W. G. H.

Regarding the West tract, I have taken an option on 2448 acres just exactly what we want and got it for \$55. an acre by paying \$5000 down, one-half in sixty days, and the other half in six months. This is the best that could be done and it is the best buy in the country.

I find I have made a mistake and that practically all this 2500 acres can be irrigated by gravity from San Clemente Reservoir; it is 2300 acres instead of 1300 acres that can be irrigated. The line is about 300 feet east of the road the entire distance that we travelled over.

Very truly yours,

F:K

*Re cover
W. K.*

water

Apr. 25, 1913.

Mr. Wm. G. Henshaw,
New York City.

Dear Sir:

The city of San Diego is fast running shy on water; within the next twelve or eighteen months they will have to look elsewhere for a supply in my opinion unless we have extraordinary rains,

Very truly yours,

F:K

Apr. 8, 1913.

Mr. Wm. G. Henshaw,
New York City.

Dear Sir:

Enclosed find official notice without date as handed me by one of the attorneys for the city of Oceanside. The city of Oceanside and the South Coast Land Co. have jointly notified the Escondido people that they cannot divert that water. I am satisfied when the time comes that we can win over the city of Oceanside.

There is a 1400-acre tract lying between the West place and the Mack place that should be bought; it is practically all good, level mesa land. I have had it offered to me at \$100 an acre; will keep a string on it if I can.

I just received a telegram today that our friend Pattiani had accomplished nothing so far; I don't believe that he will either.

Very truly yours,

F:K

William G. Henshaw
Tyler Henshaw
MILLS BUILDING
SAN FRANCISCO

April 29, 1913.

South Coast Land Co.,
Los Angeles, Calif.

San Francisco, Cal. May 16, 1913.

Mr. Ed. Fletcher,

San Diego, Cal.

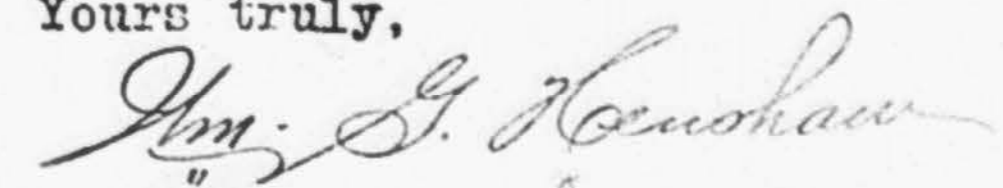
Dear Sir:-

I enclose you three communications with reference to the Warners Ranch that I have received, one from Henry G. Wilson, with reference to maintaining an apiary, which you can do anything you please in the matter as long as it doesn't conflict with the Vails; second, a letter from The De Westcotte Company, making inquiries about the price of the ranch; and also from the San Diego Securities Company, making inquiries as to the price of the ranch.

I have not answered any of these letters and leave them in your hands. I would, however, suggest that you discuss \$35.00 an acre for the ranch, although I wouldn't advise that you do more than say that I would entertain some such price.

I haven't heard the result of your negotiations with the Vails on the lease, but hope that everything will be ready for my signature when I see you next week.

Yours truly,



WEH

Mr. Henshaw personally dictated this letter but had to leave the office before it was typed.

COPY

sent to Wm G. Henshaw

SOUTH COAST LAND COMPANY
Incorporated

Main Office
Suite 705 Garland Building,
Los Angeles, Cal.

June 13th-1913.

Mr. Ed Fletcher,
San Diego, California.

Dear Sir:

Replying to your favor of the 12th inst acknowledging receipt of our notification of the 11th inst relative to Spencer option to purchase water for the Hotaling Tract up to one hundred inches, the contract provides that if a price has not been agreed upon by the time the water is developed and delivered, then and in that event the matter is to be submitted to arbitration in the usual statutory manner; the terms provided for in the contract are as follows:

1/4 of the determined purchase price in cash at
time said purchase is made.

Balance thereof in equal payments, due one, two
and three years from date of said purchase

Interest at the rate of six per cent per annum on
deferred payments.

The valuation placed upon the water is \$2000 per inch delivered under the terms of the contract; trusting this is the information you desire,

Yours very truly,

H. W. KELLER (Signed)

E-

V. L. & W. CO.

Ramona

San Diego, Cal.

June 13, 1913.

Mr. Wm. G. Henshaw,

Mills Bldg.

San Francisco, Cal.

Dear Sir:

I forward herewith copy of Ramona application for right of way from Sutherland Dam Site to Santa Maria Reservoir. This has been filed with Interior Department as within a Forest reserve, and hence water rights are protected until right of way is granted.

A feeder from Black Canyon must be applied for before July 6th, but I will cover this with a temporary forestry permit before that date.

Very sincerely yours,

TELEGRAM

C O P Y

Los Angeles Cal. June 23, 1913.

Wm. G. Henshaw,
Waldorf Astoria,
New York, N.Y.

Just returned from two days visit San Diego feel stronger than ever in favor of proposed water development also recommend you hold on to lands now under option and acquisition of further lands Lindavista. Necessity of San Diego and suburbs may demand immediate amplification and extension of Cuyamaca. Have wired Harry Whitney for his support in negotiations with Murray for control of this property which I believe may be obtained on very favorable terms. If he fails in this I shall open negotiations depending upon you and other lines which I am sure we can reach when needed. I telegraphed Larry at Racquet Club last week particulars of Ropes visit and had no reply from him. I am very much impressed with situation and possibility of immediate development. What progress are you making reply General Petroleum Los Angeles.

Farnum

TELEGRAM

C O P Y

Los Angeles, Cal. June 23, 1913.

Mr. Harry Payne Whitney,
165 Broadway, New York, N.Y.

Have just returned from San Diego looked over land and water situation find nothing to change my original views regarding land but it has become plainly evident during past few months that present systems supplying San Diego and vicinity are overtaxed. Cuyamaca Company referred to in my report as being able to develop some additional supply is considering additional development of approximately two million gallons per day. At present rate of growth this would be absorbed in one year. They would receive about fifteen cents per thousand gallons. Company is going concern private partnership no debts. They need four hundred thousand dollars for proposed work if dealt with promptly could be absorbed on very favorable terms. This with Henshaws properties would control all available water supply and could be used as basis for immediate contract with City of San Diego. Can I depend upon your support if I tie this up on basis of supplying necessary money for proposed improvements secured by first mortgage on property and control or at least substantial interest in equity subject of course to further complete detail inspection of property by myself and attorney. This would be valuable investment in itself and strengthen us immensely in Henshaw negotiations. Are you proposing to close with Henshaw. Based on my further investigations just completed I strongly urge you to do so. Did Waterbury receive my telegram sent Racquet Club last week. Please wire reply care General Petroleum Los Angeles.

Farnum

TELEGRAM

COPY

New York, June 24, 1913.

L. H. Farnum,
General Petroleum Co.,
Los Angeles, Cal.

I think you must realize that your efforts to interest Whitney in other California ventures while my transaction still hangs in balance can not fail to be injurious to my affairs and as you know one of my own alternative plans contemplates sale of water to city and naturally no results as yet.

Henshaw

Form 2289

NIGHT LETTER THE WESTERN UNION TELEGRAPH COMPANY

25,000 OFFICES IN AMERICA ^{INCORPORATED} CABLE SERVICE TO ALL THE WORLD
THEO. N. VAIL, PRESIDENT BELVIDERE BROOKS, GENERAL MANAGER

RECEIVER'S No.

TIME FILED

CHECK

SEND the following NIGHT LETTER subject to }
the terms on back hereof which are hereby agreed to }

June 25, 1913.

Wm. G. Henshaw,
Waldorf Astoria,
New York City, N. Y.

Farnum secured half million dollars for his oil company from Whitney when you and he were in New York together last time. Advise you do not jump on him too hard about Cuyamaca water system until he explains his plans to you.

Advise by all means you ask Farnum to come east at once.

Ed. Fletcher

copy sent Farnum

TELEGRAM

COPY

June 25, 1913. Los Angeles

Wm. G. Henshaw,
Waldorf Astoria,
New York, N.Y.

Yours received My effort to control the other Company is entirely for your protection and of course cooperation I find the city actively negotiating for immediate relief by addition to Cuyamaca system This could be provided and the supply absorbed during the time your larger project is building Four Hundred Thousand dollars might control the situation and eliminate the only possible embarrassing competition you would meet This transaction would be beneficial not injurious to your plans.

Farnum

NIGHT LETTER

Form 2280 K

THE WESTERN UNION TELEGRAPH COMPANY

INCORPORATED.

25,000 OFFICES IN AMERICA CABLE SERVICE TO ALL THE WORLD

This Company TRANSMITS and DELIVERS messages only on conditions limiting its liability, which have been assented to by the sender of the following Night Letter. Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of Unrepeated Night Letters, sent at reduced rates, beyond a sum equal to ten times the amount paid for transmission; nor in any case beyond the sum of Fifty Dollars, at which, unless otherwise stated below, this message has been valued by the sender thereof, nor in any case where the claim is not presented in writing within sixty days after the message is filed with the Company for transmission.

This is an UNREPEATED NIGHT LETTER, and is delivered by request of the sender, under the conditions named above.

ROBERT C. CLOWRY, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

RECEIVED AT
386 GS RD 40 N L

WA NEWYORK NY JUNE 27 1913

ED FLETCHER

373

SANDIEGO CALIF

AM PLEASED WITH YOUR WIRE ABOUT CUYAMACA YOUR ATTITUDE SHOWS WE CAN STILL DO TEAM WORK CAN MAKE NO DECISIONS ON ANYTHING UNTIL MATTERS HERE ARE SETTLED EXPECT BY FIRST NEXT WEEK TO BE ABLE TO DETERMINE MY FUTURE ACTIONS

WM G HENSHAW

JUNE 28 303 AM

June 28, 1913.

Mr. Wm. G. Henshaw,
c/o Waldorf Astoria,
New York City, N. Y.

Dear Sir:

Confirming telegrams will say that in no way is the Cuyamaca Water Co. antagonistic to your interests whatsoever, and it is a joke to consider it as a competitor. Mr. Murray and I are forced into a position now where we must do something; the Commission have ordered us to rebuild our flume and increase our supply, otherwise our new rates do not go into effect, and we will be in the same position that we were originally. For that reason, in rebuilding the flume we must rebuild it right; otherwise it will be money thrown away. It is going to take \$400,000 to do it, the least amount, and a million dollars should be spent within the next twelve months, but \$400,000 will satisfy the requirements of the Commission and we ~~want~~ commence work July 1st.

When Mr Farnum went into the question of water rates established by the Commission, the whole question came out, and Farnum said at once that he felt that the Cuyamaca Water system should be part of your development and controlled by you. The city of San Diego is so short of water that they are going to start pumps to work in the valley, and a water committee has been appointed to decide where to get the next available supply.

Farnum explained to me that our system ought

June 28, 1913.

Mr. Wm. G. Henshaw,

San Francisco, Calif.

Dear Sir:

Confirming telegram

July 22nd, 1913.

In Re Tubbs Estate

Mr. Wm. G. Henshaw,
San Francisco, Calif.

Dear Sir:

In the matter of the Proctor-Borchert agreement, a copy of which is herewith attached, covering the purchase of the South Oceanside lands belonging to the Tubbs Estate will say the total acreage is 1052 acres, including all of the Marron and Pico properties and part of the Hotaling tract; in fact, all your holdings excepting between 55 and 60 acres, the last mentioned acreage- 55 or 60 acres being the best lands of all the Hotaling tract; said approximately 60 acres being improved- 20 acres with a good olive orchard and a nice house and barn. The whole sale value of this unsold portion ought to be approximately \$25,000, or \$400. an acre on an average, altho I expect to get in the course of the next year or two \$40,000 to \$50,000 with proper water development.

I am proposing to sell the Proctor-Borchert land for \$175. an acre for the 1052 acres, less a commission of 5% to me in the sale of the property. I will be satisfied in the payment of my commission as follows, if agreeable to you, and a sale is made: One percent (1%) as each \$10,000. is paid to you so that my entire commission will not be fully paid until you have received \$50,000 on account. You will get a deed and mortgage next month when the next payment

Mr. Henshaw

-2-

comes due.

In the contract with the South Coast Land Co. there is a release clause of ten acres at any time upon the payment of \$125 an acre. I have provided for a release of ten acres at a time in this Proctor-Borchert contract. The Union Title & Trust Co. is our strongest trust company in this city, and they have as you see, signed an agreement to handle this matter as trustee, collect all moneys and make all remittances.

You will note a release clause of \$300 an acre on part of the property, which is the best land in the tract, and \$250 an acre on the rest of it. You are amply protected in my opinion at any stage of the game, in case of failure on the part of Proctor and Borchert, but after my talk with you, I propose to amend it so that more of the land will be applied under the \$300 an acre release instead of the \$250, which makes it even safer still in case of default.

In addition, I propose to have Proctor and Borchert forfeit all interest in improvements of any kind whatsoever, including the water system, in case of forfeiture.

Under an amendment that I propose to make there will be no distribution of any profits to the buyers until 50% at least of the purchase price has been paid. They have special facilities for selling lands in subdivision and expect to clear up the first 250 lots within ten days; have already sold 138 lots subject to the deal going thru. I have looked up these men thoroughly and I am satisfied in my

own mind that they will sell two or three thousand lots by January 1st, 1914 at an average net selling price, after taking out commission, of about \$50 a lot. These lots are all sold on one-third cash, and the balance one-third in three months and one-third in six months, with 7% interest on deferred payments. The expenses of the trust company are to be paid by the buyers.

You will notice by the contract that the question of improvement and development of the property is left entirely in my hands. In the contract you will see I am to receive 50% of the net profits of the syndicate. One-half of that 50% will belong to you and will be held by me as trustee for you. This additional profit is problematical but in the opinion of myself and associates, it is apt to run into a large sum.

I am to have, and a proposed amendment will be made to more fully cover, the control of the subdivision of the lands; the idea being that the lands shall be subdivided and sold on the edges of the tract and in general to leave always intact as large a body of land as possible for the security under this contract.

As you will see, as the moneys come in, a water system is to be installed, we assuming that it will cost about \$15,000. This water system is to remain under a mortgage or contract, or in other words, not released by you until you have received your full purchase price, so that at all times it will still be as security for the unpaid

I propose that as the surplus moneys accumulate in the trust company, that the first expenditure of any said money is to be the inauguration of the water plant, to an estimated amount of \$15,000, or more if necessary; after that 50% of the sums remaining are to be held for payment to the Estate company, and the other 50% is to be distributed in dividends- one-fourth of which will go to the Estate Company as additional profit. In assuming profits for purposes of distribution enough money will have to be left with the trust company to secure releases from the Estate company of all lots then sold and unreleased.

DAY LETTER

THE WESTERN UNION TELEGRAPH COMPANY

25,000 OFFICES IN AMERICA CABLE SERVICE TO ALL THE WORLD

This Company TRANSMITS and DELIVERS messages only on conditions limiting its liability, which have been assented to by the sender of the following Day Letter. Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of Unrepeated Day Letters, sent at reduced rates, beyond a sum equal to the amount paid for transmission; nor in any case beyond the sum of Fifty Dollars, at which, unless otherwise stated below, this message has been valued by the sender thereof, nor in any case where the claim is not presented in writing within sixty days after the message is filed with the Company for transmission.

THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

RECEIVED AT

204GS J 36 BLUE

SANFRANCISCO CAL JUL 26 13

ED FLETCHER

SANDIEGO CAL

HAVE AGREEMENT CORRECTED TO COVER OUR CONVERSATION AND YOUR LETTER WHICH I BROUGHT UP WITH ME IN RELATION TO THE SOUTH OCEANSIDE LANDS I WILL APPROVE OF THE SALE SUBJECT TO THE FULLFILMENT OF THOSE CONDRTIONS

WM G HENSHAW

240P

DAY LETTER

THE WESTERN UNION TELEGRAPH COMPANY

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THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

RECEIVED AT
B4GS J 176 BLUE X

SANFRANCISCO CAL JUL 28 13

ED FLETCHER

SANDIEGO CAL

HAVE PREPARED AND FORWARDED AT ONCE A NEW AGREEMENT ON SOUTH OCEANSIDE COVERING THE ARRANGMENTS MADE WIEN I WAS IN SANDIEGO I THINK THERE SHOULD BE ADDED A CLAUSE THAT IN CASE OF FORFEITURE THE MONEYS HELD BY THE TRUST COMPANY THAT WOULD OTHERWISE GO TO PROCTOR AND ASSOCIATES SHOULD BE FORFEITED TO THE ESTATE COMPANY THIS CONDITION TO REMAIN IN FORCE UNTIL THE ESTATE COMPANY RECEIVES FIFTY PERCENT OF THE PURCHASE PRICE THIS I CONSIDER A JUST AND REASONABLE CONDITION BUT WOULD PROBABLY NOT INSIST UPON IF YOU THOUGHT IT WOULD INTEREFERE WITH THE SALE ALSO PLEASE SEND UP BY NEXT MAIL A FULL STATEMENT OF SETTLEMENTS ON THE PURCHASES FROM WEST KELLY AND OTHERS AS I MAY LEAV FOR THE EAST THE END OF THIS WEEK RUSH BOTH COTRACT AND STATEMENT ALSO

DAY LETTER**THE WESTERN UNION TELEGRAPH COMPANY**

INCORPORATED

25,000 OFFICES IN AMERICA CABLE SERVICE TO ALL THE WORLD

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THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

RECEIVED AT

(SHEET "2" B4 JUL 28 1913)

172

SEND ME CHECK FOR THE MONEY THAT YOU HOLD ON HAND SO AS TO OFFSET THE MERCHANTS NATIONAL NOTE WHICH I AM UNEXPECTEDLY PAYMENT TODAY SHOULD YOU NEED ANY OF THE MONEY FOR WAKEHAM WIRE IMMEDIATELY WIRE WHEN PAPERS WILL BE FORWARDED

WM G HENSHAW

209P

July 28, 1913.

Mr. Wm. G. Henshaw,

San Francisco, Cal.

Dear Sir:

Enclosed find statement as per your telegram covering the properties for the New York syndicate, payments made, etc. On the Bradbury deal the title is all clear excepting 80 acres and they are trying to clear the title to that; the money is in escrow with the American National Bank. We expect to get a deed and mortgage to the Crawford property in a few days, which will take until the 5th of August to get a deed and clear title from the H. N. Cable property and it will take a few days as well on the West property; This same condition also applies to the Kelly Investment Co., so that it will probably be ten days before we can furnish you with a clear certificate of title, excepting the mortgages to the properties mentioned above. The only possible contingency may be that we will pay the Bradbury for all excepting his 80 acres and get a deed and leave the money in escrow awaiting such time as he can clear his title to the 80 acres.

Very truly yours,

F:K

NIGHT LETTER**THE WESTERN UNION TELEGRAPH COMPANY**

25,000 OFFICES IN AMERICA

INCORPORATED

CABLE SERVICE TO ALL THE WORLD

THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

RECEIVER'S No.

TIME FILED

CHECK

SEND the following NIGHT LETTER subject to }
the terms on back hereof which are hereby agreed to }

July 30, 1913.

Wm. G. Henshaw,
762 Mills Bldg., San Francisco, California

Am deeding West and Crawford property to Security Trust & Savings bank tomorrow. Kelly Cable and Bradbury money still in escrow and will be for few days until they can perfect titles. It will be three or four days before I can get certificate of title as you require on Crawford and West properties. Have done everything possible but utterly impossible to hurry matters.

Shall I send certificates of title as soon as I receive them to Security Savings Bank. Can also get duplicate certificates of title and forward to you in New York if desired showing amount of mortgage, rate of interest and date of payment.

Ed. Fletcher

NIGHT LETTER**THE WESTERN UNION TELEGRAPH COMPANY**

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CABLE SERVICE TO ALL THE WORLD

THEO. N. VAIL, PRESIDENT

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July 30, 1913.

Wm G. Henshaw,
762 Mills Bldg., San Francisco, California

Total amount of drafts on Trainor One Hundred twenty-two thousand One hundred fifty three dollars and thirty-six cents. This completes everything.

Ed. Fletcher

THE WESTERN UNION TELEGRAPH COMPANY

25,000 OFFICES IN AMERICA.

INCORPORATED

CABLE SERVICE TO ALL THE WORLD

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THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

RECEIVED AT

297GS G 46

SAN FRANCISCO CAL JULY 30-1913

ED FLETCHER

SAN DIEGO CAL

TREANOR WIRES THAT YOU HAVE ONLY DRAWN ON HIS FUNDS
FOR A TOTAL OF SEVENTY SIX THOUSAND SIX HUNDRED TWENTY
AND TWENTY EIGHT CENTS PLEASE WIRE ME THE AMOUNT
THAT MUST BE LEFT WITH HIM TO MEET SETTLEMENTS
FOR WHICH DRAFTS HAVE NOT YET BEEN PRESENTED

WM G HENSHAW

415PM

July
Thirtieth,
Nineteen-thirteen.

Mr. Wm. G. Henshaw,

San Francisco, Cal.

Dear Sir:

I have been notified that the city of San Diego will enter into a contract to take water from us as long and as much as we can give it to them from the Cuyamaca Water Company commencing January 1st, 1914, for as long a contract as we want within reason.

In other words, between now and the 1st of January we can fix up the Cuyamaca flume so that it will deliver a full supply of flood waters to the city of San Diego and yet be of sufficient capacity to fill La Mesa dam during the winter months. We can get from seventy-five to a hundred thousand out of the city of San Diego the first four months of next year with flood water at 10¢ or 12¢ a thousand gallons and this will hold them in line.

Now is the time to act. If we could take care of their early and present needs, we can also take a contract with them covering a period of years that will entirely finance the San Luis Rey and Pamo water proposition and will kill off any municipal development for years to come.

Now is the psychological moment. Mayor O'Neill told me that unless something definite was done within the next two or three weeks, that a municipal water district

W.G.H.

-2-

would be formed and bonds voted to develop more water out of the San Diego River. The estimated cost of the development is three million dollars but they will put in half a million into a pumping proposition immediately in the San Diego River valley.

Very truly yours,

F:K

July
Thirtieth,
Nineteen-thirteen.

Mr. Wm. G. Henshaw,

San Francisco, Cal.

Dear Sir:

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Now is the psychological moment. Mayor O'Neill told me that unless something definite was done within the next two or three weeks, that a municipal water district

DAY LETTER
THE WESTERN UNION TELEGRAPH COMPANY

Form 2589

25,000 OFFICES IN AMERICA INCORPORATED CABLE SERVICE TO ALL THE WORLD
THEO. N. VAIL, PRESIDENT BELVIDERE BROOKS, GENERAL MANAGER

RECEIVER'S No.	TIME FILED	CHECK
----------------	------------	-------

SEND the following DAY LETTER subject to } August 1, 1913.
the terms on back hereof which are hereby agreed to }

Wm. G. Henshaw,
762 Mills Bldg., San Francisco, California

City council yesterday passed resolution intention ordering million dollar bond issue, approximately three hundred thousand to be used in installing pumpingplant near San Diego mission. I consider this a mistake and detrimental to your interests. Believe Cuyamaca Water Company should put flume and pipe line into condition to furnish city with water during flood months. Farnum agrees with me. I know it is only question of time when with the development of your system you will take over ours. Can undoubtedly get twelve cents a thousand gallons. Prompt action necessary. What objections have you?

Ed. Fletcher

would be formed and bonds voted to develop more water out of the San Diego River. The estimated cost of the development is three million dollars but they will put in half a million into a pumping proposition immediately in the San Diego River valley.

Very truly yours,

F:K

DAY LETTER

ALL DAY LETTERS TAKEN BY THIS COMPANY SHALL BE SUBJECT TO THE FOLLOWING TERMS WHICH ARE HEREBY AGREED TO

The Western Union Telegraph Company will receive **DAY LETTERS**, to be transmitted at rates lower than its standard day message rates, as follows: one and one-half times the standard night letter rate shall be charged for the transmission of fifty (50) words or less, and one-fifth of the initial rate for such fifty words shall be charged for each additional ten (10) words or less.

To guard against mistakes or delays, the sender of a message should order it **REPEATED**, that is, telegraphed back to the originating office for comparison. For this, one-half the unrepeated message rate is charged in addition. Unless otherwise indicated on its face, **THIS IS AN UNREPEATED MESSAGE AND PAID FOR AS SUCH**, in consideration whereof it is agreed between the sender of the message and this Company as follows:

1. The Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any **UNREPEATED** message, beyond the amount received for sending the same; nor for mistakes or delays in the transmission or delivery, or for non-delivery of any **REPEATED** message, beyond fifty times the sum received for sending the same, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of its lines; nor for errors in obscure messages.

2. In any event the Company shall not be liable for damages for any mistakes or delay in the transmission or delivery, or for the non-delivery of this message, whether caused by the negligence of its servants or otherwise, beyond the sum of **FIFTY DOLLARS**, at which amount this message is hereby valued, unless a greater value is stated in writing hereon at the time the message is offered to the Company for transmission, and an additional sum paid or agreed to be paid based on such value equal to one-tenth of one per cent. thereof.

3. The Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other Company when necessary to reach its destination.

4. Messages will be delivered free within one-half mile of the Company's office in towns of 5,000 population or less, and within one mile of such office in other cities or towns. Beyond these limits the Company does not undertake to make delivery, but will, without liability, at the sender's request, as his agent and at his expense, endeavor to contract for him for such delivery at a reasonable price.

5. No responsibility attaches to this Company concerning messages until the same are accepted at one of its transmitting offices, and if a message is sent to such office by one of the Company's messengers, he acts for that purpose as the agent of the sender.

6. The Company will not be liable for damages or statutory penalties in any case where the claim is not presented in writing within sixty days after the message is filed with the Company for transmission.

In further consideration of the reduced rate for this special "**DAY LETTER**" service, the following special terms are hereby agreed to:

A. **DAY LETTERS** may be forwarded by the Telegraph Company as a deferred service and the transmission and delivery of such **DAY LETTERS** is, in all respects, subordinate to the priority of transmission and delivery of regular day messages.

B. **DAY LETTERS** shall be written in plain English. Code language is not permitted.

C. This **DAY LETTER** may be delivered by the Telegraph Company by telephoning the same to the addressee, and such delivery shall be a complete discharge of the obligation of the Telegraph Company to deliver.

D. This **DAY LETTER** is received subject to the express understanding and agreement that the Company does not undertake that a **DAY LETTER** shall be delivered on the day of its date absolutely and at all events; but that the Company's obligation in this respect is subject to the condition that there shall remain sufficient time for the transmission and delivery of such a message on the day of its date during regular office hours, subject to the priority of the transmission of regular day messages under the conditions named above.

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

THEO. N. VAIL, PRESIDENT

BELVIDERE BROOKS, GENERAL MANAGER

MONEY TRANSFERRED BY TELEGRAPH AND CABLE TO ALL THE WORLD

William G. Henshaw
Tyler Henshaw
MILLS BUILDING
SAN FRANCISCO

San Francisco, Cal. Aug. 1, 1913.

Mr. Ed. Fletcher,
San Diego, Cal.

Dear Sir:-

Mr. C. L. Cory and his brother will leave here Saturday afternoon and will arrive at noon Sunday at Del Mar. (Have wired you later they would leave here Sunday.)

I have gone over thoroughly the water situation with them and the urgency on account of the desire of the city to have an immediate solution of the water troubles. You can talk with perfect freedom to them.

I would also talk to Farnum about the matter, and he will also take it up with you and you can judge from their talk as to whether or not they agree with me that the Cuyamaca should be taken over.

Farnum now has data as the result of "Hewin's" investigation, and although I have seen no report, and know nothing about his report, still, of course, Farnum will talk frankly with you and go over the whole situation.

The associate here of the eastern bankers, who has employed the Cory's to make the examination, suggest that a conditional contract be made with the city and I would suggest that you and Farnum and the Cory's talk the matter over, and I think you can frame up something that will be satisfactory all around.

C. L. Cory is a Professor at the University, and both he and his brother have had large experience in such matters as they are not investigating, and if their report is favorable, Mr. Jacquelin, who employed them, assures me that the matter will be taken up and taken up promptly. I know that the firm in the east can easily handle the matter, and no question of hard times would prevent them from obtaining all the money they would require in this or any other proposition.

I don't yet understand what you meant about the sale of the Warner Ranch, as you have reported nothing since, and I would be glad to have you write me at once to New York, letting me know if there is anything in the wind. If you can get any definite proposition on the ranch, I would like to receive it as promptly as possible, and would ask you to wire

-2-

me if there is any reasonable likelihood of a proposition, and state along what lines it would probably be made.

Yours truly,

Wm. G. Henshaw

P. S. When the Cory's have finished their trip, wire me what you think their report will be.

WGH

Mr. Henshaw personally dictated this letter and did not leave the office before it was ready for his signature.

August 4, 1913.

Mr. Wm. G. Henshaw,
c/o Waldorf-Astoria,
New York City.

Dear Sir:

Answering yours of August 1st, I do not anticipate any action by the bank on the \$10,000 Rice note. I will meet Mr Corey this noon at Oceanside; also Mr Farnum.

Regarding Warners Ranch, I believe I am working on a live lead, but it is going to take two or three weeks. I have given them a tentative letter along the lines of your telegram; I will have a definite answer without doubt one way or the other by the time you get back from New York.

The water situation in San Diego is acute. Confirming my telephone conversation with you- if we don't stop the city of San Diego putting in pumping plants and bonding themselves to take water out of the San Diego River, we will lose them temporarily at any rate as customers, and I consider it a mistake. For that reason I am going to try and make a temporary arrangement to furnish them with water commencing the 1st of January, from the Cuyamaca Water system. The city of San Diego will pay 10¢ or 12¢ for water wholesale, and glad to get it.

It is all up to Jim Murray. I shall never be satisfied until you and your interests control the Cuyamaca system,

But in the meantime we cannot stand still and you can rest assured that at all times our interests will be friendly.

I will talk this matter over with Messrs Barnum and Corey as you suggest in your letter of August 1st.

Very truly yours,

F:K

August
Thirteenth,
Nineteenthirteen.

Mr. Wm. G. Henshaw,
762 Mills Bldg.,
San Francisco, Calif.

Dear Sir:

The Chamber of Commerce hired Mr. J. B. Lippincott to come down here and give a report on the water situation. Approximately half the water used by Los Angeles before the Owens River water came to Los Angeles is secured from wells. Five years ago when the city hired Lippincott, he advocated the putting in of wells in El Cajon Valley on the San Diego River and pumping from there to the city of San Diego.

Post tells me that your one weak point is Bernardo River, and that if Lippincott got on to it, he would either advise putting in pumping plants on the Bernardo for the benefit of the city or build the dam between the Bernardo Ranch and the ocean in Crescent Valley which I showed Mr. Farnum and Mr. Hewens several Sundays ago. By building this dam, the riparian water question would be approximately settled excepting a few between the Santa Fe Ranch and the ocean, and by pumping a hundred feet at nominal cost, the water could be put on the Linda Vista Mesa and La Jolla in first class shape.

I am absolutely satisfied in my own mind that you should control the damsite in Crescent Valley

By owning this and doing a little work on it, it would put the city in a position where they could not very well pump out of the Bernardo or San Pasqual without paying you big damages, and by building a dam in the Crescent Valley all your lands that have just been purchased, from the Santa Fe Ranch to the ocean can be irrigated by gravity from the Crescent Valley reservoir site, which is only three or four miles away from the Crawford land that you have just purchased.

I understand that Lippincott and the city engineer in the Water Department, together with a couple of Council men have been going over the Cuyamaca system the last two or three days. I just heard a chance remark thru a friend that the City Engineer had said that the Cuyamaca Water system should be purchased by the City of San Diego but I have not been approached by any member of the City Council as yet.

Lippincott's recommendations will go a long ways with the city. I only wish to Heaven that we had got in touch with Cory three or four weeks earlier. At a meeting of the Men's Club last Monday night, on the subject of the water problem, I was asked to give a talk. At that meeting a resolution was passed asking the Mayor and City Council to appoint a water committee, with authority to employ expert engineers to make a report on the water situation for the county and recommendations for the future growth of the city.

I have asked Mr Cory to write me a letter

giving me his past experience on water matters, something that I can show Mayor O'Neill and I will do my best to get Cory as one of the engineers. His vast experience, and particularly his work in relation to the water supply of the city of San Francisco, together with his knowledge of local conditions, would make him a valuable man, in my opinion.

Would suggest that you wire me on receipt of this as to whether or not I should tie up under option the Crescent Valley city on the Bernardo; possibly I can get the options for nothing for a short time, or \$200 or \$300 may be needed.

Very truly yours,

F:K

Option

August 25th, 1913.

Mr. Wm. G. Henshaw,
762 Mills Building,
San Francisco, Calif.

Dear Sir:

This letter will serve as an option to purchase the holdings of the Cuyamaca Water Company in San Diego County, California, the same being the property purchased from the San Diego Flume Company by Jas. A. Murray and Ed. Fletcher, and property purchased since by the Cuyamaca Water Company, together with all improvements for the sum of \$725,000.00 for the whole property; the purchase price to be paid on or before the 25th day of November, 1913.

This option is given upon the following conditions, to-wit: that you are to have this option for thirty days from the date of this agreement in consideration of the sum of \$1.00. If an additional thirty days is desired, a payment of \$2500. is to be made to me September 25th, 1913, and if further additional time is required, a payment of \$7500. is to be paid October 25th, 1913, which will keep said option in full force and effect until the 25th day of November, 1913.

It is further expressly understood and agreed however, that time is of the essence of this option to purchase, and that any failure on your part to pay the said option money as specified above, or the purchase price within the time above stated wherein such payments shall be made, shall terminate this

option and all your rights thereunder, and said option shall be null and void.

In case you exercise this option, all payments are to be made thru the Southern Title Guaranty Co. of San Diego. It is understood and agreed that interest at 6% net is to commence from date, and any and all moneys paid out for operating expenses or betterments after this date are to be refunded.

Very truly yours,

F:K

Mr. Ed. Fletcher:

The above option is satisfactory and accepted by me.

William G. Henshaw
Mills Building
San Francisco

San Francisco, Cal. Aug. 20, 1913.

Mr. Ed. Fletcher,

San Diego, Cal.

Dear Sir:-

In the matter of taking an option on Mr. James A. Murray's interest in the Cuyamaca Water Company for me, I will say that the maximum authority I desire to give you is to pay a sum not to exceed Ten Thousand (10,000) Dollars for said ninety days option, you not to pay over \$2500 for a sixty day option, with the privilege of paying the balance for an extension of thirty days.

Please do the best you can along these lines, and oblige.

Yours truly,



DAY LETTER

THE WESTERN UNION TELEGRAPH COMPANY

Form 2589

25,000 OFFICES IN AMERICA CABLE SERVICE TO ALL THE WORLD
THEO. N. VAIL, PRESIDENT BELVIDERE BROOKS, GENERAL MANAGER

RECEIVER'S NO.	TIME FILED	CHECK
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SEND the following DAY LETTER subject to the terms on back hereof which are hereby agreed to } Sept. 18, 1913.

Wm. G. Henshaw,
762 Mills Bldg., San Francisco, California

Had conference with City Council this morning. City desires to know price of Cuyamaca system. They are also interested in knowing your price of Warners, Pamo, Southerland, Santa Maria and San Clemente interests. They want price tomorrow on Cuyamaca and within two or three days on your properties. Yesterdays consumption between twelve and thirteen million gallons for the city alone. Hottest day ever seen.

Wire me an answer that I can show them regarding price your properties and send me separate wire regarding price Cuyamaca system.

San Diego intends to assess for seventy-five percent of actual value. This will give an additional bonding capacity of three or four millions.

Post leaves today with city water engineer and superintendent to investigate both systems.

Please adjust Rice matter and make arrangements up there for loan. Can you not get twenty thousand loan just as easy as seventeen thousand five hundred.

Ed Fletcher

Sept. 3d, 1913.

Mr. Wm. G. Henshaw,
San Francisco, Cal.

Dear Sir:

Enclosed herewith find option
as per your instructions, and sincerely hope
that you will be able to put the deal thru along
the lines that we talked over when in San Fran-
cisco.

Very truly yours,

FK

Sept. 5, 1913.

Mr. Wm. G. Henshaw,
San Francisco, Cal.

Dear Sir:

Enclosed find synopsis of report of
Lippincott. He urges the immediate purchase and develop-
ment of the San Diego River. He has done the best thing
possible for us by pumping water from close ^{to} the Old
Mission. I do not believe that over two or three million
gallons per day can be pumped at the very most and it
would be poor water; and in addition that they, they will
have a lift of about 400 feet and the water will cost
them fully 15¢ a thousand gallons to pump. I feel you
should have a definite proposition from the city at once
as it will help you get a better trade with New York
parties.

Very truly yours,

FBK

William G. Henshaw
Tyler Henshaw
MILLS BUILDING
SAN FRANCISCO

San Francisco, Cal. Sept. 24, 1913.

Mr. Ed. Fletcher,
San Diego, Cal.
Dear Sir:-

On Oct. 1st there will be \$5000 due on the Anderson property and \$5000 due on the Craig property. I believe both of these are mortgages. Would suggest that you see them and find out if they wouldn't be willing to let the payments run another year.

I am still working on the Rice matter, but haven't yet been able to place the mortgage, but hope to soon.

Cory's report was forwarded last night to Jackling at Salt Lake, and although I do not know its contents, still from all I can gather, he has reported favorable to the enterprise, although materially reducing the amount of water that Hawgood claims, and is still convinced can be developed.

I am just wiring Jackling, asking him to inform me when he will reach a conclusion. In the meantime, keep me posted on the San Diego situation, and whenever desirable I will come down for any conference. I think it wiser to wait until we hear from Jackling, and until the Committee referred to have been able to determine how they can raise the necessary money.

Yours truly,

Wm. G. Henshaw

WGH

Sept. 25th, 1913.

Mr. Wm. G. Henshaw,
San Francisco, Cal.

Dear Sir:

Enclosed find letter from Mr. Hickok which is explanatory. On the 18th of August Mr Farnum wrote to Mr Hawgood instructing him to send the field notes, etc. of his survey to Mr. Hickok; enclosed find copy of letter written by Mr Farnum to Mr Hawgood which he paid no attention to.

The object of writing this letter is as follows: you have asked me to make the greatest showing possible for the least amount of money, and this is accomplished by putting six or eight teams to building the conduit line from Warners down to the tunnel. Before commencing this work it is of course necessary to know the elevation of the conduit. I took the matter up with Mr. Post and Mr Farnum's man, Hickok, and find that there is a conflict. It seems that Hawgood has put his outlet tunnel thru the dam at one elevation. Farnum is absolutely opposed to having the outlet tunnel thru the dam but has gone a little further up the stream and is now driving the tunnel and at a different elevation from that recommended by Hawgood.

It is up to you to decide and I think immediately, which engineer's advice you are going to take

for the tunnel is not going to be satisfactory to Hawgood as I understand it, and the plans of Hawgood are not going to be satisfactory to Farnum.

Now if only Farnum and Hawgood can agree on the elevation of the tunnel and conduit line, then I am in a position to ask the engineers to establish the elevation for the conduit that is satisfactory to all concerned, and then the work of grading is ready to commence under the supervision of the engineers and it is there that I can make the greatest showing possible for the money.

As stated before the four men are working on an outlet tunnel and it will take six or eight months for them to do it. This tunnel is making no showing as compared to grading of the conduit on the side hill. The cost of building the tunnel if spread out on the conduit line will make a tremendous showing. I suggest the following: that you instruct Farnum and Hawgood to get together and decide on an elevation of the outlet tunnel immediately and if they cannot get together, make a decision as to which engineer you are going to accept and find out his recommendations. Then I would take these recommendations to Cory and get his advice. Then after you have come to a decision, let us know what the final determination is and let us get started on actual work, because it is certainly a fright the amount of money that is being expended and the little showing that is now being made.

I have asked Post to give me a detailed statement of what is being accomplished at the present time and you will hear from me shortly on this with a recommendation.
FK
Very truly yours,

Sept 26, 1913.

Mr Wm. G. Henshaw,

San Francisco, Cal.

Dear Sir:

Your telegram is just what I wanted to show the City Council and committee. While I would prefer to get this deal closed immediately with Jacqueline, yet it is only a question of time, probably six months before the bonds could be voted if the district was formed. This means a long delay and delays are dangerous, and I know you would like to have the thing settled at the earliest possible moment. I maybe mistaken and things may crystalize so that something definite can be arranged in the next two or three weeks. The city would like awfully well to take over the Cuyamaca and your system in my opinion for somewhere around three millions dollars in bonds, this not to include the Warners Ranch or any reservoir sites which you now own.

What I am afraid will happen is this: that the citizens of this city are going to vote \$50,000 next month to be immediately available for engineering development, future water supply and they may not get anything in concrete shape until that money is spent. However, as soon as you are in a position to deliver something and tell me to go ahead definitely, I feel that I can get you results in short order.

Very truly yours,

FK

Sept. 27th,
1 9 1 3.

Mr. Wm. G. Henshaw,
San Francisco, Cal.

Dear Sir:

As per your request I send you under separate cover map of the properties sold the Tubbs estate including the South Coast Land Company, Marron and Pico holdings. I also send you a map of the ownership of San Diego lands, etc, the Santa Maria damsite and the lands owned, together with acreage at different heights. The Linda Vista District always intended to build a dam on the property marked "Live Oak Corporation". For some reason Post has moved the dam lower down; that is a matter that should be thoroughly investigated. Also enclose a map of Pano reservoir showing ownership, acreage at different heights; also map of San Clemente reservoir site showing elevation 80 ft, with the desired information. Also enclose map of Southerland reservoir with the desired information; also map of San Luis Rey Valley showing ownership of lands in red, water rights in yellow and those not acquired unmarked. Also enclose map of Santa Ysabel-San Dieguito River as per your request.

Very truly yours,

FK

Oct. 8, 1913.

Mr. Wm. G. Henshaw,
San Francisco, Cal.

Dear Sir:

Answering yours of Oct. 2nd I hope that things are not as blue as they appear to be to you in the matter of the Cory negotiations. Mr Cory told me that he agreed fully with Mr Hawgood that the amount of water was there, even greater than Hawgood specified, but that Hawgood had miscalculated entirely the loss of evaporation; that his opinion of the records of the last twenty-five years show that it is necessary to carry over a seven year's supply instead of Hawgood's statement, three or four years' supply. That is the key to the whole situation. Without any further knowledge on the subject I do not see where Post comes in for any blame in this matter. I also believe that Cory is acting under instructions and playing the game for his employer and I would do the same in jockeying for position in a prospective trade.

Please arrange to be here Friday if convenient.

Very truly yours,

FK

Oct. 16, 1913.

Mr. Wm. G. Henshaw,

San Francisco, Cal.

Dear Sir:

Mr Hodges, the Vice-president of the Santa Fe Railroad called on me yesterday morning. He controls the San Dieguito Ranch of 8000 acres and is the man whose word is final in the matter of getting riparian rights of the San Dieguito River. Keller has been trying to make arrangements with the Santa Fe Land & Improvement Co., who own the San Dieguito Ranch whereby the South Coast Land Co. will control all of the water pumped from the San Dieguito Ranch; they are pumping 250 inches of water at the present time. It seems that a number of people between Cardiff and Del Mar have been asking the Santa Fe to put in a pumping plant and furnish water for subdivision of the coast lands, and they are seriously considering developing 100 inches of water for this purpose alone. This development is a tract bordering the coast lands that you have lately purchased.

In other words, if they should develop 100 inches of water on the San Dieguito Ranch and pump it up to a 300 ft level, all of the lands we have just purchased north of Del Mar from Bradbury, Crawford Cable and others could be irrigated by gravity and become immediately available for subdivision and sale. One of Mr Keller's arguments to Mr Hodges was that when the Pamo dam was built, they would have no excess water to sell excepting that which the South

Coast Land Company could use, or words to that effect, and building the Pamo Dam would materially affect their flow of water.

I informed Mr Hodges that I believe Mr Keller was wholly in error as far as any effect on the underground waters are concerned and that there was enough watershed below the Pamo Dam to fill the gravels each year and to spare.

I went right after him for his consent in the matter of building the Pamo Dam for I know that he is the "king pin" in this matter and Mr Wells would have to refer it to him, as Mr Hodges is President of the Santa Fe Land & Improvement Co. Mr Hodges has asked me for a report from a competent engineer as to what the question of damage is going to be if any. Shall I not get out this immediately for Mr Hodges?

The The San Dieguito River runs for over three miles thru the San Dieguito Ranch and this riparian right is the most important on the entire river, for the Santa Fe Land & Improvement Co. filed on 1200 inches of surface water seven years ago, built ditches and have maintained their ditch right ever since. There is no time like the present to get this water right. Mr Hodges has asked me to make a complete report on how the San Dieguito Ranch should be developed and I am sure

I have made a favorable impression on him.

The Santa Fe Railroad is not satisfied with their water supply and they will need about ten miner's inches of water a day to supply their engines so this is why they are becoming interested in developing 100 inches for the coast lands, making all this development at the same time. I have

fixed it so that Keller will never get control of all the water that is developed on the San Dieguito Ranch.

In the meantime I want your answer to two questions: shall I proceed to get the consent to build the Pamo Dam and get the report as asked for to Mr Hodges and do you want me to find out from the Santa Fe what kind of a proposition they have to make for developing water for our coast lands. It will be years before we can ever take water from our system to the coast. I feel that at least thirty to fifty inches of water should be arranged for with the Santa Fe if they can deliver it at a price that is satisfactory; said water to be put upon the coast lands so that early development and sale of the SanDiego lands can be made.

Mr Hodges will not take the attitude that Mr Keller does, that we must pay for the water right and then pay so much a thousand gallons but Mr Hodges instead had agreed with me that there will be a flat rate of so much a thousand gallons, the amount of water that we use and contract for and the worst that can happen to us will be to put in a pipe line from the San Dieguito Ranch. You probably are aware that we own a strip of land the entire distance from the San Dieguito Ranch to the ocean.

Very truly yours,

FK

William G. Henshaw
Tyler Henshaw
MILLS BUILDING
SAN FRANCISCO

San Francisco, Cal. Oct. 17, 1913.

Mr. Ed. Fletcher,
San Diego, Cal.

Dear Sir:-

Many thanks for the apples which have just come to hand, and I have duly forwarded one to my brother Tyler and one to the Judge.

Since my return I have been trying to get some line on the placing of the bonds to which you referred, and expect an interview this afternoon, but will not be able to size up the situation probably until the early part of next week. When we know what can be done in that direction, we can formulate some permanent plan of action.

Farnum had lunch with Prof. Cory and Mr. Lardner, Manager, of J. G. White & Co., and apparently Cory was surprised to think that his report was not looked upon by Jackling and Hayden as being sufficiently strong to warrant them in going ahead. Hayden and Jackling are due here a week from to-day, and it may result in the different reports being submitted to J. G. White & Co. for their adjudication, and to this Cory gladly consents.

When Jackling and Cory meet we will soon know what their attitude will be, because Cory will undoubtedly talk stronger than his report would indicate.

In the meantime, however, nothing should interfere with our moving along as discussed when together last, and I will be very much interested in hearing from you the result of the conference that you had with the different gentlemen that you invited to your dinner.

Yours truly,

WGH
W. G. Henshaw

Mr. Henshaw personally dictated this letter but had to leave the office before it was ready for his signature.

William G. Henshaw
Tyler Henshaw
MILLS BUILDING
SAN FRANCISCO

San Francisco, Cal. Oct. 17, 1913.

Mr. Ed. Fletcher,
San Diego, Cal.

Dear Sir:-

Since writing you to-day I have had an interview with N. W. Halsey & Co., whom you doubtless know. The result of the discussion is this. It is immaterial to them whether the issue shall be \$500,000 or \$1,000,000. Whatever amount that should be decided upon, there would be no use in discussing anything but a 6% bond at a price around ninety.

I would suggest that if this matter interests you, that you come up at once, with a statement of what you have, of what the income is, what the investment represents, etc., and then if it looks attractive to them, they will say that they will give you their final decision and answer, after having J. G. White & Company make an investigation.

I know the White people here personally, and you undoubtedly have met Mr. Conn, who is next to Lardner, the Manager, and I think that we can arrange a very reasonable compensation for their examination.

I will do nothing further in the matter until I hear from you, because I do not consider it wise to discuss the matter with any other bond house until we are through with Halsey & Company.

Yours truly,

W. G. Henshaw

WGH

P. S. Please hurry up the declaration of trust in relation to the Whitney matter.

Mr. Henshaw personally dictated this letter but had to leave the office before it was ready for his signature.

Oct. 18, 1913.

Mr. Wm. G. Henshaw,
762 Mills Bldg.,
San Francisco, Calif.

Dear Sir:

Regarding Mr L. V. Brown will say he came to San Diego yesterday. From him I learned that he had brought suit for damages, non-fulfillment of contract, etc. and that the case would be tried next month. He said he had twenty of the best men of Riverside who would swear to the damage, that your new patent is not successful and that for within a radius of a mile of the plant particularly to the west, material damage is being done, not alone from the plant but from the rock crusher, etc.

Brown talked the case over very freely. When it came to a final show-down, the only definite proposition I could get out of him was that your company should pay the 76 acres right within a few hundred feet of your plant and he would arbitrate the question of damage as to the rest of it. I believe he controls 236 acres. He said he would waive any damage to any lands excepting the improved lands with orchards.

I tried to get him to agree to arbitrate the whole thing without any stipulation that you would be compelled to buy any of his lands but did not succeed. I feel quite sure, if you want me to, that I can eventually get Brown to arbitrate everything without reservation. This would eliminate any stipulation that you would

be compelled to purchase the 76 acres. He is willing now to stipulate that the question of the value of the 76 acres adjoining the plant be arbitrated if you will agree to buy this 76 acres.

You are going to have a hard fight with Brown.

He says the best evidence for him is the orchard which you now own and which you have been attempting to force by the use of fertilizer etc. without results. Brown says he can be of considerable influence in helping you settle up your other troubles. Any arbitration that you make with him is to include all his relatives and their property.

From what little I have heard of the case I would suggest that you authorize me to get Brown to arbitrate everything without any stipulation, compelling you to purchase any of the lands and let this matter be settled by the arbitrators. Brown is willing that any decision of the arbitrators will be handed down as a record in court and be final.

I did not get far enough with Brown to size him up as to the question of who he would appoint for arbitrators; I have an idea that he would be willing to accept me as a third arbitrator- I may be very much mistaken.

Please let me hear from you in this matter.

Very truly yours,

FK

Oct 20, 1913.

Mr. Wm. G. Henshaw,

San Francisco, Cal.

Dear Sir:

Mr Hawgood and I have been over your entire proposition with the idea of making the biggest showing possible for the least amount of money.

We have all agreed that the best thing to do at Pamo is to put a core drill at work there; all the excavations necessary have been made, with every indication of bed rock, but the core drill will prove it. I have just taken the matter up with the Gas Company and find out that the core drill is still here in San Diego and have made arrangements to see what we can rent it for; also to get the men who did the other work at Warners.

Mr Hawgood agrees with me that there is no need of any money being spent at Southerland at the present time. Mr Hawgood recommends the raising of the outlet tunnel five or six feet, owing to danger of freshets, as this only reduces the capacity of the reservoir two or three acres and as an added factor of safety I see no reason why Mr Hawgood's recommendation should not be accepted and the change made. The work already done was absolutely necessary so Mr Hawgood says. If you look at it this way I would suggest that you instruct me to have the change made. We are then in a position to go ahead. I feel that three

Mr W.G.H.

-2-

or four men should be kept on the tunnel and a few teams put on the grading work of the ditch from the dam toward Pamo. Mr Hawgood agrees with me in this matter, that the best possible showing can be made in this way for the least money. There is no need of Hawgood's sending down engineers to make this change in elevation of five or six feet on the conduit line because that can be done without any trouble at all by either Mr Hikok or Mr Post.

very truly yours,

EK

Mr F. S. Sandford,

Oct 20, 1913.

October 21st 1913.

Mr. W. G. Henshaw,
San Francisco, Cal.

Dear Mr. Henshaw:-

Mr. Fletcher tells me that certain persons have adversely criticised to you the building of a cut-off wall at Warner. I do not believe that such a criticism can be rationally sustained and am at a loss to know upon what ground it could have been presented.

If existing and successful dams are any criterion, and it will probably be conceded that they are of the best, then it may be said that it has been the universal custom of prudent and successful engineers to introduce some form of diaphragm passing downward to contact with an impervious strata. The omission of such diaphragm is only justified by excessive depth, and when other precautionary measures are taken as substitutes for its omission. As a near-by example I will cite the Morena Dam, where Mr. O'Shaughnessy carried his cut-off to a depth of over a hundred feet. I do not think that their omission without some equivalent substitute can be seriously discussed.

Assuming, however, that a core wall might be omitted, it would

not be a sound commercial proposition to omit it. Precedent shows the almost universal practice of engineers, except under special conditions, to introduce a core or cut-off of some kind. Where the owner would himself and of his own resources furnish all the money, it might perhaps be possible to consider the omission of a wall, because he, the owner, being the sole person to take the risk, might elect to do so, but where, as in most cases and as in this case, it is the intention to provide construction money through bonds, the omission of a core wall would in all probability bring forth an adverse opinion from prospective bond buyers' engineers, and be detrimental to enlisting capital.

The actual building of the core wall at Warner might have been postponed, but I am sure that you will call to mind that my instructions were to proceed to do that which would protect the water rights and at the same time be ready for immediate construction of a dam.

The cost of the Warner core wall was relatively high, but no higher than might be expected for work carried out in the absence of any organized construction department.

Yours very truly,

(Signed) H. HAWGOOD

Oct 21, 1913.

Mr. Wm. G. Henshaw,

San Francisco, Calif.

Dear Sir:

Mr Hubbert owns sive or six hundred acres of riparian lands between the Pico and the ocean. This property was held in trust by the Fletcher-Salmons Investment Company without my knowledge and I discovered it after Borman or C'lver had made the deed to Smith.

Enclosed find letter to Mr Keller which is explanatory. I have been watching Mr Keller very carefully and have made many attempts to get him to come thru, but have failed. Enclosed herewith find Keller's letter under date of Oct. 18th which is absolutely side-stepping the whole proposition; also enclosed find my letter of this date to Mr Keller, and I have sent him a copy of the search made by the Southern Title Guaranty Company which shows that C. A. Canfield has the Hubbert rights in the matter of building the Warners Ranch dam, as well as all other rights on the river. My understanding is that Keller has a fourth of the profits in the Canfield investments on the San Luis Rey River, or a fourth interest, is what he told me. Unless the Canfield estate comes thru in the next two or three weeks voluntarily, there is only one way to do and that is for you to demand, and if necessary sue the Pacific Light & Power Co. for the Hubbert rights as the Hubbert riparian rights all belong to the Pacific Light & Power Co., and the Fletcher-Salmons Investment Co were simply holding

William G. Henshaw
Mills Building
San Francisco

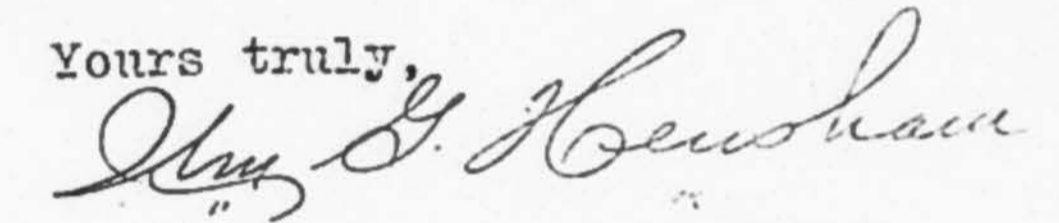
San Francisco, Cal. Oct. 21, 1913.

Mr. Ed. Fletcher,
San Diego, Cal.

Dear Sir:-

I was much interested to read your letter in which you mentioned the result of the discussion with the gentlemen you had at dinner, and in which you also said that you would probably be up here Friday. I will be pleased to see you Friday, as we can then take up the different matters that we have on the tapis for discussion.

Yours truly,



WGH

Mr. Henshaw personally dictated this letter but had to leave the office before it was ready for his signature.

Mr W.G.H.

-2-

in trust; it was an oversight on the part of the Pacific Light & Power Co. and the Fletcher-Salmons Investment Co. that the rights have not been deeded, as we purchased the Hubbert riparian rights seven years ago, as the same time we acquired all the other rights which we deeded to you.

I suggest that you let me handle this matter for two or three weeks longer, and then go after the Pacific Light & Power Co. I did all my business with the Pacific Light & Power Co. with Mr Keller as the South Coast Land Co. have for the last three or four years had a contract of sale on all the Pacific Light & Power Co. holdings in the San Luis Rey Valley.

Very truly yours,

FK

Oct 22, 1913.

Mr. Wm. G. Henshaw,

San Francisco, Cal.

Dear Sir:

I have a copy of Mr Hawgood's letter of Oct. 21st covering his recommendations wherein he advises raising the level of the outlet tunnel $3\frac{1}{2}$ ft and I agree with him. When you stop to consider however that Mr. Hawgood's plans and approval showed that he had the outlet tunnel between 30 and 40 ft above the bed of the stream and is now willing to reduce that to $8\frac{1}{2}$ ft above the bed of the stream, certainly this is quite a concession from him, and a frank admission that the theory of Farnum is correct.

Again, Hawgood had his outlet tunnel directly thru the dam itself, while Farnum puts the ^{outlet} tunnel upstream and entirely independent of the dam. So if Farnum is doing you no other good, this alone is valuable to you in my opinion.

Very truly yours,

EK

William G. Henshaw
Tyler Henshaw
MILLS BUILDING
SAN FRANCISCO

San Francisco, Cal. Oct. 24, 1913.

Mr. Ed. Fletcher,

San Diego, Cal.

Dear Sir:-

In the matter of my purchase of one-half of your undivided interest in the Cuyamaca Water Company properties owned by you and Mr. Murray would say, that until further notice, kindly act as my Agent and look after my interest in the management of the property.

Yours truly,

WGH

Southern National

Highway Kelly
Lipton
Needles Road

Hollwich to Yuma

Benefit to

Farmer to

Julian Stage

Warner to

Brawley

Yuma Stage

Knock is Boost

Oct. 27, 1913.

Mr Wm. G. Henshaw,

San Francisco, Cal.

Dear Sir:

Enclosed find clipping that will be interesting to you. We will have some wild turkeys on the Volcan Mountains and Warners; I am making arrangements for it.

Also enclosed find clipping from the Imperial Valley Press regarding cotton profits this year. Kindly give this to Mr Eiler.

Also enclosed find clipping re S. D. & Arizona Railroad; that the road is to be completed within a year. This has stirred up the Salt Lake Railroad. Senator Clark gave an interview Friday which I read in Saturday's Examiner to the effect that they would soon build to San Diego from San Bernardino, and Saturday Judge Lovett, President of the Southern Pacific and Senator Clark road by automobile from Riverside thru the Paris Valley and Temecula to Escondido and then arrived in San Diego last night. They are now stopping at the Coronado Hotel, so we have both the President of the Salt Lake and the President of the Southern Pacific with us today.

I think that Spreckels bonding for fifteen million and agreeing to have the road completed within a year to San Diego is what has stirred the animals up.

FK

Very truly yours,

Nov. 1, 1913.

Mr. Wm. G. Henshaw,

San Francisco, Cal.

Dear Sir:

Enclosed find letter from Keller which is explanatory. He has sidestepped entirely the Hubbert rights and I shall take this matter up with Mr Sweet immediately.

Also enclosed find letter from Keller and assignment. I do not understand this move. What do you suppose he is attempting to do? I shall not answer either of these two letters until I hear from you. I advise putting this matter in the hands of your attorney at once. Shall I not have Mr Sweet take it up with Mr McKinley and see where the liability is if any? Keller anticipates trouble in my opinion from you and is trying to get out from under it.

Please do not under any circumstances write to Keller or take any action until you take it up with me; this will be greatly appreciated. But my advice is to let Sweet and McKinley thresh out the law and then go at it.

Kindly return Keller's letters by return mail.

Very truly yours,

FK

Nov. 4 ,1913.

Mr. Wm. G. Henshaw,
San Francisco, Cal.

Dear Sir:

In relation to the acquiring of the stock of the San Luis Rey Ditch, enclosed herewith find letter written by Keller's office and inspired by Keller to Hayes showing that Keller is actively opposing us; also enclosed herewith find letter of J. Chauncey Hayes all referring to acquiring of the majority of the stock of the San Luis Rey Ditch Co.

Please read the Hayes' letter carefully and return it without fail as I may need it later on. Also enclosed find copy of my letter to Mr Hayes in reply. Hayes is the man that is going to get control of the majority of the stock for me and I am quite sure we will land it yet.

Very truly yours,

FK

Nov. 5, 1913.

Mr. Wm. G. Henshaw,
San Francisco, Cal.

Dear Sir:

I was in Oceanside yesterday afternoon in the matter of some leases and incidentally to look over the situation. Here is what is going to happen: The City of Oceanside with certain riparian owners are going to bring suit against us in court without serving the papers and let it stand there for official notice to us. They are not going to press the suit according to my understanding; for that reason personally I do not care very much whether they bring the suit or not. Do you? I would hate to see them press the suit at this time and do not believe they have any intention of doing so.

Very truly yours,

FK

William G. Henchard
Mills Building
San Francisco

San Francisco, Cal. Nov. 5, 1913.

Mr. Ed. Fletcher,
San Diego, Cal.
Dear Sir:-

Yours of Nov. 1st in which you enclose the assignment of Keller to you of his interest in a contract with me dated October 24, 1911, as well as his letter with reference to Danziger which I return herewith, just received.

I am in the same doubt as you are concerning what he says, and request that you carry out your suggestion of submitting the matter at once to Sweet, and let the attorneys thrash it out and advise us further in the matter. In your next interview with Keller, please take this matter up.

Yours truly,

Wm. G. Henchard

WGH

CABLE ADDRESS
"HILLBILT, NEW YORK"

The **VANDERBILT** Hotel
Thirty Fourth Street EAST at Park Avenue

TELEPHONE
MURRAY HILL 7100

New York

November 14, 1913.

Mr. Ed Fletcher,
San Diego, Cal.

Dear Sir:

I finally arranged to purchase the Batchelder tract of 140 acres at \$50 an acre, and have told Howard that I would authorize you to draw for a thousand dollars on account of purchase. Instead of the balance running on mortgage, upon my return I will pay the six thousand dollars balance in cash. Batchelder should pay the first installment of taxes. I have also arranged for you to clear the land on the West tract and the North Del Mar properties, as you suggested. The total expenditure is not to exceed four thousand dollars, including putting in to grain. I have told Howard that I would authorize you to draw upon him in whatever amounts you saw fit up to a total of \$2000 while I was away. I have also arranged that you should purchase the Kelly barn and scales, and you can draw upon my San Francisco office for the amount. This, I believe, covers and approves of all the recommendations that you made in the letter written to me

Wm Batchelder

-2-

and dictated by you in my office.

I hope you will be able to sell something while I am away. You are authorized to sell the Kelly tract at \$225 an acre, but at any less kindly make the sale subject to my approval. The North Del Mar tract I would also like to sell and hope that you can get \$150 or \$175 an acre as a whole. I sail in the morning on the Olympic and find that Watriss, finding I was going on that steamer, is going with me, so unless you can reach me by cable, which of course will be more or less uncertain, you will have to have entire charge of the ship until my return. As near as I can judge, I will reach New York about the 22nd of December, but will keep you informed. I am also in hopes that you will have the water situation well developed and in hand by the time I return.

With best wishes, I beg to remain,

Yours very truly,

Wm G. Hancock

COPY

GENERAL PETROLEUM
COMPANY
Los Angeles, California

December 26, 1915.

Mr. Wm. G. Henshaw,

Mills Bldg.,

San Francisco, Calif.

Dear Mr. Henshaw:-

I have had some talks on the telephone recently with Hawgood and have received copies of some correspondence which has passed between Hawgood and Nihak, the young man who I recommended to you for work at San Diego; also some comments from Mr. Post and Mr. Fletcher.

They seem to be getting into an unfortunate mix up which, confidentially, I believe starts mainly from an old time feeling which has existed between Hawgood and Post.

When Nihak came into the field, he handled Hawgood's relations on the ground first rate and so near as I can determine, he did his work carefully and loyally to the man who pays the bills and was diplomatic enough to keep everybody happy. Of course his being constantly with Post and Fletcher caused him to co-operate with them and discuss a good many daily details which no doubt have been for the good of the cause. Hawgood evidently seems to feel that this proximity to the others makes Nihak less his man, in fact he asked me my opinion of Nihak moving out to Warner's so as to be constantly on the work. I have felt that Fletcher and Nihak were best able to answer this and I have not interfered. Of course the work there is very small and Nihak can make himself useful in a good many other places and get to Warner's often enough to see that things are going all right. This is a matter which may settle itself and everybody feel happy again, but I do think that Hawgood is perhaps pitching into Nihak unnecessarily over detail which Nihak is fully able to handle, in fact does handle with an eye to doing as much as he can for as little expense as possible. The above for your information in case the matter comes to your attention.

I hope to see you soon after your return. I have a party from the East whom I might like to acquaint with your project after we have talked over the wisdom of the move. I have been trying to get some expression from Waterbury along lines which I have discussed with you, and getting no reply have sent McCornick a bill for services, inasmuch as my original

COPY

GENERAL PETROLEUM
COMPANY
Los Angeles, California

Wm. G. Henshaw, # 2.

report was made to them. I wish they would fish or cut bait and relieve any embarrassment in regard to my relations with them, leaving me free to act.

Very truly yours,

WGH-ENC.



Dec. 31, 1913.

Mr. Wm. G. Henshaw,
762 Mills Bldg.,
San Francisco, Cal.

Dear Sir:

Enclosed herewith find clipping from last night's Tribune and yesterday morning's Union which are explanatory. The Cuyamaca Water Co. owns the El Capitan reservoir site.

Will be anxious to see you here Monday and go over the situation. The Mayor and Attorney Cosgrove do exactly what the Spreckels people advise them. I consider this a move to force us to sell the Cuyamaca system to the city and get as good a proposition out of them as possible. Will go into everything in detail when I see you.

It is raining here again. The bonds carried five to one yesterday, voting \$50,000 for the committee to expend and decide what water development they will recommend to the city. They also voted to build a cement conduit from the Dulzura ~~conduit~~ up to Mareno dam to stop a fifty percent loss of water. This ought to please Spreckels, and if the man has any sense he ought to play the game with us from now on; if he don't, it is a cinch that he will never sell the Mareno dam to the city.

Very truly yours,

BK

Ed Fletcher Papers

1870-1955

MSS.81

Box: 11 Folder: 9

General Correspondence - Henshaw, William - 1913



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