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# FEDERAL TELEGRAPH COMPANY



# ELLERY W. STOTE, President.

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32 APTIL 174 PUMPING PLANT INSTALLATION THIS BANK "ILL FINANCE

CHAC F CTERN

1240PM

GIVE THE "FEDERAL" THE ANSWER

April 1, 1925.

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

My dear Frank:

I thank you for your kind letter of March Slat. It helps me to keep my courage up to get a letter like that from you once in awhile. It adds joy to my living and is so different from my experience with James A. Murray and William G. Henshaw. It has been H--1 when I have had to look to the rear as well as to the front for a bomb every once in awhile; but I don't look to the rear any more. I cannot pay you any greater compliment.

I have ordered the certificate of title today from the Southern Title Guaranty Company. Inclosed find copy of letter which I have written them. The president of the company, A. P. Johnson, Jr., has been one of our best supporters thru it all.

I am going out to see the La Mesa District directors Monday night to agree with them on the valuation or liability in the certificate itself.

I was foxy enough to put in that option that we don't have to furnish any certificates of title for rights-of-way. This means we don't have to issue a certificate of title for the act of Congress giving us permission to build the Diverting Dam and rights-of-way thru the reservation, or for the rights-of-way from the Indian Reservation to Grossmont. Weither will we have to furnish certificates of title for our pipelines. In other words, what I am trying to do is to limit the liability as much as possible and only furnish certificates of title to the lands embraced in Cuyamaca Lake, Fletcher Dam, Grossmont Reservoir, Eucalyptus and Marray. I am trying to keep that valuation down to a half a million. Please read over the option that we signed to the irrigation district and see if my interpretation is not correct.

I just telephoned Mr. Sanders who informs me that the contract between the district and the city is ready, that the application to the Railroad Commission authorizing the sale, to be signed by us and the city

April 1, 1925.

East San Diego distribution lines, but he will see Higgins this afternoon, and sees no reason why this should not be pushed thru independent of everything else.

I had no intention of sending that letter to the Railroad Commission asking their approval of the sale of the Cuyamaca System to the district until after the 7th of April, election day. However, if you think it ought to be forwarded immediately I will send it along.

I have a sneaking idea from what Mr. McCall said that any time we ask for the approval of the sale from the Railroad Commission we will get it. Do you think I am right or wrong in believing that the city will move faster if the Mailroad Commission takes immediate action? My opinion is the reaction of the businessmen of this city against the City Council will be extremely unfavorable to the City Council if the Railroad Commission immediately ratifies the sale.

The other horn of the dilemma is that it might make the City Council wild if the Railroad Commission should go ahead and ratify the sale.

They day that nothing should be done until after the 7th of April, but Mr. Sanders says we certainly have the city over a barrel for fair when the Railroad Commission confirms that sale because it is a lead pipe cinch then that the city cannot condemn El Capitan, and the City Council will have to walk right up to the dotted line and sign.

Chapter 1001 to follow after Sanders has his conference with Higgins this afternoon.

reaction. I have also sent down Harritt to get Rhodes'

Railroad Commission engineer Mr. Stava says that both Rhodes and Wueste are liable to be fired any moment.

Heilbron and Stewart are ready to fire him today and are trying to win over Held, but I don't think that it can be done as I believe that Held, Bruschi, and Weitzel will stay by Rhodes and Wueste. It is a mad house down at the city hall today and will be until after election.

Yours very truly,

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

My dear Frank:

went over three to one yesterday. Hearly a year ago we beat it two to one, but I saw the handwriting on the wall and that we would have a hard fight, altho we could have won but it would have cost us \$1000 to \$2000 to fight.

Weeks ago since their meeting in San Francisco, recommending the annexation. I feel it was good policy for they are paving six new streets in Normal Heights. It meant digging up thirty or forty thousand dollars immediately for new cast iron pipe, and if I had opposed annexation it would have been in direct violation of our agreement made in San Francisco with the Railroad Commission. The result was we have made the moral obligation strong on the city to come thru and buy us out in Normal Heights and Kensington Park.

drawn up the agreement, and I don't see why we can't sign up immediately if the city hall bunch will play ball. I don't see how they dare to kick over the traces. However, it is up to the Railroad Commission to place the valuation if the City doesn't want to buy at the agreed valuation between Rhodes and ourselves.

The one club that this city hall bunch have over us all the time tho, is that they can order the installation of new cast iron mains at the expense of the property owners, ignore our water system entirely, and make it valueless, but we certainly had to take that chance, and in my opinion if the City Council attempted anything of that kind there would be the greatest upsetting of things in the city hall by the business men of this city that San Diego has ever seen.

April 1, 1925.

Weitzel told me yesterday that he did not see how the Council could or would take any action on anything until after the city election the 7th of April.

for certain information to counteract Rhodes' statement in the papers yesterday. He said he didn't see how anything could be done until after April 7th by the City. He was very non-committal, altho he promised me that he would do all he could to expedite matters as fast as possible.

Inclosed find clipping that will be of interest.

Yours very truly,

EF:AH

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

My dear Frank:

Enclosed find copy of letter that is explanatory. Kindly wire me on receipt of this, if it meets with your approval so that I can forward same. The only way to make the City of San Diego come to time is with a club, and both the District and the Cuyamaca Water Company will have the club when the Railroad Commission's approval has been secured. This is my slant of the situation. What do you think?

Yours sincerely,

EF: KIM

1

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

CHARLES F. STERN

April 2nd 1925

My dear Colonel Fletcher:

I have just read your letter of April first, with attached copy of tentative letter addressed to Brundige, asking immediate action on the application to sell our system to the District.

Of course, you never can tell on a thing like this just what is the wise thing to do until after you have done it and then maybe you have made a mistake. In this instance, if the Railroad Commission engineers, with whom you are in close touch, see this thing as you see it and are in favor of early action by the Commission, as you request it, then I think I would send the letter.

I do not really attach a lot of importance to this charter amendment permitting the Council to spend a lot of money on litigation. The probabilities are that they have spent a lot on litigation and are carrying it under cover in some sort of a suspence account and want to clean it up under authority of an amendment such as is now proposed. This, at least, may be a plausible explanation.

The thing to do is to keep on doing what you have been doing so patiently and successfully, meet each problem as it comes up, keep your

blood pressure and your voice down, and after a while we will get through into the promised land. I will try to get a word to the Railroad Commission through avenues of my own.

Sincerely yours,

Colonel Ed Fletcher, San Diego, California. Mr. C. F. Stern, Vice-president, Pirst National Bank, Los Angeles, California.

My dear Frank:

Enclosed find clipping from this afternoon

Sun, that is illuminating. The Committee of the San Diego

Realty Board and the business men's committee are getting

in their work, and the city council is commencing to

see the light of day.

Yours very truly,

EF: KLM

P. S. Also enclosed find copy of letter from the La Mesa Irrigation District.

L. F.

April 2, 1925.

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

My doar Frank:

# Chapter 1111:

Sandors took down a copy of his petition to the Railroad Commission authorizing the transfer to the city of the Normal Heights system. Higgins is checking it over and says he will give it back to Sanders today with suggested changes and urged Sanders to have me sign up and verify it and send it up to the Commission asking for the transfer.

I told Sanders it seemed to me Higgins should be authorized by the city council before we took any steps. Sanders is going to see Higgins again this afternoon. Sanders reports that everything is going smoothly with Higgins.

Mr. Harritt, our superintendent, saw Rhodes. Rhodes says that he is convinced that Bruschi, Weitzel and Heilbron will come across, and are in favor of the compromise. He doesn't know about Held, but they are all side-stepping until after the April 7th election. Rhodes says it is simply a question of getting them into action.

On his own initiative he told Harritt that the time has come for the business men of the community to get into action and start initiative petitions and make it public. It would do more to stir the council into action than anything. Rhodes feels that the Normal Neights election has materially hastened the settlement of the compromise.

The La Mesa Irrigation District has never been very well satisfied with the settlement, and I am just a little worried that they might try to drive a hard bargain with the city if the Railroad Commission did approve the sale to the district. For that reason I would like to see the Railroad Commission get a written agreement from the district agreeing within a reasonable time to go ahead with the compromise as agreed on in San Francisco, this

April 3, 1925.

being a condition of the ratification of sale by the Rail-road Commission. What say you?

Yours sincerely,

PF: KIM

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

My dear Frank:

Enclosed find copy of letter from Crouch & Sanders, and copy of my answer in reply.

It seems to me they should have been satisfied with the agreement recently made in the exchange of letters regarding past and future services, and that bringing this matter up again at this time is wholly unnecessary and simply shows the type of men with whom we are doing business.

What do you think of my answer? Have you any suggested changes before I send it to them?

# Chapter 2000

By the way, the San Diego Sun is smoking out every candidate and making them say where they stand on the immediate submission to the people the compromise outlined by the Railroad Commission, for their approval or disapproval. They will come out today or tomorrow.

The Union and the Tribune, Spreckels papers, are keeping discreetly quiet and taking no sides one way or another, for or against, the water situation. Incidentally they have now before the city council a franchise for a wharf for the Spreckels Bros. Commercial Company for fifty years.

If we can only swat that Proposition No. 2 good and hard next Tuesday, it will make that rough-neck bunch in the city hall sit up and take notice, but I am mighty fearful that a lot of people will vote without knowing what they are voting. The tendency will be to vote "yes", and I will be happy if we do defeat it.

Yours sincerely,

April 3, 1925.

Mr. C. F. Storn, Vice-president, First Mational Bank, Los Angeles, California.

# Gentlemank:

Enclosed find article on front page of tonight's paper, also on Proposition No. 2 from the city hall, which smokes the city council out -- all for your information.

Yours sincerely,

F:IIM

FEDERAL TELEGRAPH COMPANY



# RADIOGRAM

THE FEDERAL TELEGRAPH COMPANY transmits and delivers this message subject to the terms and conditions printed on the back of this blank.

NIGHT MESSAGE
NIGHT LETTER

RECEIVER'S No. | TIME FILED | CHECK | INDICATE BY | X | RATE DESIRED

Send the following message, subject to the terms and conditions printed on the back hereof, which are hereby agreed to

Filed at April 6th 1925

DAY MESSAGE

DAY LETTER

Mr. Charles F. Stern, Vice-pros First National Bank, Los Angeles, Calif

Do not send men re bank until I see you Sanders and I will meet you your office eight fifteen Tuesday morning if agreeable

ED FLETCHER

Chg Cuyamaca Water Co.

April 3, 1925.

Construction Machinery Co., 656-6th St., San Diego, California.

Gentlamen:

THICKS AND CONDITIONS

To guard assist mistakes or delays, the sender of a telegram should order it REPHATED; that is, telegraphed back to the originating office for comparison. For this, one-half the unrepeated telegram rate is charged in addition. Unless otherwise indicated face, THIS IS AN UNREPEATED TELEGRAM AND PAID FOR AS SUCH, in consideration whereof it is agreed between the

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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.

5. The Company shall not be liable for damages or statutory possities in any case where the claim is not presented in writing within sixty days after the telegram is filed with the Company for transmission.

6. It is agreed that prempt and correct transmission and delivery of this message shall be presumed in any setten for recovery of tells therefor, subject, however, to rebuttal by competent evidence.

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GENERAL OFFICES 812 Hobart Building, 582 Market Street, San Francisco, Calif.

Tariff Rates  FEDERAL  TELEGRAPH COMPANY  15 WORDS FOR 10	San Francisco	Los Angeles	San Diego	Scattle	Portland	Tacoma
San Francisco		48	48	72	60	72
Los Angeles	48	1	30	72	72	72
San Diego	48	30		72	72	72
Seattle	72	72	72		30	30
Portland	60	72	72	30		30
Tacoma	72	72	72	30	30	

Additional Tariff Information Furnished on Application to Our Local Manager. Above rates effective April 5, 1919. Subject to change without notice. Date of this issue Jan. 1, 1925

April 5, 1925.

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

My dear Frank:

Referring to our talk saturday re Mr. Treamor, perhaps my judgment of the man is warped - I hope not. But I feel even under no moral obligation to the man in any gentleman's agreement that we might have had because I do not feel that he has been sincere.

My understanding of our gentlemen's agreement was that Mr. Treenor recommended our sale of the Cuyamaca System, that he would help us in every way consistent with his position, and that before any hostile move was made on the part of either, the one would notify the other in relation thereto.

upset our sale to the District in every way he could. The Spreckels Bros. Commercial Co. are Mr. Treanor's agents and handle his cement. I understand that the Spreckels Co. gets 25¢ a barrel on all cement sold in San Diego County no matter who buys it. It was the Spreckels people who used their newspapers in every way possible printing every kind of thing antagonistic to us in the campaign of the sale of the Cuyamaca System to the District, and it was the Spreckels bank - the First National Bank - that took such a lively interest in this fight, which they lost.

During all that time indirectly I heard of the activities of Treanor's attorney, Senator Wright, to do what he could against us, also Mr. Frank Salmons who writes the bonds and insurance of the San Diego County Water Company here in San Diego, both of whom have a great influence with Mr. Den Stewart, the councilman, all of which explains their activities.

Mr. Cromwell, who used to be engineer of the City of San Diego, down here to interview the Council, and they arranged a secret conference with John Treanor in the Hotel Clark in Los Angeles where an informal discussion was held covering a proposed contract of sale of water to the City of San Diego from the Lake Hodges System, and two weeks later Mr. Treanor thru Mr. Cromwell

made another agreement with the City Council and had a conference with them in official session, all in relation to a long-term contract for water from the Lake Hodges system, the idea being advanced by Mr. Treanor's friends that the City should make a contract with Mr. Treanor for a good supply of water for a long period, and by so doing this would enable the City to litigate for years with the Cuyamaca Company and the La Mesa Irrigation District without the City running short in its water supply.

Treamor jumps in at a critical moment and tries to upset everything. I hope you have not forgotten that Mr. Treamor said that he would give up all hopes of doing any business with the City and he will make no efforts until such time as the Cuyamaca System was sold.

in Mr. Treamor's wheel when I sent to the mayor of San Diego at his request a sworn statement to the Railroad Commission of California stating that they had no surplus water.

The last above refers to a case that is now before the Railroad Commission, it being an effectual quietus on Mr. Treanor's activities in the city hall.

I feel under no moral olbigations whatever to Mr. Preanor; I don't care for his friendship. I am not vicious about my attitude toward him I hope and pray, but my first allegiance is to the City of San Diego, and I am going to protect them if and when I can when I am asked so to do by the city officials and the businessmen of San Diego. That would you do under like conditions?

Give me a scolding if I deserve it, for I am desirous of doing the right thing, and I don't claim that I am always right.

Yours very truly,

EF:AH

April 8, 1925.

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

My dear Frank:

Rhodes, both told me that there would be no action on the part of the City Council in their opinion until they were forced to call an election, and the only way to force them was by the intitutive petition - that their game was one of delay.

Crouch told me over the telephone that an initiative petition wasn't the thing - that we ought to immediately get the Railroad Commission to ratify the sale.

friendly. He told me that Heilbron was going to put up all kinds of excuses today, that Bhodes had also told him what Heilbron was going to do, but he also said that if Bruschi and Weitzel stood pat today in calling the election immediately, he was quite sure Held would come over and vote for immediate submission to the people of the compromise plan, particularly as Held was laying his cap for being elected mayor at the next election and wanted the Sun's support.

Yesterday's election put in Bruschi, Weitzel, and Maire as conneilmen, all three pleaged to the immediate submission of this plan to the people.

Amendment No. 2, put on the ballet by the City Council asked that the charter be amended so that the City Council could employ outside attorneys and spend any amount of money that their judgment saw fit for litigation. The present limit is 35,000 for outside help. The City Council put this on the ballet for April 7th instead of the plan of the Railroad Commission for the people to approve, and the result has been disasterous to the City Council, for they rejected Amendment No. 2 by nearly a 3 to 1 vote. This vote is very significant and shows how the people are feeling, after Higgins came out the other day in the newspapers and said that they wanted that restriction removed, and gave as his reason that they had been hampered in their water libigation heretofore.

I met the manager and editor of the "Bun" today. He asked me if I would take him up the coast as I had promised some

months ago to show him the Lake Hodges development. We set the date for tomorrow afternoon. I was rather surprised, however, and asked him, "That's up". He answered, "I might as well tell you now; you will find it out later anyway. Mr. John Treanor was here just a few days ago, called on me unexpectedly on his own initiative, and spent nearly two hours with me going into the details of the water situation. Treanor stated that he wanted either to sell water to the City, or preferably to sell the Lake Hodges Lystem to the City, and he wanted the "Sun's" support that it was for the best interests of the City to acquire it as soon as possible." The long and the short of it is that Mr. Edwards has acked Mr. Treanor to submit in writing his plan, and that he, Mr. Edwards, wanted to go into the matter with me fully and to understand the situation on the ground.

How, Frank, there is no use in fooling ourselves any longer. In. Treamor is a fine fellow to meet socially, but he is ruthless in business and he is looking out for his interests, not ours. You might as well look the facts in the face. He was perfectly willing to go along with us and help our plan where he could without conflicting with his own interests when it came to the cale of the Cuyamaca System to the Irrigation District, but when he found out that the Irrigation District was going to sell the Cayamaca System to the City, that it meant a compromise on the San Diego River, whereby two or three dams would be built immediately and the development of the waters of the Son Diego liver, which development meant a delay of five or possibly ten years in the cale of his water from Lake Hodges or Sutherland to the City, then he immediately turned on us and we have been knifed to a fare-ye-well thru his notorious agents, Senator L. A. Tright and Frank Balmons, a Democratic politician who worked with Charlie Hardy in politics for so many years - and yes, with the Epreckels people too.

Meitzel told me over the telephone this morning that Machallen had told him to go slow on the proposition, but Weitzel refused to do it and in the one man in the Council who has lived up to his obligations.

is used in San Diego is Riverside Cement manufactured by John Treamor's company. John D. Spreckels gets a commission of 25% a barrel on all cement that is sold in San Diego County by the Riverside Fortland Cement Company, and has for years. It. Treamor is my informer, and the Spreckels people are general agents for the Riverside Portland Cement Company in San Diego. It is perfectly plain to me that we are fighting Mr. John Treamor. I have seen it under cover so many times. His private meeting a few weeks ago with the members of the City Council in Losingeles, his attempt to have a private meeting with the City Council themselves, but it got out in the papers, his several visits recently to the Spreckels people, and now his visit even

to the "Sun" convinces me that he is actively at work making his last effort to block the City of San Diego from getting the Cuyamaca System and ending litigation. That he wants is endless litigation.

All the above, together with his recent assault on my integrity and his efforts thru my friends and your friends to cast a cloud on my reputation convinces me that we have a real fight on our hands, but I am sure we are going to clean him up. Treanor has made one blunder after another for the Henshaw's interests within the last few years that has cost them to my certain knowledge over a million dollars, and he is up against it for fair to make a showing. It is laughable to see him squirm. He has bought a lemon at bake Hodges under a twenty-five year contract to furnish water to nearly 15,000 acres at the ridiculess-ly low figure of 5¢ a hundred cubic feet or 4¢ a thousand gallons, and it has first hold on the whole Lake Hodges System.

Dertain people in Long Beach a few months ago wanted to buy water. Breaner, being a private water company, or thinking he is, refuses to sell water even for domestic purposes. Evens joes before the Hailroad Commission to have them declared a public utility. I accidently got a copy of Treaner's answer to the Hailroad Commission showing that they have no surplus water - and it is true too, for the irrigation district, together with the present contract with the City calls for practically all their net safe yield from Lake Hodges exclusive of Sutherland, and the City is condemning Sutherland.

Premor's worries have only commenced. I have that satisfaction at least. I am not the only one that is suffering. Brace up, old top, we will soon see daylight, but don't pin your faith too strongly on our mutual friend, John Bremor.

Will keep you posted.

Yours very truly,

ED FLETCHER

EF: AH

cc - Senator Flint.

April 8, 1925.

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

My dear Frank:

Enclosed find this afternoon's paper. I did not know the Mayor was going to suggest a public meeting. The council meets tomorrow movning again to discuss the water question. There ought to be some definite action tomorrow.

Amendment No. 2 so decisively, wherein they ask for the limit of \$5,000 for attorneys fees be eliminated and the amount they can spend left wide open. The vote was 5245 for and 12,196 against, giving the council the additional authority. This ought to hold them for a while.

Yours very truly,

EF: ZLI

FEDERAL TELEGRAPH COMPANY
ELLERY W. STONE, President



# RADIOGRAM

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NIGHT MESSAGE
NIGHT LETTER

RECEIVER'S No. TIME FILED CHECK INDICATE BY X RATE DESIRED

Send the following message, subject to the terms and conditions printed on the back hereof, which are hereby agreed to

April 9, 1925 192

DAY MESSAGE

DAY LETTER

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

Higgins approved Kensington Park application to Railroad Commission yesterday Expect will forward today to Railroad Commission Good indications council today will set election date

ED FLETCHER

Chg Cuyamaca Water Co

April 10, 1925.

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

My dear Frank:

I had a six-hour ride with Mr. Edwards, editor of the Sun, yesterday. He told me frankly Mr. Treanor's plan-- that if the city will not enter into a contract for water that it buy the Lake Hodges System, and abandon buying Cuyamaca; raise Lake Hodges dam, or preferably build a super dam about two miles up the lake raising the water level 65 feet, which would flood the whole San Pasqual Valley----

That now is the time to get control of it, build a million dollar pipe line from Lake Hodges dam directly into the city, building it immediately and eliminating all danger of shortage----

That it can be bought on long time payment without the necessity of issuing any bonds, excepting for the building of the pipe line to the city.

Mr. Treanor stressed early action, and his excuse for selling now was that the coment company needed the money for future development of their plants; that the sale would only include Sutherland damsite, water rights and Lake Hodges dam and pipe lines to the coast, subject to the contract to furnish water to the two irrigation districts, San Dieguite and Santa Fe. Fr. Edwards expects a letter from Mr. Treanor in a few days and I will be informed of its contents.

Treanor has a perfect right to sell his system if he can, but I am under no moral nor legal obligation to help him, and don't propose to, as I consider it a breach of good faith on his part, as he agreed to keep hands off and do nothing until our Cuyamaca System was sold, stating that there was no chance of doing anything with the city now and that he was glad to play our game. This he is not doing.

I found out last night what MacMullon was reforring to when he complained about Ed Flotcher to John Treamer, in relation to the San Diego Athlotic Club. We held a meeting of the Athletic Club members last night. MacMullon has been opposed to the Athletic Club from the beginning.

claus Spreckels sat on my right. He first brought up the water question stating that all kinds of influence had been brought to bear on him to block this deal. He did not mention Treamer's name, but did mention powerful interests and must have been referring to him. He did say he had pledged his word to me to support the compromise plan of the Railroad Commission, that he was morally obligated and he was going to see it thru.

He told mo that Heilbron and one or two members of the council were repudiating their agreement in San Francisco by insisting now upon a small limit in the amount of water for the La Mesa district, instead of their "adequate needs" as agreed upon in San Francisco, ignoring entirely the fact that the district conceded 4,000 acres in the San Francisco meeting, and cut the size of their district down to 18,000 acres, while heretofore the state authorities had authorized 22,000 acres.

The other point that they are contending for now is that you and I concede them free of cost Fletcher damsite and reservoir site, also all the hunting, fishing and boating privileges, claiming that we agreed to build a dam there and turn it over to the city free of cost, etc.

It is done wholly to confuse the issue.

Enclosed find article in this morning's Union that is emplanatory. Fred Rhodes rang me up this morning and told me even if it were necessary to call another conference the council insisted upon the two points above mentioned being modified, and ordered Higgins to draw up a contract including those two provisions, which, of course, we cannot and will not agree to, neither will the district. Their game is by indirection killing the whole thing. Thank heavons Higgins has the "guts" to stand up and draw up one contract and one only, that which was agreed to in San Francisco. Their idea of postponing this election until June will not please the Railroad Commission, nor us. Claus Spreckels also told me he had just received a letter from Prosident Brundige of the Railroad Commission asking the reason for the delay. Brundige seemed to be very much exercised and Sp. ockels told me he expected any day

day that the Railroad Commission would approve the sale of the Cuyamaca System to the district, if the district and the Cuyamaca Company ask for it.

Claus, himself, suggested that I got the editor of the Sun to immediately come out with a strong editorial, and that he would have his papers do likewise. urging immediate action and only along the lines of the Railroad Commission's plan as agreed to in San Francisco.

I believe in Claus Spreckels' sincerity absolutely. He volunteered the information last night that he was between the devil and the deep sea, that certain elements in his own organization were fighting him to best the band, including MacMullen, Clayton who used to be the manager of the electric lines and is now the hotel manager, John Forward, Jr. and one or two others. He called then all the ugly name and said they were trying to knife him with Mrs. A. B. Spreckels behind his back and were even opposing his plan of Mission Beach development, but that sooner or later he would get their scalps. Mr. Brown, one of those opposing him, is the manager of the Spreckels Bros. Commercial Company handling the cement interests for Treanor. This shows that there is a big element in the Sprockels' organization that is knifing Claus behing his back.

The Union has not said one word in favor of, or against this whole water proposition since Claus Spreckels came back from the Railroad Commission hearing in San Francisco, after the first editorial of approval, the day after the meeting closed. But Claus says that he is going to force MacMullon to come thru now and take a definite stand for immediate submission of the matter to the people as recommended by the Railroad Commission.

Thodes also told me this morning when he rang me up that Heilbron and Stewart were determined to have the contract so modified by Higgins as to force us to reduce our price \$112,500 for Fletcher damsite and reservoir site and also specify in acre feet the amount of water the district can get for the 18,000 acres -- that that amount must be agreed to.

Rhodos says that Higgins and he have decided they will resign first rather than become a party to any such modification, that Higgins is going to draw up the contract according to the original agreement and submit it next Honday to the council and they can take it or leave it alone. It is ua to the papers now to pound the

city countil into line to approve the contract along the original lines, and I believe we can muster enough votes to put it over, with all the papers aiding us.

Yours very truly,

EF:KIM

cc- Stern

Marie Marie

P. S. Mr. Sanders informed me last night that he had just had a conference with City Attorney Higgins; that the Council had held a secret meeting last evening and voted by 3 to 2 to call an election based on the agreement in San Francisco without change; that Heilbron and Stewart voted against it; that when it comes up for final ratification probably at next week Wednesday's meeting, Heilbron will switch and the vote will be 4 to 1, so I guess it is all over but the shouting. However, at least three of the councilmen are coming out in opposition against ratification by the people, but we will lick them 3 to 1 in my opinion.

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

My dear Frank:

Our total revenue for March 1924 was \$9,595.59

March 1925 - - 10,724.97

Our operating expenses for March 1924 ---- \$7,171.62

March, 1925 - - - 6,848.61

Yours very truly,

EF: MM

April 15, 1925.

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

My doar Frank:

Following is data on cars coming into California that you requested:

The records for the entire year of 1924 is as follows:

Blythe	6,949	cars
Needles	25,091	17
Yuma	20,185	17

By months since October 1st:

October 1924	Blythe Needles Yuma	551 4225 2262	care
November 1924	Blythe Needles Yuma	2883 2779	11
December 1924	Bly he Needles Yuma	361 1152 5530	11
January 1925	Blythe Needles Yuma	258 460 2791	""
February 1925	Blythe Needles Yuma	215 555 2327	"
March	Blythe Needles Yuma	214 868 2577	17

Yours very truly,

# THE FIRST NATIONAL BANK LOS ANGELES PACIFIC-SOUTHWEST LAVILLE BANK FIRST SECURITIES COMPANY LOS ANGELES

CHARLES F. STERN

April loth 1925

My dear Colonel Ed:

Thank you for your letter of April 15th inclosing figures showing the movements of autos in California during 1924.

The thing that struck me in your statement to me was the shift from Needles and Blythe to the Yuma road during the last few years. If these figures are available, these are what I want.

Sincerely yours,

Colonel Ed Fletcher, San Diego, California. April 16, 1925.

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

My dear Frank:

Inclosed find clipping from this morning's "Union" that stirred me up a bit. It came as a surprise, as I was helping Mr. Higgins, the city attorney, in an important matter yesterday, and he reported everything then fine.

I rang up Mr. Higgins this morning, and he said that there was nothing to it - that it was simply a matter of checking up the legal descriptions with the maps and that he was present when the conversation took place between Rhodes and the reporter, and the reporter had no right to write such an article. Higgins suggested that I ring up Mr. Rhodes and assist him if I could.

I rang up Rhodes, who was indignant over the article in the paper and said it was simply a matter of he and Wueste checking up some of the legal descriptions with the maps. I told him that was wholly up to the title company to check up and any amount of time could be saved thereby, but offered him the use of our engineering force, with the result that he accepted and all parties are meeting at 9 o'clock this morning to assist Wueste and Rhodes in checking over all the records and maps.

Yours very truly,

EF:AH

RECEIVER'S No.

message subject to the terms and conditions printed on the back of this blank.

THE FEDERAL TELEGRAPH COMPANY transmits and delivers this NIGHT MESSAGE NIGHT LETTER TIME FILED INDICATE BY RATE DESIRED

Send the following message, subject to the terms and conditions printed on the back hereof, which are hereby agreed to

April 17, 1925

\_192\_\_\_\_

DAY MESSAGE

DAY LETTER

XX

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

If two Mexicans Mario Morel and Ernesto Otto see you today relative Mexican concessions go slow they are fakes see letter

ED FLETCHER

Chg Fletcher Co

April 17, 1925.

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

My dear Frank:

I have been asked by a friend to notify you that if a couple of Mexicans, Mario Morel and Ernesto Otto, come to you relative to selling concession for a tow road in Mexico, you want to have your eye peeled, because their papers are forgeries covering a purported extension of time.

They have been stating that the First National Bank of Los Angeles officers were willing to buy this concession for \$5,000 and I am just giving you tho tip.

My friend had a Mexican attorney, a thoroly reliable chap look into it and he declared the whole thing a forgery and my friend, Mr. Wright, wanted me to notify you to be on the lookout if they tried to put anything over on you. I don't think they could but this letter is writton as a factor of safety.

Yours very truly,

EF:KLM

April 17, 1925.

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

My dear Frank:

Enclosed find picture of the best orator in California in action ---- and in my opinion, one of the best all-round men.

Yours sincorely,

EF:KLM

April 18, 1925.

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

My dear Frank:

Higgins statement to the press last Monday that the contract between the city and the La Mesa District was ready to be approved by the attorneys of the district was all bunk. He only had a rough draft, none of the details were included and purely a waste of time to pass on it. I punched up Sanders Thursday, also Friedy and tried to get him to get in touch with Higgins. For some reason or other Sanders failed to do it, and I must say neither Steamrs nor Sanders have shown any inclination to hurry the situation at all.

In sheer desperation I got hold of Sanders this morning at his house, and fairly demanded that he ring up Higgins at his house and find out where we are at next Honday. Also I rang up Rhodes at his house at 7:30 this morning and asked him if Higgins really had the contract ready for inspection. Rhodes laughed and said no, that they had been working on it, he and Higgins, four and five hours a day, agreeing on the details of the contract and had not finished it but hoped to today, but that he did not think anything chuld be done until Wednesday.

Rhodes said that Mayor Bacon was still insisting upon a credit of \$112,500 for Fletcher dam which we promised to give them for nothing, and would I not straighten him out, as Bacon would sure mention it Monday or Wednesday and cloud the issue and perhaps delay the game, so I just got homd of Mayor Bacon on the phone and am going up to his house this morning to show him the error of his way, if I can.

Sanders rang me up to say that he had had a talk with Higgins. That Higgins hoped to have the contract ready today, but that Rhodes had insisted upon throwing it all into one contract, the Normal Heights-Kensington Park deal with the La Mesa district contract, and have it all put into the same ordinance. That Higgins thought it was a mistake and would I use what influence I could with Rhodes to segregate the two.

I got hold of Rhodes again on the phone and explained how each proposition was entirely separate, that they should go ahead on the Normal Heights-Konsington Park distribution line independent of any contract with the district, and would he not go the limit to have an ordinance put over Monday authorizing Higgins to go ahead with the purchase and secure the Railroad Commission's consent. Rhodes had a hazy idea that the whole thing was one proposition and should not be separated. I think I convinced him that he better segregate the propositions, submitting only the district contract with the city to the electors and let the council handle the rest of it independent of any approval by the electors.

anything any day. While the dumb-bells make me nervous I hope to get the thing straightened out and on its way this coming week. Phodes has promised to see Higgins and try and get the thing segregated by next Monday's meeting -- the approval of the Hormal Heights lease, but I question if anything is done until Wednesday's meeting.

month or two to check this thing up was pure bunk. Our engineers went down there and in forty minutes straightened them out ---- it is their own stupidness, the engineers' office under Rhodes. Rhodes has given me a clean bill of health that he has everything he wants.

# Chapter 1776

rang me up to advise me to see Dave Millan, the city treasurer, who is the political boss of San Diego, the head of the invisible government. That Dave Millan could do more to help me than anybody else to get this thing threshed out and put over quick, and urged me to see him immediately. Dave Millan handles the finances for nearly all of the different candidates who run for stay and county office. It is Dave Millan who handled the Bruschi and Weitzel campaigns last election. You will recall I had one little episode with him during the last campaign. I haven't felt like going to see Dave Millan yet. What do you think about it?

# Chaper 2042

One of my best friends came to me yesterday and said the Klu Klux Klan had decided to go out and bust the

contract between the city and the La Mesa Irrigation District, that they had taken action last week. They are pretty strong here. Several very prominent city officials are members of the Klu Klux Klan. My friend has started a backfire and has called for a conference of the executive committee of the Klu Klux Klan for next week. I am preparing the necessary dope and a bunch of my friends in the Klu Klux Klan threaten to bust the Klan wide open if they don't either keep hands off or come out in favor of the compromise.

We will make history next week.

Yours very truly,

EF: KLM

My dear Frank:

I have just returned from a conference with the Mayor. While he is very friendly and I am sure he is sincere, yet he is dead wrong in his contention that you made the offer to give the city Fletcher damsite and reservoir site and build a dam and give it to the city whenever they wanted it. Mayor Bacon says that inadvertently the Railroad Commission left out the valuation of the Fletcher damsite and reservoir site which you offered to give the city and which the state engineer's report says is worth \$112,500, and that that amount should be deducted from the sales price.

the city council who took your offer the same way, and who interpret the Railroad Commission's plan the same way. The editor of the Sun, Mr. Edwards, who was present at the hearing, also interpreted it the same way, and told his reporter. Mr. Wyatt that, and Mr. Myatt told Mayor Bacon so. I have since convinced Mr. Edwards that such was not your offer and Mr. Edwards this morning gave me authority to use his name in talking to Mayor Bacon, that undoubtedly a mistake had been made. Mayor Bacon, while friendly, would not give me the satisfaction of stating that his interpretation of the whole thing was wrong.

He informed me that the city council, in his opinion, would not act for forty days, or at least until Heilbron is out of the council. That Heilbron is the disturbing element in the whole business and that the council in his opinion, would not act separately on the Normal Heights-Kensington Park lease, altho he thought they ought to.

him if he realized how dangerous the situation was, and that the Railroad Commission might take early and favorable action, he said he did know, but that he refused to take any responsibility for it --- that the council was just a bunch of "boneheads" and when I asked him to please explain why the council was taking this attitude of delay, he said, "Do you really want to know?" I answered, "Yes", for heaven sake give me the whole truth", and he answered: "Heilbron,

Stewart and Bruschi hate the ground I walk on. It is a personal fight on me, and particularly so on Heilbron's part, who to a great extent dominates Bruschi and Stewart, owing to his political defeat for Mayor and my success. It dates back to the El Capitan fight which they won so handsomely and it made them drunk with glory when they carried the bonds, but they made so many rash promises that they would commence construction in ninety days, with the result that they cannot do it, it humiliates them in the eyes of the public, and with this compromise of the Railroad Commission it makes them eat so much crow that they are perfectly furious and are venting their spite on Bacon by delaying the whole game".

Bacon admitted he made the mistake of being too prominent in this compromise plan, and the papers gave him so much credit that the council has been just furious, and he was like a red flag to them the minute he sits around the table with them to discuss the question of immediate action for the best interest of the city.

When I asked him why he said forty days before anything would be done, he said it was on account of Mr. Maire, the newly elected councilman, who is a level headed chap. With Heilbron's vicious influence eliminated after May 4th from the Council, Eruschi would be more tractable; Held was all right; Eritzel was all right, and Maire being favorable we would have some harmony in the city hall.

How true all this is I don't know. I still have hopes that this coming week the council will take some action. but I fear Mayor Bacon is altogether too near right. Bacon, in my opinion, will back down on his claim of \$112,500 credit for Fletcher damsite, but it sure is a nasty mess, which I hope to see cleared in the near future.

Yours truly,

Er KIM

P. S. Thank heaven we gave \$50 toward Hayor Bacon's campaign and I did a few other things for him, so he is friendly, I hope. He promised in the newspaper (Sun) before election day that he would do everything he could to rush things to a vote by the people.

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

My dear Frank:

Ray Sauer and my answer in reply. Mr. Sauer refers to the Klu Klux Klan. I hope the same meets with your approval.

Sauer is friendly to us, and with the committee, is going to make a fight in our behalf.

Yours very truly,

EF:AH

April 21, 1925.

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

My dear Frank:

Enclosed find report of Mr. Rhodes,

Mr. Harritt and the engineer of the Railroad Commission, for your records.

Yours very truly,

EF: KLM

April 21, 1925.

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

My dear Frank:

Work and other things they had very little time to talk water on Monday. They did discuss it a few minutes and Weitzel urged immediate action. Heilbron objected. Weitzel said, "Heilbron, what is the matter with you? You are pledged to put this up to a vote of the people at an early date, now you are always playing for delay and throwing a monkey wrench into the machinery." Heilbron answered, "I am not being paid to push it thru", as much as to infer that Weitzel was, or that he wanted to be.

They arranged for a conference Tuesday afternoon and here a funny thing happens. Weitzel rang me up at 6:30 last night and said they had chewed the rag for over two hours and got nowhere. Higgins urged the ratification of the agreement for Normal Heights-Kensington Park lines, the Mayor supported it, so did Weltzel. The rest of them thought it ought to go together, and as Weitzel expressed it "they mouthed" at each other for two hours and he got up and left in disgust, with nothing being done. Bruschi was absent. Weitzel said that Heilbron was the disturbing element and refused to come thru at all, and he did not think anything could be done until Louis Maire takes office on the 4th of May.

A few minutes later Rhodes rang me up and said that the council informally agreed lest last night to call an election to transfer sufficient funds from the El Capitan money already voted, for the following --- to pay cash, \$125,000, for Mission Gorge No. 3, to pay the La Mesa District \$85,000 for 400 acres of land and third to pay \$200,000 for the distribution lines in Normal Heights, Kensington Park and East San Diego. To do this requires a two-thirds vote and is easily beaten -- a mighty smooth way for the city council to put it up to the people and call it all off.

Enclosed find copy of the San Diego Banker, published by the First National Bank, Frank Belcher, President, that shows you which way the wind is blowing.

There is always a certain percentage against voting any bonds. We may have the K. K. K. against us. There is a certain element that is opposed to any dam at Mission Gorge #2 or No. 3, and the seed has been sown in the bankers' article herewith attached. There is a certain element in the city hall that would love to see this defeated and the city attorney would not mind the continued litigation.

There is about an even chance of putting it ofer by spending a good deal of money.

I am sorry that I listend to Davidson, Thompson and White and a few others. We should have gone ahead with our initiative petition and had it up before the people now. It only takes a majority vote in that case. My recommendations are as ollows:

go up to the Railroad Commission with authority of his Board of Directors, that you and I go to San Francisco with him, that we ask the Railroad Commission to approve the transfer with an agreement in writing from the La Hesa District that they will wait a reasonable length of time to effect the compromise with the city as outlined by the Railroad Commission. I have talked to Mr. Hall privately and know he is favorable to this plan.

Second --- That we propare an initiative petition, have it circulated immediately calling on the people to ratify the Railroad Commission plan. This only requires a majority vote.

I am getting everything ready to carry out both of these plans and working quietly. I hope you approva.

Yours sincerely,

EF: KLM

P. S. Since writing the above I took Fletcher "hunch" and telephoned Mr. Brundige. Found he was in Los Angeles. I told him what had happened, that it took a two-thirds

vote to carry. Mr. Brundige told me over the phone he did not think that was the right thing to do, that the whole Railroad Commission plan should be submitted to the people for ratification, a primary vote.

I told him a committee of fifty business men of San Diego were planning an initiative petition, as it only took a majority vote, while the city council's plan took a two-thirds vote. He said that the initiative petition was the thing.

He said that Claus Spreckels had been to see him just a day or two ago in San Francisco, and that Claus had asked Brundige to use his influence to have us extend the La Mesa District's option, that there was us extend to be some action by the council. I asked him how going to be some action by the council. Brundige said long an extension should be given and Mr. Brundige said not to exceed thirty days.

Brundige said he would be glad to discuss this matter with us in person, and a date has been set for nine o'clock tomorrow morning in Los Angeles. I am taking up a representative of the District, and my hunch is we up a representative of the District, and my hunch is we should take up both Mr. Sanders and Mr. Stearns as well.

April 23rd 1925

My dear Frank:

We held the meeting this morning with the Brundige and Mr. Squires. There were present Mr. Hall and Mr. Stearns, representing the District, and Mr. Saunders, Mr. Smiley and myself.

telegram to him from Claus Sprockels, urging that he notify the City Council to immediately call the election to ratify the Railrond Commission's plan, and with a throat that if they did not do it, to approve the sale to the District. I was very happy indeed to know that Claus Spreckels had kept faith.

Brundige whom none of the attorneys were present and he intimated that there was friction between Claus Spreckels and McMullem. It confirms Claus Spreckels' statement to me that McMullen and Clayton were doing everything with the Mrs. A. B. Spreckels interests to hurt Claus and that he would get their goat sooner or later. It seems he has been severely criticised for the different things he has done, such as the electric line to La Jolla, and Mrs. A. B. Spreckels has just temporarily killed his plan for a 12 story building at Sixth and Broadway, and Claus lays all the blame to McMullen and Clayton.

Brundige and Mr. Squires frame a letter to Mayor Bacon, in our presence, urging the Council to immediately call an election, and approve or disapprove of the Railroad Commission plan, and that he had asked us, on behalf of the District, for an extension of time on the option to June 15th and had notified Bacon to that effect, and

urged the election be called immediately without the necessity of voting bonds, which would take a 2/3 majority. I will send you a copy of his letter to the City; also copy of his letter to the District, and copy of his letter to us. It will be mailed today and Brundige is sending copies to the newspapers in san Diego. While the Council is not mentioned, it will do more to redudiate the Council with the people of San Diego than anything else, for their lack of action.

I am sure it is going to bring things to a head and assist us materially in putting over our plan of compromise and sale.

stearns refused to go into the conference until I had given an extension of time on the option and I refused to do it. I finally gave a verbal promise, subject to ratification by you, and ten minutes before our meeting this morning, Stearns came in and attended the meeting. Saundors last night was determined that we should tell the Reilroad Commission today that they would file a mandamus suit to force the decision, but Smiley and I talked him out of it and the meeting was harmonius. Fred Stearns and Saunders were doing their best today to get me to sign an extension to the option but Smiley is helping me out and I am not going to sign anything hurriedly until our interests are fully protected on the extension of time, and I am asking that it be ratified by you before becoming effective.

The Committee of 50 have already signed up and, in my opinion, in the next day or two they will certainly propare initiative petitions calling the primary election to ratify the Hailroad Commission's plan, which will only require a majority vote.

might, reasting the Council for their dilatory tactics.

It may stir up a hornet's nest but I did not know anything about it until I read it in the paper. The Mayor told me

over the phone last night that the Railroad Commission plan would go to the people as a whole, so far as his interests were concerned, at one time and he was opposed to the bond issue plan, which puts us in a very hard position.

I am satisfied that ever/thing is progressing as well as could be expected and am just as sanguine as ever of the outcome. April 24, 1925.

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

My dear Frank:

Inclosed find copies of letters to Mayor Bacon, Mr. Hall and myself from the Railroad Commission, also clippings from today's papers.

I had a good laugh on Sanders and Stearns, altho I did not mention the fact, to cause any hard feelings. They were bound to get out a mandamus to force the Rail-road Commission to render a decision. I thought it would be criminal to offend the Railroad Commission at this time, and thank heaven, everything turned out nicely yesterday at the meeting in Los Angeles.

Ar. Smiley will take up with you the matter of the form of our answer to the Railroad Commission.

Fred Stearns tried to railroad me into signing an extension of option and Sanders backed him up in it too before we left San Diego, also before we went into conference with Mr. Brundige, and even after the conference, but I stalled them in every case, as Mr. Smiley will tell you.

There are a number of things that we need for our protection to include in any new option we grant.

Sanders just telephoned me that there were a number of flies in the cintment in the matter of the contract that Higgins has prepared which purports to represent the Rail-road Commission plan. One vital point included which is not in the Railroad Commission plan is that the District must pay for the water whether they use it or not in sufficient quantity to take care of the total interest which the City yearly has to pay the District.

Thanks to my friends, Mr. White and William R. Wheeler, the inclosed petition has been signed - the most represent-

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

My dear Frank:

Enclosed find clippings from the evening papers, also copy of letter I wrote to Crouch & Sanders, which is explanatory.

Yours sincercly

KLII

ative petition that ever was signed in San Diego in my opinion - and I am having the legal petitions printed ready to secure the necessary signatures next week for the initiative petition which will force a vote on the general plan of the Railroad Commission. It will certainly have some influence with the Council and force them to come across clean, which they are not doing at the present time.

Yours very truly,

EF:AH

1

(

April 25, 1925.

Mr. C. P. Stern, Vice-president, Pirst Hational Bank, Los Angeles, California.

My dear Frank:

Enclosed find copy of letter to Mr. Brundige also clippings, all of which is explanatory.

Sanders admitted last night that he was mistaken, and there is only one way to get this before the people before the 15th of June, and that is on an initiative petition.

Last night Sanders told me that Stearns had asked Mr. Higgins not to take any action Monday and Higgins had agreed to it. Why he did this I don't know, as there seems plenty of time to pick flaws in this thing before Monday. You are probably as good a judge as I as to why he is delaying the game.

Wheeler for personally taking the petition and getting out and getting these men lined up. We have no time to lose on the initiative petition in order to get this matter before the people by the 15th of June. Mr. brundige, as sure as the sun rises and sets, will wait no longer to approve this sale, if the city doesn't act by the 15th of June, in my opinion.

Yours sincerely,

ED FIRTCHER

HF:KUM

ce- Mr .- Smiley

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

My dear Prank:

Enclosed find copy of letter written by Mr. William R. Wheeler, chairman of the Citizens Committee, to Mr. Brundige, which is explanatory; also printed firm of petition.

Riggins came out again in yesterday's paper stating that his contract was exactly as the Railroad Commission had outlined it.

The Bound of Directors of the La Hesa Irrigation District meets tonight to decide the future policy. Mr. Sanders and I are intending to be at the meeting.

The committee hopes that the council will come with with an ordinance without the necessity of the initiative, and they will undoubtedly wait until after the 4th of May when Heilbron leaves and give a reasonable time for the council to act, with out new member in the council, Mr. Maire, before any papers will be filed.

Yours very truly,

CC - Smiley

May 2, 1925.

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

My dear Frank:

There was an important meeting yesterday noon around a luncheon table, a little bird told me, and the city authorities are backing down completely and will come thru next Monday according to their original agreement.

Enclosed find copy of lotter to Mr. Brundige, also clipping from last night's Tribune and this morning's Union that are explanatory. They are just saving their faces all they can, but they are coming across. They don't want to be forced.

Yours sincerely,

HF: KLM

Cateston

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

My dear Frank:

Enclosed find copy of letter that Higgins wrote to Rhodes.

Answering it in order -- Cuyamaca Dam, #1

We have legal description of the lands that we are transferring and can issue a certificate of title covering same. They will have to take acactly what we have and make their own surveys. We own practically no lands that would be flooded above the bottom of the sillway, and for forty odd years, since the dam was built, the water when going over the spillway has flooded other people's land. The city will have to take exactly what we have.

They talk about a contour survey from top of the dam. It will include two or three hundred acres more land than we own. The survey will cost \$1,000 or \$1500, and when it is done it is of no Benefit to us, and the city will have to make the survey atself.

We have a legal description of the caretaker's house with the acre of ground and are ready to furnish certificate of title.

We have no record of any easements for ingress and egress that they ask for.

Kelly Ditch --- No. 2

This has never been surveyed to our knowledge. It was acquired in 1886. The city will have to take what we have. The city has a copy of what rights we have and what we will transfer. The Kolly Ditch is just an open ditch thru two or three miles of property, and if the city wants to survey it, it can do so at its own expense.

We have no record of any easement for ingress and egress. We consider the old Kelly Ditch matter absolutely valueless.

in. G. P. Jaern. Vior-resident.

The sear Franks

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Angwering it in order -- Ouyersee Dam, fl

de baro legal description of the lands birt we are transerring and can inche a certificate of title covering same. They will have to take esactly what we have and make their own carveys. We own practically no lands that ould be flooded above the bettem of the millway, and for forty odd games, since the day was built, the water when going error the upiliway has flooded other people's land. The

They belt about a contour nurvey from top of the dam. It will include two or three hundred seren more land than the was own. The nurvey will cont th, Ob or 41000, and when it is for an Braefit to us, and the offy will have to make the arrvey threelf.

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the lawy as record of any easternain for ingress and egross

Holly Ditch --- Do. B

The same in 1886. The sate will have to take what we have. Sate what in 1886. The sate will have to take what we have. The sate what is have to take what we will seemed or same well witten is just an epon dibet thru two or same miles of property, and if the city weats to everyoy it, it can do so at its own owners.

sectore no record of any equament for ingress and egress.

# Boulder Creek --- No. 3

This extends from the Cuyamaca dam down to the diverting dam for 13 miles, following the natural channel. We have no rights there whatever, excepting what Nature has given us in using the natural channel. The whole thing is a joke.

### Boulder Creek Ditch --- No. 4

He have already furnished them with a survey of this Boulder Creek Ditch. It runs thru our property and you and I can furnish them easements for ingress and egress.

# Pletcher Dam and Reservoir site ---- No. 5

We have never made you a survey of this contour. It will cost \$1500 to do it, and we never have agreed to furnish same and don't intend to. We have the legal description of the acre of ground for caretaker's house, also the damsite and can furnish a deed and certificate of title without making this survey. We have no contract to furnish this survey to the district. We can and will furnish the same description as was furnished in the case of transfer of the Lake Hodges property and certified to by the title company.

# Diverting Dam ---- No. 6

We have all of this data. It has already been furnished to Mr. Rhodes, the city manager, together with copy of the original grant from the U.S. Government.

# El Capitan Damsite ---- No. 7

We have already furnished Mr. Rhodes a legal description of everything that we own on the San Diego River between El Capitan damsite No. 2 and False Bay.

# Cuyamaca Flume --- No. 8

We have never made this survey! It will cost us several thousand dollars to do it. We are not under any contract to furnish it to the district, and our contract only calls to give a general deed to rights of way, the same as we acquired originally from the San Diego Flume Company. The list of personal property and equipment is already in the hands of Mr. Rhodes.

# SOUTH FORK DIVERTING DAM AND FLUME: No. 9

This has never been surveyed. It is within the El Capitan Indian Reservation and comes from Act of Congress. This data has already been furnished Mr. Rhodes complete.

# EL MONTE PUMPING PLANT ---- No. 10

We have furnished an inventory of the personal property and equipment, also map showing the property and legal description. It is up to the city to make its own surveys if they want anything further.

GROSSMONT AND EUCALYPTUS RESERVOIRS --- Nos 11 and 12

The same as the El Monte Pumping plant. The personal property they already have the inventory for.

### LA MESA DITCH --- No. 13

We have no surveys of this. It came thru the old San Diego Flume right-of-way. It has been in one for thirty years. No one questions it, and if the city wants a survey of it it can make one. It comes under general rights-of-way and title will pass when that is executed.

### MURRAY RESERVOIR --- No. 14

We have furnished a legal description to all the lands that we are deeding and can give a certificate of title for. We are also transferring all our right, title and interest in the floodage lands, whatever we actually got originally. We have never made a survey of the contour. It will cost \$1,000, or more, to do it, and the city can do it at its own expense.

Mr. Higgins says that she description of the property submitted by the water company does not cover a portion of the land occupied by the dam. This is not true. We are living up to our contract with the district to the letter, giving them a deed to the caretaker's house, also the land on which the dam is located, with plenty of room below for ingress and egress.

I did hold out 3-1/2 acres of land for your benefit and mine, which was not included in the sale to the district and which the city is now claiming they want us to throw in free of additional cost. I think we have given up enough to them already.

PIPE LINES ---- No. 15

Regarding pipe lines, Murray 36" pipe line and others -this is ridiculous, as it means making a survey of 5 or 6
miles of pipe lines. We already have furnished them with
a map showing the exact location and length of each
size of pipe. If they want to make the surveys at their
own expense, they can do it.

DA HESA PUMPING PLANT --- No. 16

This is in the street and permit was secured from the county, and that is all we can furnish.

TELESHORE LINES --- No. 17

We own nearly 40 miles of telephone line from La Mesa to Cuyamaca dam. It has been there for thirty years. If the city wants to make a survey of it, let them do it.

The above is all a stall for time, but I feel that Higgins used this as an excuse to go ahoad and call the election on general principals next Monday rather than wait for all the details and exhibits.

Yours very truly,

EF: KIM

Mr. F. A. Rhodes, Manager of Operation, San Diego, California.

Dear Sir:

In checking over the schedules of property to be transferred to the City of San Diego by the La Mesa, Lemon Grove and Spring Valley Irrigation District, I beg to advise that before said schedules can be made a part of the contract to be entered into between the Cuyamaca Water Company, Ed Fletcher and his associates and the La Mesa, Lemon Grove and Spring Valley Irrigation District and the City of San Diego, it will be necessary to furnish the following information:

# CUYAMACA DAM:

Establish the U.S. Datum at the Cuyamaca dam site and an actual complete survey of the high water contour which is level with the top of the Cuyamaca dam, and which will include all lands that are to be conveyed, together with a description of the land to be conveyed below said dam site;

Also, a description of land to be occupied by the caretaker's house at said dam, and a description of an easement up to and including the spring which supplies water to said care-taker's house;

Also, a description of all easements for ingress and egress to and from the above property.

# KELLY DITCH:

Furnish a center line survey of the above ditch, together with the width of the rights of way to be conveyed;

Also, a description of all easements for ingress and egress to and from the above property.

# BOULDER CREEK:

Furnish a center line survey of Boulder Creek natural channel together with width of rights of way to be conveyed;

Also, a description of all easements for ingress and egress to and from the above property.

# BOULDER CREEK DITCH:

Furnish a center line survey of said ditch from Boulder Creek to Fletcher Dam and Reservoir Site, together with width of rights of way to be conveyed;

Also, a description of all easements for ingress and egress to and from the above property.

# FLETCHER DAM AND RESERVOIR SITE:

Establish the U.S.G.S. datum at stream bed of said dam and reservoir site and make an actual complete survey of the high water contour which is 175 feet above said datum and which will include all the lands which are to be conveyed, together with description of lands to be conveyed below said dam site and one acre of ground for care-taker's house;

Also, furnish a description of all easements for ingress and egress to and from the above property.

# DIVERTING DAM:

Furnish actual survey showing location of the above diverting dam and reservoir together with description of property to be conveyed with same;

Also, a description of land to be conveyed with care-taker's house:

Also, furnish description of all easements for ingress and egress to and from the above property.

# EL CAPITAN DAMSITE:

Furnish a description of all lands owned by Ed Fletcher, Cuyamaca Water Company, C. F. Stearns, W.S.K. Brown as administrator of estate of James A. Murray, deceased, and La Mesa, Lemon Grove and Spring Valley Irrigation District, lying within the San Diego River watershed and being between the westerly line of El Capitan damsite No. 2 and Mission or False Bay;

Also, furnish description of all easements for ingress and egress to and from the above property.

# CUYAMACA FLUME:

Furnish complete center line survey of said flume, together with width of rights of way to be conveyed;

Also, complete description of said flume, together with inventory of all personal property and equipment;

Also, a description of land occupied by care-taker's houses along said flume;

Also, furnish a description of all easements for ingress and egress to and from the above property.

# SOUTH FORK DIVERTING DAM AND FLUME:

Make an actual survey showing location of said dam and reservoir, together with description of property to be conveyed with same:

Also, a description of property to be conveyed on which caretaker's house is located;

Also, an inventory of all personal property and equipment;

Also, furnish a description of all easements for ingress and egress to and from the above property.

# EL MONTE PUMPING PLANT:

Furnish inventory of all personal property and equipment, together with a center line survey of pump line and ditch, from said El Monte pumping plant to the Cuyamaca flume, together with width of rights of way to be conveyed;

Also, furnish a description of all easements for ingress and egress to and from the above property.

# GROSSMONT RESERVOIR AND APPURTENANCES:

Furnish description of the land to be conveyed with the above reservoir, together with an inventory of all personal property and equipment;

Also, furnish a description of all easements for ingress and egress to and from the above property.

# EUCALYPTUS RESERVOIR:

Furnish inventory of all personal property and equipment;

Also, furnish a description of all easements for ingress and egress to and from the above property.

# LA MESA DITCH:

Furnish center line survey of the above ditch, together with width of rights of way to be conveyed;

Also, furnish a description of all easements for ingress and egress to and from the above property.

# MURRAY RESERVOIR:

Furnish a complete metes and bounds description of all lands flooded and under lease within the Murray Reservoir.

Also, furnish a description of all easements for ingress and egress to and from the above property.

Description of property submitted by Cuyamaca Water Company does not cover a portion of the land actually occupied by the dam; 3.5 acres were deeded to Ed Fletcher and associates in 1917 by M. C. Healion, lying adjacent to and westerly of the land described by said Cuyamaca water Company and which will be necessary for the operation of said reservoir.

# MURRAY 36" SUPPLY LINE:

Furnish center line survey of the above line together with width of rights of way to be conveyed;

Also, furnish a description of all easements for ingress and egress to and from the above property.

# 5850' 16" R. S. Pipe 5850' 20" R. S. Pipe:

Furnish center line survey of the above pipe line, from El Cajon Avenue to El Cerritos Hill, together with width of rights of way to be conveyed;

Also, furnish a description of all easements for ingress and egress to and from the above property.

# LA MESA PUMPING PLANT:

Furnish an inventory of all personal property and equipment, together with description of land occupied by said pumping plant under lease;

--5.

La Mesa Pumping Plant, cont'd:

Also, furnish a description of all easements for ingress and egress to and from the above property.

# TELEPHONE LINES:

Furnish actual center line survey of all private telephone lines serving any and all of the above property, together with width of easements to be conveyed;

Also, furnish a description of all easements for ingress and egress to and from the above property.

very truly yours,

S. J. HIGGINS

City Attorney.

YAJ/EM

May 2, 1925.

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

My dear Frank:

Inclosed find editorial from last week's San Diego Herald that is explanatory. You can see what we are up against down here. I have had the darnedest time to keep certain things going to the Grand Jury. It has been H--1, but I feel quite sure the Council will take the necessary action on Monday next.

Inclosed find clipping from this morning's Union that is explanatory. I think that Rhodes' attitude is for propaganda purposes only, but should be counteracted, so I telephoned the Sun and asked them to give us a good story today to neutralize the affect.

Yours very truly,

EF:AH



May 4, 1925.

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

My dear Frank:

Rhodes insisted upon a conference without the attorneys this morning. He said in forty minutes we could have agreed on everything which took Sterns, Smiley, Higgins and Sanders over two days to do. He suggested that we agree on certain things and then put it up to the attorneys to write it out and put it in legal form.

we held a conference with Hall, Fred Stearns and Crouch and Sanders this morning regarding the extension of the option, and Mr. Sanders said that Mr. Smiley approved the form by telephone today, so I am going to sign it. Copy is herewith enclosed, and a copy of what I am going to ask the district to sign for our protection.

Mr. King told me the other day that Mr. Stearns said the district should not buy the Cuyamaca System, that the city should own it and the whole thing was a mistake. Today in the presence of all of us, when I asked Mr. Hall if the district wanted to call the whole thing off, providing the city did not call this election, Mr. Hall said, "Decidedly no. We want the property and we are going ahead with the deal. We are more of a unit today than ever before in our lives. Ten to Twenty people come in a day and say, 'tell the city to go to --- and let's fight them to a finish'".

Mr. Stearns in a very decided manner butted in and said, "Well, you can go ahead if you want to, but you are taking a blankety-blank law suit -- that's all you are buying".

Mr. Hall said, "All right, Mr. Stearn, we'll take our chances. We do not agree with you".

question of a few days when Mr. Stearns will be oliminated and Crouch and Sanders be the attorneys for the district. I begged Hall not to let out Stearns until we had the thing either in shape or found out it was useless to fight any further.

Yours very truly,

EF:KIM



May 4, 1925.

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

Doar Frank:

It seems as if h--l has broken loose here. Enclosed find clippings from Sunday and Monday morning Unions that are explanatory.

In talking with the Mayor Saturday night he told me the lid was going to blow off soon. That Chief of Police Patrick had the goods on two of the councilmen and that indictments would be brought against them shortly. That Weitzel, Bruschi and Stewart had entered into a pact to remove Chief of Police Patrick, and it was a fight between him and them. He admitted it might have been better for him not to have announced his intention of roappointing Patrick as Chief of Police until after next Monday.

Sunday morning I met Edwards, the managing editor of the Sun. He informed me that these three councilmen had notified Higgins that if Higgins did not bring in a legal opinion stating that the city council had to ratify any appointment for city attorney, that he, Higgins, would be removed.

Rhodes told me yesterday morning that he may not be City Manager within two weeks. They are all trimming their sails.

At the suggestion of Mr. Sanders I did not attend either of the meetings Thursday and Friday, which Mr. Smiley and Mr. Sanders attended, on matters pertaining to the agreement between the district and the city. They reported, including Mr. Harritt, that everything was harmonious excepting one or two points, and that Mhodes would send for Mr. Stava, the Railroad Commission engineer. Rhodes admitted yesterday that he did not send for Mr. Stava as he agreed, that on thinking it over Friday night, and examining his own meter readings Saturday morning, he felt that he had to protect the city's interests and would not abide by any decision of the Railroad Commission on a vital point, ie:

domestic water 2,000 or 1,000 cubic feet. Rhodes said that an examination of his records for his 50 foot lot, where he lives, shows that seven months of last year he used an average of 3,000 cubic feet, and one month he used 4,000 cubic foot. That he was absolutely and unalterably opposed to the whole thing if the contract did not provide for the first 2,000 cubic feet being considered domestic water.

I sympathise with Rhodes and believe he is right. If I had been at the meetings Thursday and Friday I would have backed him up, and the district knew it.

Rhodes also brought up again the question of the district insisting upon having the city take the record of the meters of the consumers, the city thereby standing all the loss in the distribution lines of the district, a ridiculous position and nover should have been put forward.

I understood from King that that matter was settled in the Friday meeting, or agreed to be left to arbitration, but it is still sticking in Rhodes' "craw", and he claims he has not been given any assurance from the district directors that they will recede from that position.

I told Rhodes I would go out and see Hall of the district and try and get him in here this morning and get him, from the district's standpoint, to recede afom the position they have taken and smooth Rhodes down. I had a long talk with Hall. He will be in here at 8:30 this morning. Rhodes will be at the office also, and I hope to straighten matters out between them, but you can see that Rhodes is a masty fighter when he wants to be. He feels that King, the engineer of the district, has handled him without gloves, and he is sore about it. As to the truth of this I don't know, but I do know that Rhodes doesn't do himself justice, giving out that interview published in this morning's paper.

Mr. Brundige wrote a letter to William R. Wheeler, chairman of the initiative petition committee, stating among other things as follows:

"I have read the proposed initiative ordinance and find that it contains a true and correct copy of the proposal made by the Railroad Commission and agreed to by representatives of the City of San Diego, the La Mesa, Lemon Grove and Spring Valley Irrigation District and the Cuyamaca Water Company."

He makes no reservation that this letter is not for publication, but I have asked Mr. wheeler not to give it to the press.

Way or the other soon, or else our only hope is an initiative petition, or forget the city entirely.

Yours very truly,

EF:KLM

P. S. Since dictating the above --- I got Rhodes and Hall together at 8:30 this morning. Mr. King later sat in on the interview. I believe we got everything straightened out to Rhodes' satisfaction, and he has promised to give out an interview to the afternoon papers clarifying the whole atmosphere.

We showed Rhodos the original recorded deed for floodage rights. We also showed him all our recorded rights there, and agreed with him to give a warranty deed for all rights of way, in lieu of a certificate of title. This he accepted.

We also persuaded Hall and King to back up on the two main points, ie: the water that is paid for will be metered at different points along the flume line and not at the consumer's meter; second, the 2,000 cubic feet will be considered domestic rate, after that irrigation, instead of 1,000 cubic feet. Mr. Rhodes this morning insisted that the last thing the attorney for the district remarked was that the district's measurement of water at the district's moter had to go.

Weitzel at eight o'clock this morning on the phone pledged me he would bring the matter up today for final action, even if he voted alone on it. The council took no action on the question this morning, postponing it until this afternoon.

Enclosed find clippings from this afternoon's papers. Rhodes made good his promise.

P. S. No. 2

Mr. Crouch informed us at today's conference that Mr. MacMullen of the Union had stopped him on the street and told him that the settlement of this water question means a boom for San Dicgo equal to that which came when Spreckels entered into the contract to furnish the city with water. Both John D. and Claus have assured me that MacMullen is for this plan, and Macmullen himself has told me that also. Unfortunately MacMullen does not come over to edit the papers on Sunday, and I lay the blame for all this mix-up on Rhodes talking to the press, either to boost his own game or the city council. The whole problem is too deep for mo.

Ehodes suggested that a clause be put in the contract creating an arbitration committee in case they could not agree, and Mr. Hall agreed to this clause.



For a Greater San Diego

SAN DIEGO, CALIFORNIA, SUNDAY MORNING,

MAY 3, 1925

CENTS - SUNDAY 10 CENTS

Compromise Give District All S. D. River Water?

# FOR 18,000 ACRES CALLS

Be Greater Than Previous Estimates; Council to Act On Election Ordinance Tomorrow; Argument Is Made For Specifying Maximum Amount City Will Release.

Figures Presented to Show Demands of District Might

Serious opposition was crystalizing in San Diego yesterday over that section in the proposed water settlement agreement pertaining to the city's furnishing the La Mesa Irrigation district with water to irrigate 18,000 acres of land.

"Just how much of the river water will be required for this vast acreage," was a question agitating the public mind, and incidentally the minds of the San Diego city councilmen.

"Is San Diego going to build El Capitan at an expense of \$4,500,000 and give all or most of the water to an irrigation district?" was freely asked. Recent probes into the phrase of the contract allowing "reasonable use" for 18,000 acres, created much discussion. Whether the council will on Monday pass an ordinance calling an election for the ratification of the proposed water settlement, before this important point has been decided to the satisfaction of the people, is now a matter of considerable doubt. At the flowest estimate, it is be-

ing argued, one acre foot of water would be required yearly for each of the 18,000 acres. This is 325,872 gallons of water per year per acre. Dividing this 325,872 gallons by the 365 days of the year, gives a dally consumption per acre of 892.8 gal-

Further startling figures were worked out by interested citizens yesterday. If one acro is to use \$92.8 gallons a day, the 18.000 acres would use 16.070,400 gallons a day, and the entire net safe flaily yield of the entire San Diego giver is figured at only about 21,000,000 gallons. Moreover, to produce that amount, El Capitan not only would have to be constructed to its full have to be constructed to its full height, but San Vicente dam to its full height, costing additional mile Also, reports of prominent horti-

culturalists show that one acre foot per year for each acre is far too low an estimate. For some crops, they assert, three times that amount would be required, and more than one acre foot for practically every variety of crops. R. R. McLean, county horticultural commissioner, says on this mat-

necessary varies to some extent with the types of soll and distance from the coast. Generally speaking, however, deciduous fruits, such as peaches, plums, apples, pears, etc., should have a minimum of 18 to 20 inches of water annually, including rainfall. Grapes need at least 16 inches for their hest development; veretables from best development; vegetables from 25 to 30 inches; citrus fruits from 25 to 30 inches and avocados up to 35 inches. All the above figures include rainfall and irrigation. Grain crops, which are grown without arrigation, require at least an annual minimum of 18 inches rainfall. Generally speaking along the coast the usual amount of water applied to citrus trees is from 14 to 18 inches in addition to the rainfall. In imany years, crops do with much less water than as above indicated, but for maximum returns these figures will be approximately correct." Felix Landis, executive secretary of the San Diego County Farm

figures. He says: "Concerning water requirements for certain crops, I submit the following "Alfalfa requires 36 acre inches,

bureau, gives some very interesting

"Vegetables (summer culture), 24 to 30 acre inches. "Citrus, 16 to 24 acre inches. -"Deciduous, 12 to 16 acre inches,

"Grapes, 8 to 12 acre inches." "These figures are average for San Diego county conditions. There are places in this county which. due to divergence in rainfall or soil type, might require a little more or a little less than this table provides. Such differences are the exception, and I think I can count upon these figures as being very close to the average requirement. As a result of the statements from both McLean and Landis, some citizens are arguing that the amount of water to be consumed by the district is far greater than the original estimates and that

(Continued on Page 5) there would be dittle or none left for the city, although it had invested \$4,500,000 in a huge daml. It ds pointed out that if alfalfa is grown, there would not be enough water in the entire river for its irrigation, and that even the raising of citrus fruits would draw much more heavily on the kity supply than had been indicated.

The blanket use of water for 18,000 acres, as provided in the proposed agreement, is now held by many to be something that the city could not stand, and that if the agreement ever goes through a maximum amount of water for the district should foe specified, and made low enough to protect San Diego.

THE SAN DIEGO SUN; MONDAY, MAY 4, 1925

## WATER PLANS

Bacon Sees No Danger of Loss Through Irrigation Demands.

There is no danger of the city losing to the back country. the water it hopes to gain by the railroad commission settlement now pending for approval, Mayor Bacos told the Unitarian church Open Forum last night.

Without a single dissenting vote-although representatives of all San Diego papers were present -the San Francisco water -conference fixed 18,000 acres as the limit of the irrigation district which can draw on the Cuyamaca system for water under the new plan, th. mayor said. Heretofore, 25,000 agres have been entitled to demand water from the system. he added.

Despite this fact, Bacon said, the irrigation demand in the disstant factor, increasing only city auditor and James Patrick negligibly, while the domestic des for police chief, made today by mand has increased considerably. Mayor Bacon.

This supply would have to be t furnished by the city eventually, . The action was taken by a

has done in the past.

The mayor outlined clearly and it. convincingly the 12 points of the water settlement plan, and the That a finish fight over these audience appeared highly favor- appointments will ensue is indiable to his view that an early cated by the council's action. Reapproval should be registered.

Jack Hog, convicted bootlegger, one councilman, and today's vote started serving 211 days in jail suggests that he may have backtoday rather than pay a fine of ers among his colleagues.

ficers after he showed them his ed," the mayor's communication still in operation and sold them said. "I believe Patrick should

lary charge - I guess the 211 law. No complaints of failure in

A conference, of the council late this afternoon will discuss

three-to-two vote when Bacon For these reasons, Bacon said, submitted these, two names for the city need not be afraid that the 18,000 acres will use up its water. The price will keep the Bruschi. Weitzel and Stewart demand down automatically, asait voted for the council conference, and Held and Maire voted against

tirement of both Moody and Pat-LANKERSHIM, Cal., May 4 .-- rick has been hinted by at least

"Moody has made a remarkable Hog was arrested by two of- record, and should be re-appointa gallon of whisky. ... be chief of police because of his "I served 10 years on a burg- splendid record in enforcing the days will come easiest," Hog told duty have ever been made," the 1 letter continued.

### DIFFERENCES ARE SETTLED

Points of Dispute On Water Plan All Cleared But One In Conferences

With the announcement by City Mgr. Fred Rhodes today that agreements had been reached between the irrigation district and the city, on all points but one, little remains in the way of final settlement.

. The point remaining to be threshed out, according to several councilmen, concerns what a "reasonable" amount" of water which the district may demand for its 18,000 acres, consist of, AGREE ON RATE

Among details which Rhodes said today had been settled, one deals with the amount of water to be furnished at domestic rate to the district consumers. . He . announced that the district had agreed to pay 16 cents for the first 2000 gallons furnished consumers. Heretofore the district had . maintained 'that this rate should be charged for the first 1000 gallons, the 6-cent irrigation rate to apply thereafter,

The district also agreed to allow the city to measure water as it left the city's system. Rhodes had demanded this on the ground that the city should not pay for water which might be wasted in the district distributing system.

Satisfactory records showing the district's title to "floodage rights" on the lands of the Murray reservoir, were produced today, Rhodes said. He also stated that the district had agreed to. give warranty deeds for any properties about which title might seem dublous. These deeds, Rhodes said, would be sufficient guarantee to the city.

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# Water Settlement

# OF RIPARIAN

Only 'Floodage Rights' to Murray Reservoir Alleged; Additions to District Cause Alarm; Election Up Today.

When the city council meets this morning to discuss an ordinance intended to set an election for voting on the proposed water compromise with the La Mesa Irrigation district and the Cuyamaca company, numerous questions regarding the suggested contract are expected to arise.

Not only is considerable doubt arising in official circles as to the advisability of en-

## MEW PROBLEMS ARISE WATER SETTLEMENT

lands are rapidly coming in to create a district of the full '18,000 acres, to which the city, if this deal take over these bonds and pay the

"They insist that the domestic If the council today decides to limit be cut down to 1000 cubic call an election to vote on the quesfeet," declared Ehodes, "but I will tion of ratifying this deal with the

the interest on the district bonds, if the city takes them over and guarantees them, should be cut to at least 5 per cent. Much discussion on this question has arisen among citizens, who point cut that the district bonds really would become a "municipal bond," at greater interest than a city of any

standing ever pays on its bond is-

(Continued from Page 1) | sues. Manager Rhodes was asked for his opinion on this subject yesterday. He sald:

is approved, promises to supply interest and sinking funds, the water. This might leave the city bonds, with the heavy interest of 6 per cent, will bring a large pre-Rhodes said that he intends to mium. The district and not the city "sit tight" on his declaration that will get the benefit of the premium, the district's irrigation rate of 6 Also the district would have the cents per 1000 cubic feet does not commence until a consumer has paid the domestic rate of 16 cents up to 2000 cubic feet.

feet," declared Rhodes, "but I will never stand for it, It would be paying a domestic rate on a similar amount of water supplied to La Mesans at an irregation rate. The district directors wanted to let the state railroad commission arbitrate this question. I tield them there is nothing to arbitrate, and I mean it."

The irrigation i district bends, which would be taken over and guaranteed by the city under the compromise, bear 6 per cent interest, although the city can issue bonds and sell them at a premium at 4½ per cent interest. Council man Fred A. Heilbron recently called the attention of the council to that fact and demanded that the interest on the district bends, if the city takes the desard battle for pueblo rights to the river waters at a later date.

tering into a contract that might give the district all, or the bulk, of the San Diego river water, but alleged lack of proper titles to river properties and riparian rights may prove a stumbling block. DEEDS REPORTED LACKING

Rumors that the Cuyamaca com-pany does not own the lands of Murray reservoir, but only the "floodage rights," and that there

"floodage rights," and that there are no deeds or casements to land traversed by a good part of the Cuyamaca flume, are being chared down. When asked yesterday what he had discovered on this subject, City Manager Fred A. Rhodes said:

"I understand that the Cuyamaca company has only 'floodage rights' to Murray reservoir, which is a part of the system that the city is asked to take over. However, they declare that these rights are peripetual, but I have no definite proof to that effect. Much of the right of way of the flume is held by sufferance, and no deeds or casements have been produced in a great many have been produced in a great many instances. This is very different from conditions on the city water system, as the city owns all its lands and rights of way, and took them all over when they were purchased, just like a property deed. chased, just like a property deed, "In the case of the Cuyamaca

"In the case of the Cuyamaca deal, we would accept the title from the Irrigation district just as it would get it from the Cuyamaca company, but we don't know just what riparian water rights this transfer will include, as there seems to be nothing on record to show it fully. Apparently, they are unable to deliver these rights. We have been furnished with some, but we do not know that they have all. DISTRIOT ENLARGING

"The title company evidently is not prepared to issue a certificate of title, and all that the city gets is the title that the district gets from the Cuyamaca company. For all we know, certain riparian owners might later fight for their rights. It is all very fine for the Cuyamaca company to hold these rights of way by sufferance, but, if the city took them over, they might want pay for their lands. You know that many people always are anxious to go after the city, thinking it has all kinds of money."

Relative to a report that the district is taking in additional lands right along. Rhodes, when questioned, said:

tioned, said:
"I understand that they These lands could have been taken in long ago, but did not come in until it seemed certain that the city was preparing to take over the district bonds and develop the river. Under the rallroad commission agreement, the district has a right to enlarge to 18,000 acres. slon agreement, the district has a right to enlarge to 18,000 acres. Nobody knows just how much of our water they could or would demand for that acreage. No maximum in million gallons is fixed in the contract. If they go on improving, they might demand an enormous supply. We tried to keep the district down to 12,000 acres, but they would not stand for it. Now. (Continued on age 2)

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

My dear Frank:

Enclosed herewith find copy of extension of option signed up with the Irrigation District last night, for your records; also copy of letter that I got them to sign separately, which protects Thum on his refund of the pipe line, as per agreement, also reimburses Mrs. White and me for our expenditures, and it refunds to the Cuyamaca Water Company several thousand dollars that it has expended as well.

The Thum lands, Helix lands and the Grossmont lands are now within the irrigation district.

. It also protects us on our titles to Cuyamaca lands.

Yours very truly,

EF: KLM

co- Mr. Smiley

Water History

May 5, 1925.

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

My dear Frank:

I received a telegram yesterday

as follows:

"San Francisco, Calif.

Col. Ed Fletcher San Diego, Calif.

D. A. Harroun of this commission will call on you in San Diego tomorrow

Railroad Commission State of California"

brought this message from Mr. Brundige: That he had received my letters, also letters from Mr. William R. Wheeler, chairman of the initiative petition committee, that he heartily approved this circulation of the petitions and filing of same, and to keep him posted from time to time, or words to that affect.

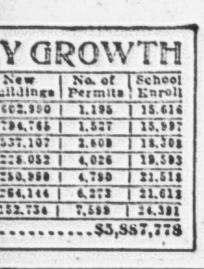
I will take the matter up with the committee, and probably the petitions will be filed this week unless you have any objection.

Confirming our telephone conversation this morning, inclosed find article in the morning "Union", also articles in the afternoon papers that are explanatory.

Yours very truly,

EF:AH

cc - Mr. Smiley



For a Greater San Diego

FREE ORGAN RECITAL The following recital will be given this afternoon at the Eprecisis suidoor organ, Balbon park, by Dr. Humphrey J. Stewart, official organist, beginning at 3:15 o'clock:

EVENTH YEAR

DIEGO, CALIFORNIA, TUESDAY MORNING, MIAY 5, 1925

DAILY 5 CENTS - SUNDAY 10 CENTS

Diego Water Settlement Negotiations Halted

Members Decide La Mesa District Must Specify Use Of Reasonable Amount or City Cannot Enter Contract

All negotiations for a settlement of the water question between the city, the Cuyamaca Water company and the La Mesa Irrigration district came to a sudden halt yesterday, when the council decided that the city never can consent to enter into a contract with the. district unless a very reasonable maximum of water to be used by the district is specified in iron-clad terms.

If the district is willing to agree to that, the people of San Diego may be asked to vote on the arrangement. If the district refuses, it was indicated, the whole thing will be dropped, and the city will continue with its suits for possession of the river waters.

MAXIMUM DEMANDED Recent probes into the proposed contract with the district revealed some alarming provisions, and majority of the councilmen yester-day vigorously condemned the pro-posal to give the district an unlim-ited supply of water for "reason-able use" on 18,000 acres of land. It was agreed that these lands might eventually use all of the water in the river, leaving the city. with its investment of \$4,500,000 in El Capitan, and with the district's bonds on its hands, high and dry. Councilmen Stewart, Bruschi, Held and Weltzel asserted that if the district does not agree to a maximum —perhaps five or six million gallons daily—the city cannot and will not rush blindly into any such blanket proposition that might leave San Diego holding the sack until the end of time.

Figures, as produced recently, showing the amount of water required for irrigating various crops; and the fact that the district is take. Ing in thousands of acres of irrigable lands, brought even to those councilmen who had been enthus slastic over the proposed compromise a full revelation of what might

COUNCIL TO CONFER

The city manager was instructed to procure a map and description of all the lands in the district, armed with which the council will hold another conference this week. When the definite amount of water which the city could reasonably give the district has been decided, the district directors will then be called into conference. At that time they can either accept the city's ultimas

tum or leave it. Even the mayor, who has been so strong for the compromise and who on Sunday night advocated the contract in a speech at the open forum, seemed to see light in the

darkness. Councilman Held yesterday launched the first attack on that clause in the contract allowing water for 18,000 acres.

"When I went to the San Francisco conference I went with an open mind," he said. "I wanted to see if an agreement that was fair to the city and the district could be reached. Rhodes protested against an 18,000-acre district. Those favoring the allowance said there was not a case in history where a district ever cultivated more than 40 per cent of its acreage. Since, I have learned that they have taken in 5000 acres of irrigable land and they admit that they had 7000 before. That would mean 60 or 70 percent, probably more. The city would be taking over the Cuyamaca system at approximately \$1,500,000; which is a liability. Then we build El Capitan at a cost of \$4,500,000. The people exploiting the back country would use the water that costs the city 20 cents per 1000 gallons and pay us & cents for it. "The people of San Diego are not

La Mesa District Needs Must Be Defined, Is Demand Of Councilmen

The amount of water to be used by the irrigation district for its 18,000 acres is the one obstacle blocking submission of the proposed water settlement contract to the people.

Conferences will be called by city council this week to determine the definite amount that safely can be allocated to the district. City Mgr. Rhodes is preparing data on the district lands, to determine the amount that can be cultivated, and the probable irrigation needs.

When the council has decided upon the amount of water the city and the district should have, a meeting to which district trustees and officials of the Cuyamaca Water Co. will be invited, will be held, the council decided yesterday.

### MAY RESUME FIGHT .

If the district refuses to accept the amount of water offered by the city, the effort at a settlement may be dropped and litigation to settle the ownership of the river waters resumed, according to some of the councilmen.

A water supply limited only by the clause "a reasonable amount," is specified in the present agreement proposal. Under this provision the 18,000 acres might demand practically all of the waters in the river, leaving the city with El Capitan dam and the district's bonds on its hands, council speakers asserted.

An ordinance prepared by City Atty. Higgins, calling an election on the water agreement, was tabled by the 'council yesterday, to be reconsidered if some agreement is reached between the district and the council on the point in dispute.

HALL EXPLAINS

H. A. Hall, vice president of the La Mesa, Lemon Grove and Spring Valley Irrigation district. today replied to assertions made by Held. In an explanatory letter he says:

"The state authorities authorized us to create an irrigation district of 22,000 acres. At our San Francisco conference, by agreement of all parties, we cut the maximum size of the district to 18,000 acres. The 5000 acres that have lately been added to the district is made up mostly of lands in El Cajon valley, originally agreed to last fall between the district and the El Cajon valley people-all as originally planned.

"No lands north of Murray dam have been taken in, and the only lands north of Murray dam in the district are 1200 acres which were taken in in 1916. Col. Fletcher has only put in about 600 acres of his own lands at Grossmont and Mt. Helix, and 800 or 900 acres of the Thum lands, all according to the original contract of April 5, 1924. Two hundred acres of the Thum lands are now under irrigation.

. "Petitions are now before the board of directors to include the city of El Cajon. With E! Cajon included, the district will comprise only the 18,000 acres, and we have lived up to the San Francisco agreement to the letter.

"The city officials agreed to submit the railroad commission nian Antil 7, for a 'yes' or 'no' vote. We are still waiting for the city officials to call the election, thereby living up to their promNEUUIIAIIUNS FUK WAILH

(Continued from Page 1) familiar with this proposition. If we ask them to vote yes or no, they probably will vote yes. They elected us to protect them. Once the people approve this thing and we sign the contract, it never can be changed. The district will take more water than the city can afford to lose, and we'll be held responsible. There is sure to be a reckon-. ing. We will build and got little or no water.

"The people might vote this thing thinking it would end all litigation.
But here's W. Fitzgerald West, owner of Mission gorge site No. 2, who has threatened to sue, and who

has as much right to sue as Fletcher had. There are 120 other riparian owners who may sue."

MORE LAND TAKEN IN
In telling of the additional lands that have been taken into the district since the San Francisco. conference, Manager Rhodes suid: "When the district voted the

bonds, the district was set at 14,000 acres. In San Francisco we argued to cut it down to 12,000, but the district officers held out for an increase to 18,000 acres, saying more lands had petitioned to come in,"

Asked who controlled the new lands that have been taken into the district, Rhodes answered that "Ed Fletcher is one of them and John Scott another.";

"It would seem that private interests are going in to exploit the back country and let the city hold the sack," declared Held.

Rhodes explained that the dis-

trict intends to lower the rate for irrigation that is now charged by the Cuynmaca company, which would mean increased use of water. To do this, he said, they expect to make a special assessment on the land for maintenance of the dis-

"Consequently," said Rhodes, "If a man has harren land and is forced to pay for the upkeep of a water district, he is going to use the water that he is helping to pay for, to protect himself."

Rhodes explained that much of the new land taken in is near the Murray and Grossmont reservoirs, and that the land never before has been irrigated. City Attorney Hig-gins declared that he understood at San Francisco that the plan was only to supply water to additional lands formerly using Cuyamaca water.

NO GUARANTEE GIVEN The manager, when asked, said emphatically that under the proposed contract there is no guarantoe that the district will not irrigate all of the 18,000 acres.

"Shipping in 5000 acres at a crack means they will take all of our water and we will have none," re-

mand for water, and that a maximum for the district must be fixed if the city is going to make a settlement.

The mayor said he understood that the district must have a guarantee of about 9,000,000 gallons a on the river." day to make its bonds valid.

The mayor had a number of sticks, which he placed on the floor, to illustrate the increases of the use of domestic and irrigation water in the La Mesa country, over a period of years. These sticks were painted at the ends, the black part to denote domestic and the white part irrigation water. He endeavored to show that the increased demand had been chiefly of the right of way over the Cuyafor domestic water.

Rhodes declared that the city should have a guarantee of what the district's policy would be as to the price it is to demand for water, as the lowering of the price would greatly increase the consumption. SEEK REAL FACTS

"We haven't got any established

facts yet;" said Held...
"No, we haven't," affirmed
Stewart. "If we put this thing to we will have things like this coming up all the time. And the people will then look on us as a pack of boobs."

"When I was elected to the council recently," said Councilman Maire, "I thought I would come here and vote to put this proposition before the electors immediately. But now I see that we must be sure of what we are doing in this matter, for I believe that the people will approve anything we submit to them with our approval."

recently that seem a little surprising." admitted the mayor. "If we build El Capitan and then find all our water being used for

irrigation, what will become of this

"Several things have happened

town?" demanded Held. M. M. Gordon, veteran attorney, who has made a study of water matters, told the councilmen they did not realize what a hurden they were preparing to take over from the district. He said that the demands of the district might eventnally be for all the waters of the Fan Diero river. He niso spoke of the riparian rights and contract rights on the river that the city

later would have to deal with. "The Cuyamaca company and !

Bruschi declared that he was strongly opposed to this opening up of new tracts to increase the demand for water, and that a maxicontract the way it stands. The district should annex to the city and help pay for the development of the river. Get the district down to a reasonable basis, and it won't take you long to get things started

The district yesterday morning called up City Manager Rhodes and agreed to his ultimatum that before any consumer in the district is allowed the 6 cent irrigation rate for 100 cubic feet, he first must have used 2000 feet at the 16 cent domestic rate. The district had held out for a limit of 1000 feet for domestic. The district also said it could furnish a warranty deed maca flume, claiming to have deeds from the original company that owned all the lands in that section.

As the situation now stands, the district must agree to a reasonable maximum of the water that it will be allowed, or all bets are off.

City Attorney Higgins is prepared to proceed with his suits in the court including the condemnation of El Capitan dam site in the superior court at Santa Ana.

The ordinance which Higgins had prepared calling an election to vote on the water contract, was laid to one side by the council yesterday.

### Ruins of Ancient City Discovered Under Sea

LONDON, May 4 (U.S.) .-The discovery of what is supposed to be a Phoenician city under the sea is reported by Bir Edward Denison Ross, director of a school of Oriental studies, who has returned from Tunis. He states; "According to the French

commissioner of Lekef, the discovery was made by an Arab fisherman, 500 yards off the coast of Jerba. The fisherman observed through the intensely viear water what appeared to be streets of a city.

"He dived and returned with the bed of the sea Experts have been to the scene to arrange for a study of the ruins.

When the common council next further said, and it is to be pre-

acts on the water compromise con- pared just as soon as City Manager. troversy it will be an ultimatum Fred Rhodes can prepare and furto the La Mesa irrigation district nish the council with a map showing the acreage to be included in the La Mesa irrigation district. The council wants to know for a fact that no more than 18,000 acres are:

This ultimatum will be in the nature of stating just what the city proposes to give the district in the council wants to know for a fact that no more than 18,000 acres are:

to be benefited by terms of the council wants to know for a fact that no more than 18,000 acres are: contract, according to action yes terday afternoon, when the city-manager was instructed to make his report.

H. A. Hall, vice president of the La Mesa irrigation district and spokesman for that faction of the controversy, in a .. statement this; morning made public that the city : of El Cajon desires to enter the district, stating that petitions have been presented the directors of the irrigation district asking that the water users there be admitted to the district. Hall says when this is done the district will be no larger than 18,000 acres.

Hall also says the San Diego city officials agreed on April 7 to sub-(Centinued on Page Six)

### READY TO TER NEGOTIATIONS AND PROSECUTE SUITS The common council is ready to a man has barren land and is drop further negotiations with forced to pay for the upkeep of a

claimants to San Diego river rights. water district, he is going to use This was indicated yesterday afternoon, when adjournment was taken without action on the ordinance contracting to take over the Cuyamaca water property and assuming guarantee of the La Mesa irrigation district bonds.

The contract as prepared and insisted upon by directors of the irrigation district does not suit the council, and late yesterday they emphatically said so, each and all.

City Attorney S. J. Higgins is instructed to forthwith prosecute pending litigation to establish the city's water rights, according to council decision.

The failure to reach a contract agreement arose over disagreement. on the quantity of water to be furnished by theicity for irrigation purposes. The district has persistently held out for more than the city should give, according to the councilmen.

Recent probes into the proposed contract with the district revealed some alarming provisions, and a majority of the councilmen yesterday vigorously condemned the proposal to give the district an unlimited supply of water for "reasonable use" on 18,000 acres of land. It was agreed that these lands might eventually use all of the water in the river, leaving the city. honds on its hands, high and dry. Councilmen Stewart, Bruschi, Held and Weitzel asserted that if the disproposition that might leave San | for domestic water. Diego holding the sack until the end of time.

Figures, as produced recently, showing the amount of water required for irrigating various crops, and the fact that the district is taking in thousands of acres of irrigable lands, brought even to those councilmen who had been enthustastic over the proposed compromise a full revelation of what might happen.

Another Conference

The city manager was instructed to procure a map and description of all the lands in the district. armed with which the council will hold another conference this week. When the definite amount of water which the city could reasonably give the district has been decided, the district directors will then be called into conference. At that time they can either accept the city's ultimatum or leave it.

Councilman Held yesterday launched the first attack on that clause in the contract allowing water for 18,000 acres.

"When I went to the San Francisco conference I went with an open mind," he said. "I wanted to see if an agreement that was fair to the city and the district could be reached. Rhodes protested against an 18,000-acre district. Those favoring the allowance said there was not a case in history-where a disper cent of its acreage. Since, I have learned that they have taken In 5000 acres of irrigable land and they admit that they had 7000 before. That would mean 60 or 70 percent, probably more. The city would be taking over the Cuyamaca system at approximately \$1,500,000. which is a liability. Then we build El Capitan at a cost of \$4,500,000. The people exploiting the back country would use the water that costs the city 20 cents per 1000 gallong and pay us 6 cents for it.

"The people of San Diego are not familiar with this proposition. If we ask them to vote yes or no, they probably will vote yes. They elected us to protect them. Once the people approve this thing and we sign the contract, it never can be agreed to his ultimatum that be-The district will take more water than the city can afford to lose, and we'll be held responsible. There is sure to be a reckoning. We will build and get little or

"The people might vote this thing thinking it would end all litigation. But here's W. Fitzherbert West, owner of Mission gorge site No. 2, who has threatened to sue, and who has as much right to sue as Fletcher had. There are 120 other riparian owners who may sue." In telling of the additional lands

that have been taken into the district since the San Francisco conference, Manager Rhodes said:

"When the district voted to cut it down to 12,000, but the district officers held out for an increase to 18,000 acres, saving more lands had petitioned to come in,"

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"Consequently," said Rhodes, "if

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the water that he is helping to pay for, to protect himself.' Rhodes explained that much of

the new land taken in is near the Murray and Grossmont reservoirs, and that the land never before has been irrigated. City Attorney Higgins declared that he understood at San Francisco that the plan was only to supply water to additional lands formerly using Cuyamaca water.

Give No Guarantee The manager, when asked, said emphatically that under the proposed contract there is no guaran-

tee that the district will not irrigate all of the 18,000 acres. "Slipping in 5000 acres at a crack means they will take all of our

water and we will have none," re-plied Held." Bruschi declared that he was strongly opposed to this opening up of new tracts to increase the demand for water, and that a maximum for the district must be fixed if the city is going to make a settlement,

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> "Several things have happened! recently that seem a little surprising," admitted the mayor.

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M. M. Gordon, veteran attorney. who has made a study of water! matters, told the councilmen they did not realize what a burden they were preparing to take over from trict ever cultivated more than 40 the district. He said that the demands of the district might eventually be for all the waters of the San Diego river. He also spoke of the riparian rights and contract rights on the river that the city later would have to deal with.

"The Cuyamaca company and the irrigation district think they have got the city by the throat," said Gordon. "It is perfectly crazy to think of putting through this? contract the way it stands. The district should annex to the city and help pay for the development of the river. Get the district down to a reasonable basis, and it won't on the river."

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to proceed with his suits in the court bonds, the district was set at 14,000 including the condemnation of El bonds, the district was set at 14,000 including the condemnation of El bonds. In San Francisco we argued Capitan dam site in the superior court at Santa Ana.

mit to a vote of the people the state railroad commission plan for settlement. To this, City Attorney Higglins replied that it is wrong and misleading. "We never agreed to any such thing at the San Francisco con-

ference," said Higgins. "What we did agree to, was to submit the proposed plan after all differences as to its terms had been smoothly and agreeably en-tered into, and that's just what we have been endeavoring to do ever since the San Francisco confer-

ence, and what we are now trying

to do."

Higgins also replied to a statement by Hall regarding the size of the irrigation district, by saying that at the San Francisco (onference with the railroad commission it was proposed to limit the district to '12,000 'acres.'

"When this was suggested," said Higgins, "attention was called to users of flume water not members of the La Mesa irrigation district. The railroad commission said these would have to be taken care of. It was agreed that they would have to be furnished with flume water. There was no agrement to take in any other acreage except those now being served by water, and no new acreage was contemplated." Hall's Latest Claim

Following is a statement sent to The Evening Tribune by Hall this morning, which was the cause of Higgins' statements as quoted:

"I wish to correct an impression that has been given the public by Councilman Held's statement yesterday.

"The state authorities authorized us to create an irrigation district of 22,000 acres. At our San Francisco conference, by agreement of all parties, we cut the maximum size of the district to 18,000 acres. The 5000 acres that have lately been adled to the district is made up mostly of lands in El-Cajon valley, originally agreed to last fall between the district and the El Cajon valley people, all as originally planned.

"No lands north of Murray dam have been taken in, and the only lands north of Murray dam are 1200 acres which were taken in in .1916. Col. Fletcher has only put in about 600 acres of his own lands at Grossmont and Mt. Helix, and 800 or 900 acres of the Thum lands, all according to the original contract of April 5, 1924. About 200 acres of the Thum-lands are now under irrigation.

"Petitions are now before the board of directors to include the included, the district will comprise; only the 18,000 acres, and we have lived up to the San Francisco; agreement to the letter.

"The city officials agreed to submit the railroad commission plan on April 7 for a 'yes' or 'no' vote. We are still waiting for the city officials to call the election, there-

by living up to their promise. "H. A. HALLA "Vice president La Mesa, Lemon Grove and Spring Valley Irrigation District."

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

My dear Frank:

The enclosed clipping will show you what type of councilmen we have.

Yours very truly,

EF: KLM

Neisen

May 5, 1925.

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

My dear Frank:

The situation here is pathetic. It makes me almost sick to have to write you, for I know you have your worries and trouble, but I am having mine.

We are just a pawn in the game here, trying to do business with a bunch of boobs. Nothing but politics, politics!

Weitzel rang me up when I was eating lunch yesterday noon, said he must see me before the two o'clock meeting. I met him and he took me out for a little ride, about fifteen minutes, and told me that he had been informed that moming by a city official, that he would have to vote for Patrick for Chief of Police or he would be "shown up", referring to our Los Angeles experience of June, 1923. He wanted to know where you and I stood. I told him this was all news to me, that we had no intention of stirring up sleeping dogs, and he went away apparently satisfied.

Enclosed find clipping from this afternoon's paper that is explanatory, the editorial from the Sun that gives you some idea of what is in the wind. Mr. Paul Edwards of the Sun told me that the three councilmen, Stewart, Bruschi and Weitzel are so brazen they have taken charge of the city administration and have notified the city attorney that if he does not render a legal opinion immediately to the effect that any and all appointments must be approved by the majority of the council and if the Mayor does not act within a certain time the three members of the council have authority to appoint — if this opinion is not forthcoming immediately Higgins can look for another job.

The plot thickens! In the meantime we will get our initiative petitions filled up. The clipping from the evening paper is nasty, to say the least.

Yours very truly,

# New

## The Charges, Please!



ESSRS. BRUSCHI, STEWART AND WEITZEL, elected representatives of the people, blocked ratification of Mayor Bacon's reappointment of Chief of Police Patrick yesterday.

Gentlemen, why don't you take the public into your confidence?

If you have anything against Chief Patrick, let's have it out in the open, cards face up on the table. Let's have a bill of particulars.

The people suspect you of playing politics. You.

not the chief, are on the defensive so far.

The chief is paid with taxpayers' money just the same as you are.

He is a public servant, just the same as you are.

Although he is not elected by the people as you are, he is just as responsible to the people for the enforcement of law and order.

If he has been a good chief, the people want him to continue on the job. If he has been a bad chief, they want to know how bad, before he is removed....

If you do not desire him to continue in office, presumably you have

some reason or reasons.

They must not be private reasons, because this is a public maiter

you are dealing with.

You have neither the power nor the authority to discharge a public employe simply because it is your personal whim or your selfish political purpose to do so. You must prove that he is incompetent, negligent, disloyal, dishonest, or all four, in the discharge of his duties.

Therefore, if you have any charges to make against Chief Patrick. make them to your masters, the people. And make them specific.

Generalities will carry no conviction:

The Sun is not defending Chief Patrick. He is capable of his own defense. The Sun simply knows that the only thing that so far has been said about him officially is very much to his credit. It was said by Mayor Bacon in these words:

"I believe Patrick should be chief of police because of his splendid record in enforcing the law. No complaints of failure in duty have ever been made against him. The only complaints have been from THOSE WHO DO NOT WANT THE LAW EN-FORCED.

That is a strong endorsement for a chief of police.

Perhaps you gentlemen have complaints against him from those who do want the law enforced. If so, you will not be doing your duty if you fail to make such evidence public at once.



May 6, 1925.

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

My dear Frank:

Enclosed find copy of letter to Brundige, also clipping.

Hall have out the interview without consulting me, but I don't know but he is right in taking the offensive when on the defensive.

Crouch & Sanders are bitterly opposed to the initiative petition and the filing of it. I smoked them out at last, when Sanders came over here yesterday afternoon and urged me not to file it, but said let's go ahead and fight the sons-of-guns and get the transfer of the property to the district, then let them, Crouch & Sanders, representing the district, fight it out to a finish.

Crouch & Sanders both told me that the initiative petition was not legal and could not be enforced, told me definitely and finally, and that it did not apply. I asked Judge W. A. Sloane, formerly on the Supreme bench for his opinion and sent him over to Crouch & Sanders to take the matter up with them. Enclosed find copy of Sloan's letter in reply which will show you which way the wind is blowing.

Sanders said that he was tired of being called a crook and trying to puting something over on the city, and to vindicate the good name of Charles F. Stern, Ed Fletcher and Crouch & Sanders, the fight must continue until they win the paramount right suit to the whole business.

We are in a jam, you and I. If the Railroad Commission approves the sale to the district and eventually buys our system, mighty little, if anything, will we ever get for our distribution lines in Kensington Park and Normal Heights, in my opinion, for the city will parallel our lines and leave us nothing but a streak of rust, not worth digging up, an investment of two hundred and some odd thousand dollars. All the city has to say is this -- Do you wish to continue paying 35 cents a thousand gallons for domestic sater, which they are paying the Cuyamaca water Company now, or 26 cents

a hundred cubic feet, or will you install your own distribution lines at your own expense, satisfactory to the city, and the city will take over the pipe lines and furnish you water at 20 cents? What everbody else is paying? We are somewhat in danger in this respect. On the other hand, I do feel that public opinion, which we can arouse, will prohibit the city council from taking revenge onus if everything busts up. We could reduce the price of water to 20 cents a thousand gallons, what the city is charging, as one possible offset, but that would mean more money being out up all the time to keep up our end of street paving, extensions, etc. On the other hand, we have given up \$150,000 in cash, our hunting, fishing and boating rights, if we settle with the city now, so one offsets the other in a way.

Sanders rang me up a few minutes ago and said that he and stearns were going into conference tomorrow morning preparatory to filing immediately a prohibition suit of some kind in the matter of the condemnation suit of the city before Judge West to be tried on the 5th of June. That he needed three solid weeks to prepare himself for this suit and would have to commence immediately. That all attorneys had agreed that it was all a stall on the part of the city and that there was no use monkeying with them any longer. I told him nothing doing, --- that the decent thing to do was for the Cuyamaca Mater Company to write an official letter to the city council asking for an extension of time on that suit while negotiations were in progress. Sanders said he questioned that action and he would have to have Smiley's approval.

I have not given up hope but what a compromise of this whole affair will be brought about. The minute these "vulture" attorneys of ours start these proceedings above mentioned, everything is off. I am in favor of joining with the irrigation district! if you are, next Tuesday in asking the Railroad Commission to approve the sale to the district with a reservation on the part of the district that if the council, within 3 months, will settle on the Railroad Commission plan the district must agree to settle with the city. What do you think of it?

Yours sincerely,

Strion

May 6th, 1925.

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

My dear Frank:

I rang up Rhodes this morning, told him I guessed everything was off, that I saw no hope, but before calling everything off aid he wish to discuss the matter with me. He said he would be down at the office at nine o'clock this morning, so I got my secretary, Miss May, in the adjoining close to my office, unbeknown to Rhodes, and she took down the conversation, copy of which is herewith enclosed.

I think we made history in this matter, but it may turn out to be only an empty bottle, cracked at that.

I yet believe that Rhodes is absolutely sincere, that they are nothing but a bunch of boobs and are playing politics to drive a better bargain, but they can carry it too far.

Hall of the district told me over the phone that he had given up, but I am holding him in line. I am going out to see Hall this afternoon, show him Rhodes' statement and try and get the district and Rhodes and the Council to agree on 8-1/2 million gallons.

Webb that he will be here the 13th of May on water matters and wants to go trout fishing. Enclosed find copy of telegram that I have sent the state engineer. I believe we can get General Webb and McClure, a majority of the Bond Commission to approve the 8-1/2 million gallons a day if the council is sincere and will be satisfied.

Chapter No. 3268 to follow!

Sincerely yours,

May 7th, 1925.

Since writing the above, I have seen Hall. He has agreed to stand for 8-1/2 million gallons a day if the state engineer and bond commission will approve.

I had a heak of a time getting him to fall into line because Crouch & Sanders have stirred him up to fight and he and Crouch are very good friends.

Enclosed find clipping from last night's paper and this morning's Union that are explanatory.

H.B.

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

My dear Frank:

Confirming last night's telephone, I wish that you would personally see Mr. Brundige, and ask him to take action approving the sale to the district. There is nothing to interfere with this.

Railroad Commission that any time within 5 months a compromise can be effected. They are willing to go ahead agreeing to the Railroad Commission plan, and settle with the city on that basis.

Personally I am willing to take my chances about selling our distribution system in Normal Heights and Kensington Park, and I am inclined more than ever toward selling to the district and letting them fight it out. By selling to the district we get our money, get a profit, have our hunting, fishing and boating rights and we can fight over the rest of it, and in the long run I think we will get more than if we closed the deal on the Railroad Commission plan, which the city council has repudiated.

If the city council does not take action next Monday, calling the election, it is too late to call the election, for they will not have time before June 17th to get a decision of the people. Mr. Brundige as much as told Mr. Hall and me that if the city does not take action this time we can get our approval, and that time will be past next Tuesday.

If the council does not take any action Monday, it is my intention to send Mr. Brundige, with your approval, a telegram signed by both the district and ourselves, asking for the approval of the sale to the Ma Mesa district, and wire you to see Brundige personally. Does this meet with your approval? Please deep me a line so I can get it Saturday.

Yours very truly,

### 135M Form Tel. 5E-1-1-25



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DAY MESSAGE

DAY LETTER

Mr. Chas. F. Stern, Vicepresident First National Bank, Los Angeles, Calif

City council this morning officially called off compromise stop See Letter ordered litigation continue

ED FLETCHER

Chg Fletcher Co



May 8, 1925.

Hr. Chas. F. Stern, c/o Palace Hotel, Can Francisco, Calif.

My dear Frank:

Enclosed find copy of letter that I have roceived from Mr. Sanders under date of May 7th, also copy of letter to Mr. Smiley written by Mr. Sanders, also copy of my reply to Mr. Sanders.

It certainly makes no hot to see the way Sanders is running up bills, when he writes in his letter of May 7th that he is going to spend a day and a half with Mr. Sears. This letter was written for effect and is absolutely ridiculous. I did the whole thing in forty minutes.

Please find out from Mr. Brown if the Murray Estate has transferred to Mrs. Murray the Cuyamaca property, a five-sixths interest, according to Mr. Murray's will. This would simplify everything, otherwise they will have to go into court and take two or three months.

Yours very truly,

EF: KLM

May 8, 1925.

Mr. C. F. Stern, c/o Palace Hotel, San Francisco, Calif.

My dear Frank:

I am convinced that the only thing to do is to get Brundige immediately to approve the sale to the district. He practically promised it both to Mr. Hall and myself the last time we were in San Francisco.

The district will give written assurance to the Railroad Commission that it will wait a reasonable length of time, say three months, to settle on the original Railroad Commission plan.

Let me impress strongly upon you the necessity of getting the Railroad Commission to now approve the sale to the district. I am thinking of a possible reaction that may come if this thing is held off too long, but if the Railroad Commission will now approve the sale to the district, it will solidify sentiment as never before and will give them encouragement.

Yours sincerely,

EF:KIM

1

May 8, 1925.

First Mational Benk, Los Angeles, California.

Attention: Mr. C. F. Stern

Centlemen:

relation to the construction of the El Monte
Pumping Plants. Kindly credit same to the
Cuyamaca Water Company, opening up a new account
with the First National Bank, and sending us down
chocks so that we may from now on have a regular
account with you.

The rate of interest I have mide 6% as per your telephone instructions.

Yours very truly.

EF : AH

P. S. Please let me know what date you sign this note so we can fill in the date on our records.

May 9, 1925.

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

e/o Palace Hotel, Jan Francisco, California.

My dear Frank:

Enclosed find copy of letter to Brundige which is explanatory, together with clippings.

Mr. Smiley will tell you everything was agreed on when Stewart called in a couple of attorneys, including Senator Wright, attorney for Treasor, so I have been informed and they backed up Higgins that the city owned the paramount rights and there was nothing to it and that they could win out in six months, so the city council, according to a tip that I received from a friendly city official, decided that the psychology of the situation demanded the following: -- That they would at the conference Thursday, informatly vote to carry on the litigation. That this would force the La Mesa District to its knees and compromise on six million gallons of water a day.

If the district failed to come to terms on six million gallons a day then the threat of endless litigation would so scare the district that it would refuse to buy the Cuyamaca System and call everything off.

District to a man, now comprising 18,000 acres and two cities, ha Mesa dnd El Cajon, are in the fight to a finish and the La Mesa business men got together and agreed they would vote a bond issue of one-half million dollars, if necessary, to continue the litigation. This unwarranted action of the city council, in breaking off negotiations abruptly violates the honor of the city and has had the opposite effect from what the city council expected, with the result that today I do not see one ray of hope, and the only thing to do is to get the Railroad Commission to approve the sale this coming week, if possible, and go to the bat.

Yours very truly,

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

My dear Frank:

Enclosed find copy of my letter to Mr. Held, copy of his answer, copy of Mr. King's report, also copy of my letter in reply to Mr. Held, all for your information. I hope it meets with your approval. None of this has been in the papers, and I have no intention of getting it in.

I do not believe Mr. Held has any desire to have it in, either.

Enclosed find Crouch's article in yesterday's paper which does not appeal to me very much. Who do not know why he worded it as he did. Also enclosed find article from this morning's Union.

I rang up City Manager Rhodes this morning and told him of Held's letter. He said that it was not true, that he (Rhodes) had explained to Held and the rest of them a dozen times, but that Held was so thickheaded he could not understand. Rhodes that there was a a chance still for a compromise but they jumped the fence like sheep the other day with Stewart in the lead, and on account of this Lake Hodges offer, no doubt, but they would come back in time he thought, that he could not take the matter up any more, but for me, thru some outside source, to make arrangements for another conference in a few days.

out over the Lake Hodges System and Henshaw Dam with Lippincott last Friday. Lippincott is doing everything he can to sell the Lake Hodges' system to the city and the Mayor wanted to see me and go over the whole proposition and get the facts.

Sun has invited Mayor Bacon and his wife, Edwards, the manager of the Sun, and Mrs. Mletcher and me up there for dinner Tuesday night, to talk over matters.

May 11, 1925.

By the way, Khodes made a very significant remark this morning, ie: that the city council was waiting for the district to come back with a counter proposition, and expected that the district would do so. He very clearly told me, in so many words, that the council's action was bluff. Mayor Bacon told the district's engineer, Mr. King, last Saturday afternoon, that the city council would have to compromise with the district or nothing would ever be done.

The quicker we get transferred to the district the better it suits me, and do hope you succeed in San Francisco.

Yours very truly,

EF:KIM

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

My dear Frank:

I believe I wrote you a month or so ago that Mr. Treanor has been very active in trying to sell the Lake Hodges system to the city, that he had had a personal conference with the managing eliter of the Sun and that he had promised to outline by letter, to Mr. Edwards, the tentative plan that he has unofficially offered to the city.

You will remember that Mr. Treanor had his engineer, Mr. Cromwell, who used to be city engineer of San Diego, make arrangements in Los Angeles, unofficially, for a meeting in the Clark Hotel, and also one in San Diego about four weeks ago, in connection with the above matter. Attached hereto is copy of the proposed plan, which I am furnishing you in confidence. Mr. Elwards turned over the original letter to me, which has been copied. I have photographed the letter for future reference, and as a record.

I wired you the information to San Francisco thinking perhaps you should have it before you meet Mr. Brundige. Senator Wright, as you know, is attorney for Mr. Treanor and is actively, but quietly, pushing this matter. His staunch supporters in a quiet way are Mr. Fred Stearns, John Forward, Jr. and Senator Sample. I wrote you how violently Mr. Stearns opposed the sale of the Cuyamaca System to the district, last week, in the presence of our Mr. King and Mr. Sanders, also Mr. Smiley, I believe.

It was only two months ago, you will remember, that Mr. John Forward, Jr. gave me an opening by coming to my office and suggesting he be of service in the sale of the Cuyamaca System, and it was John Forward, Jr., Senator Sample and Fred Stearns who signed the contract with Henshaw to sell the Volcan System to the city, for \$125,000. I have a photograph of that contract which Henshaw signed with them and which I refused to be a party to. That was the commencement of my trouble with Mr. Henshaw and Mr. Treanor's entrance into water matters in San Diego County.

I am satisfied that there is going to be some big money paid by the Treamor interests to sell the Lake Hodges System to the city, and this accounts for the right-about-face of the three members of the city council with whose names we are familiar and with whom we have had previous experience.

I will send you a copy of my letter to Mr. Edwards of the Sun as soon as I have prepared the data.

Yours sincerely,

EF:KLM

May 11, 1925.

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

My dear Frank:

Inclosed find copy of telegram Mr. Wheeler sent to the Commission, also copy of Brundige's telegram in reply. What do you think of it?

Yours very truly,

HA: TH

CLASS OF SERVICE	SYMBOL
Telegram	1
Day Letter	Blue
Night Message	Nite
Night Letter	NL
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## WESTERN UNION TELEGRAM

CLASS OF SERVICE	SYMBOL
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Day Letter	Blue
Night Message	Nite
Night Letter	NL
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COLONEL ED FLETCHER

SANDIEGO CALT

IF CONVENIENT PLEASE WEET WE IN LOSANGELES TOWORROW.
CHARLES P. STERN.

Disjon .

May 12, 1925.

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

My dear Frank:

Crouch telephoned me that he had gone over to see MacMullen and walked unexpectedly into MacMullen's office and found Judge Conklin there, the Judge from Imperial County who is going to try our paramount right suit. Crouch is under the impression they were discussing the water question.

I remember Conklin as a Southern Pacific fixer years ago. Perhaps you know something about him, a dangerous man.

Crouch asked Macmullen why the change of heart on the part of the Spreckels' papers. Crouch informed me that MacMullen said, 'Fletcher is putting in 5,000 acres, a real estate scheme and the council got mad', or words to that effect.

Crouch also informed me that Mark Rose has the goods on Judge Conklin, that Conklin had tried to practise before the Supreme Court but affidayits were filed which he did not refute and the Supreme Court refused to admit him; that Crouch would see Mark Rose in Imperial Valley Tuesday and get all the facts.

Conklin next Saturday is to set the date to go ahead with the case, after a conference with the attorneys here.

Spreckels had returned, went over to see him and found him in the dumps. He is having his troubles. It seems that Mrs. A. B. Spreckels is allowing Clayton to dictate to Claus now, even to the expenditures on Mission Beach improvements, and on the water question Claus said that everything had blown up while he was gone, that MacMullen had told him the council had switched. He said he would immediately have

Ar. v. P. Starn. Vice-president, Airet Hetional Bank, Los Lageles, Ostifornia.

My dear Frank:

Grouch telephoned me that he had gone over to see shelfullen and walked unexceptedly into MacMullen's office and found Judge Conklin there, the Judge from Imperial County who is going to try our persmount right onit. Grouch is under the impression they were discussing the water question.

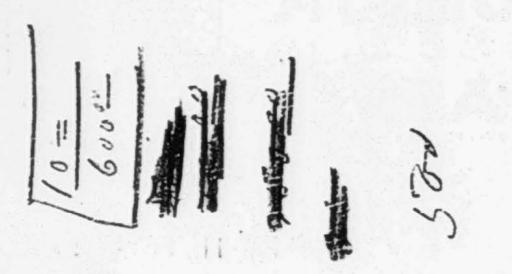
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Conklin news descring to set the date to go absence with the attorneys here.

I temediately to I phoned and found that Claus comes had returned, went ever to see him and found him in the damps. He is having his troubles. It seems that here, i. a. executive is ellowing Clayton to dictate to Claus now, even to the expenditures on dission Boach improvements. and on the water question Claus and that everything had allowed or while he was gone, that Hackbring had told him the commoil had switched, he wash had told him



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CHARLES P STEIR

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11

a conference with Rhodes and Higgins and see if the matter could not be straightened out again, and how, and would I go and see MacMullen.

I had an hour's talk with MacMullen last night. He first said just what Held said, that the yield of the Cuyamaca System was 3 million, that El Capitan was 5 million more, if built to 150 feet in height, but would cost \$4,500,000 and that the city was working for the district. That he had had a newspaper reporter out there at the last meeting, that the reporter had asked Mr. King, the engineer of the district, if they were not building El Capitan for the benefit of the district, and King had answered, 'yes'. That he had it in for King, anyhow, as King had some months before tried to ridicule MacMullen in the papers; that he had it in for the district now as they were trying to dictate to the city. That it would cost \$2,000,000 to re-build the flume. The councilmen had shown him it would take 18,000 acre feet of water for 18,000 acres. That Spreckels had certain franchises that they had to get straightened out with the council, and by the way, enclosed find clipping from this morning's paper in relation to franchise, that the Spreckels people had to get for certain extensions of wharf franchises in the Bay, and that they simply had to back up the council. He said it was the council that switched, and Spreckels had to switch with thom.

He voluntarily said, "Now Fletcher, I have heard from two or three sources that you think I have it in for you. It absolutely is not true, but we have our own interests to protect and must protect them, and cannot be playing your game all the time, where your interests conflict with the city's. I feel that the city's offer was a fair one and the district should have accepted it."

When asked what that offer was, he said, "The net safe yield on the river is 22 million gallons. Let the district have a third, or a little over 7 million gallons daily and let it go at that, and the whole thing can be patched up, in my opinion."

He told me also that nothing could be done on the water question until the fight with the Mayor was settled, and the question of re-appointment of Patrick, and we would have to mark time for a little while until that fight was over. Enclosed find this morning's Union, showing that Mayor Bucon has started the fight.

Yours sincerely,

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

My dear Frank:

Bert Andrews, a reporter on the Sun, whom I have been financing thru college, just phoned me that Higgins had told him we were preparing to disqualify Judge Conklin. I told him not to print it in the papers.

It is amazing to me how Higgins got on to it. Crouch must have leaked out some information or there is some listening in, for I have told it to no one.

It will be interesting to see how things develop.

Yours sincerely,

EF:KLM

May 12, 1925.

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

My dear Frank:

I am sending herewith exhibit which should have been attached to the Treanor Letter to Edwards.

Yours very truly,

EF:AH

May 12, 1925.

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

My dear Frank:

Enclosed find letter from Brown and copy
of my telegram in reply. I saw the attorneys for the
title company yesterday and made the arrangements.
Yours very truly,

EF:KLM

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

My dear Frank:

I believe I wrote you I had taken out the general manager of the Byllesby Company here, Mr. Raber. I asked him to take an interest in the matter and to make suggestions. I think I have convinced Mr. Raber of the necessity of the power company going to the bat.

I was pleased this morning to have their fixer, D. K. Adams, a former councilman and the smoothest, brainiest man in the city for that work, who is in close touch every day and night with the council, come over here. He said Mr. Raber suggested he come over.

I took them over the System from Cuyamaca Lake down the river to Old Town. The result of our conversation this morning was the following compromise: That the program of the Railroad Commission be carried out. That the supply of water be limited to the amount of water the Cuyamaca System can develop as at present. In other words, call on no water from the city until El Capitan is built, and that the district get one-third of all water developed on the river until the maximum of 24 million gallons a day is developed, which is the net safe yield of San Vicente and El Capitan. In other words, a progressive development, the districtto get one-third of the total amount, or 8 million gallons a day.

Adams said he understood the situation perfectly. that it was good pickin's for Higgins with the city, for Stearns with the district and Crouch & Sanders for Cuyamaca Water Company, and he was of the opinion that at heart none of them were in favor of the compromise, and that everything ought to be settled by outsiders.

It seems that Adams has been in close touch with Rhodes and Higgins on the water question all the time. He said that Higgins and Rhodes can, together, get the city to do anything they want. That they are up in Los Angeles to settle the question of buying Sutherland, if possible, without a lawsuit. That was the object of their meeting

May 14, 1925.

yesterday in Los Angeles, -- while Treanor is urging the sale of the entire system.

Adams was on the city council for years, and I have known him for thirty years. Helped finance him two or three times. He has his hand out now, but he is willing to bring about a compromise and leave it to you and me to pay him what it is worth.

My suggestion is that you write your friend, Chickering, and ask him to write Mr. W. F. Raber, manager of the San Diego Consolidated Gas & Electric Company, direct, urging them to take an interest in settling this matter.

I had a very pleasant conference with Mr. Fred Stearns and Couch and Sanders today. Stearns, this morning, said he had changed his attitude entirely and that he was now doing everything he could to get the property transferred to the district and that he would have the contract between the district and the Cuyamaca Company ready for signature in a couple of days. That he and Sanders were going to San Francisco next Tuesday, and there Sanders intends to ask for a writ of prohibition, which I signed today, copy of which has been sent to Mr. Smiley. Stearns and Sanders intend, at the same time, to ask the Railroad Commission to approve the sale to the district.

I got busy last night on my return, b phone, and hope that the Chamber of Commerce of El Cajon and La Mesa will each pass resolutions wiring the Railroad Commission to approve the sale, and it is just possible that the committee may come in this afternoon to go before the San Diego Chamber of Commerce and ask them to send a telegram also.

Mr. Seymour, a friend of many years, has agreed to handle the Hormal Heights situation. He will have his committee come in from Normal Heights soon and visit the council. I have promised him a thousand dollars for handling it if everything goes thru on the valuation made by Rhodes, ie: \$200,000. I am sure he knows how to handle the situation judiciously.

Mayor Bacon stopped me at the Rotary Club this noon, said he had had a conference with Claus Spreckels this morning, that Claus was as determined as ever to find a solution and settlement, and the Mayor and Claus are working together to find a solution of the problem. The Mayor was very optomistic.

Yours very truly,

EF: KLM

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

My dear Frank:

Enclosed find original letter and note from Harbell which I found on my return home.

Mr. Marbell is one of the most honorable men in San Diego County, and no one stands higher in San Pasqual Valley as to integrity than he. No one ever did a greater injustice than Treanor did to Mr. Marbell, and is now trying to put over on me.

Kindly return papers. I am going to give you the full history in this matter later on.

Yours very truly,

EF: KLM

May 14, 1925.

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

My dear Frank:

Inclosed find copy of letter to Crouch & Sanders regarding attorneys' fees, for your information.

crouch & Sanders were opposed to putting in the agreement anything pertaining to the matters mentioned in my letter to them herewith attached, but I got hold of Mr. Hall of the District this morning and he agreed with me on this matter, so I had a conference with Stearns and Crouch & Sanders today, and in a nice way told them just what I wanted to go into the contract, and that Hall and I had agreed, so they acquiesced.

Yours very truly,

EF:AH

May 15, 1925.

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

My dear Frank:

Former Councilman Adams, the "fixer" for the power Company, or Byllesby people, came to my house last night, said he had had a talk with Held and found Held in a mood of compromise, but did not know how to bring it about.

He had Weitzel come to his office later, and to both of them he outlined this plan, that the La Mesa District get all the water from the present system, and no more until the city builds El Capitan dam, and the district to have one-third of all of that water that is developed, and one-third of all the water that is developed on the river until the maximum of 8 million gallons day for the district is reached.

Rhodes' estimate of net safe yield or El Capitan and San Vicente dams, with the Cuyamaca System and pumping, is 24 million gallons a day.

Weitzel said he believed that Bruschi would be agreeable to that plan of compromise.

Adams also saw Councilman Maire and he reported to me last night that everything was working smoothly, that he was going to see the Mayor today, that the Gas Company put up considerable money to help elect Bacon and he was very close and felt sure that something along these lines could be worked out.

Weitzel rang me up last night and said that there was a new movement on for a compromise. That a very influential man was working on it, had seen him yesterday and he that it could be put over. He did not tell me the man's name, but I knew, of course, it was Adams, but gave no inkling that I knew what was going on.

May 15, 1925.

I am very happy to see the gas company playing our game in this matter, and the two trips I have taken with him (the manager, Mr. Raber), seem to have bome fruit.

By a vote of nine to six, the Chamber of Commerce refused to take any action last night, at the request of the La Mesa and El Cajon Chambers of Commerce. They felt it would be ungise to take action at this time and that their previous action was sufficient. Enclosed find copy of the resolution which they passed sometime ago. A large majority of the directors of the Chamber of Commerce are With us, but the outstanding feature against re-endorsing the transfer of the Cuyamaca System to the District was the explanation of Stanley Hale, that he had just seen the Mayor, that the Mayor had informed him that a new compromise plan was on and he did not want to see the Chamber of Commerce "gum the cards", if there was any chance of a compromise. A week or two hence, if nothing is done, the San Diego Chamber of Commerce will officially gonon record again, urging the transfer to the district.

I took no part in the proceedings and did not vote. I was down there on another matter. Harvey Toy, the chairman of the highway commission asked me to get the Chamber of Commerce to wire the Governor to sign the gas tax bill, Senate Bill 602. I took this matter up immediately afterwards and it went thru unanimously.

I gave them a good laugh when I told them I came down to talk highways and ran into the usual water squabble, that I was between the devil and the deep sea, but I enjoyed very much the enlightening features of the debate. Everybody laughed and it eased off the tension.

Enclosed find clipping from t e San Diego Herald of May 14th, that is explanatory.

Yours very truly,

EF: MIM

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

My dear Frank:

Confirming telephone today, Weitzel rang me up at luncheon. Mrs. Pletcher happened to be on the other phone and heard the whole conversation.

Bruschi today, that they had agreed to the division of the waters, as suggested by Mr. Rhodes, which would ultimately mean 8 million gallons a day to the district; that the district should now get all the water that the Cuyamaca System developed until El Capitan dam was built; that he felt a compromise could be effected; that three of the councilmen were all in favor of it, and he thought they would win over Held.

He wound up by saying that he had heard today that Chief of Police Patrick was on his way to Los Angeles to see you, to get the straight of it, the history of Weitzel's conversation in your office one Sunday morning over two years ago, and for heaven sake to get word to you over the phone not to do any talking.

Undoubtedly there is a leak in the Chief of Police's office, and it will be interesting to know Whether Chief Patrick actually does go to see you, or whether it is a case of nerves on the part of Weitzel, -- ha ha! They raided Weitzel's son-in-law last night and the fun has just commenced. Weitzel is getting a slot machine ordinance thru. His son-in-law is getting a monopdy on the slot machines of the city.

In the meantime Adams seems to be working fast and furious, and we will have to give him credit for getting some quick action. I have heard that Bruschi's son's gambling joints will be raided tonight.

Yours sincerely,

May 18, 1925.

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

My dear Frank:

Mr. Adams is sure getting some action. He reported to me this morning that he thought four of the councilmen would favor the suggested plan of compromise.

or two and will first get him in touch with the engineer of the District, Mr. King, get them to agree, if possible, on the plan as outlined by Mr. Rhodes, then get him and the Mayor in conference with those two, and then arrange to call a general conference.

I am doing everything I can to bring about the agreement between the district and the city, in a quiet way.

Adams informs me that Cromwell was in San Diego all day Friday. Half of the day he was with the Mayor trying to show him the good points of the Lake Hodges proposition. Mr. Cromwell is the engineer for Mr. Treanor.

Weitzel informed me this morning, over the phone, that in all probability four members of the council would approve this settlement if we can get the state engineer to approve it, and Weitzel said this was the only thing that was blocking the compromise. Everything else is straightened out, so far as he knows, after talking the matter over with Phodes. Personally I have no confidence in anybody, but will just keep working hpping the lightning will strike.

The pumping plant at the El Monte is going to be a peach, and you will be proud of it. We will need the other \$15,000 to pay for it along abour the 25th of May, when I will send up the other note for \$15,000.

EF: KLM

Yours very truly,

P. S. Brundige has written a letter to the Mayor asking the city is going to call an election at an early date. If not the commission proposes to take action. I have a date to see Mayor Bacon tomorrow.

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

My dear Frank:

I saw Mayor Bacon today. He says he sees no reason at all why the compromise cannot be made. That he has talked with Mhodes and Higgins and they are in a frame of mind for compromise, and I have arranged to have McClure see Mayor Bacon, Higgins and Mhodes alone at two o'clock tomorrow.

The Mayor invited me to the conference but I thought it was better for me to stay out.

Yours very truly.

EF: HIM

E.F.

May 19, 1925.

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

My dear Frank:

Enclosed find clipping from this morning's Union, which confirms what we already knew of the activities of Mr. Treamor in attempting to sell to the city.

La Mesa Scout, down to see Rhodes and Mayor Bacon yesterday. They both were very optomistic and told Smith that arrangements were being made for another conference, and that a plan was being worked out.

Mr. McClure gets here tomorrow noon, and he will be a vital factor in helping to settle the situation.

I was approached yestorday by an old pal of Judge Conklin's. He gave me a report of his conversation with Conklin. Conklin wants to try this case. I cannot put into print what I want to tell you. Sufficient thereof to day that a new angle has developed.

Yours sincerely,

EF:KLM

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

My dear Frank:

Bacon asked me to make a date for him to meet the State Engineer as soon as he arrived. I think he intended to invite all the council for a conference.

After asking me to make the date, and agreeing on two p. m. today, he wired the state engineer for
an appointment without saying anything to me, and the
state engineer wired back "two o'clock at the San Diego
Hotel".

This morning Weitzel rang up and said the council would not attend the conference in the Mayor's office, called the Mayor every kind of name imaginable, said that the council was planning to leave town this afternoon by machine so as to dodge the state engineer, but Rhodes was insisting that they stay. That as far as he was concerned, he would not sit in with the Mayor on any conference with the state engineer - that all the Mayor wanted was the glory and honor. Weitzel asked me to make a separate date with the state engineer to meet as many of the city council as he could get together, with the Mayor not present. I told him to ring up at one thirty, after the state engineer came in and I could find out what time he would meet the council, or all those who would attend. I made arrangements with Mr. McClure for three o'clook.

Weitzel rang up at one-thirty and said he would have all the city council and Rhodes at the three o'clock meeting at the San Diego Hotel in Mr. McClure's room, with the Mayor absent.

This whole thing is involved in a fight between Mayor Bacon and three members of the council, and either party, I guess, will crucify the other, to get the adantage.

As I had made the engagement with the Mayor, at his request for the two-o'clock meeting in his office, I

telephoned down at quarter to two, to the Mayor's office and found the Mayor out. I rang up Rhodes on a street matter and incicentally told him that the state engineer was in town. Rhodes said, "Yes, I am to meet him at two o'clock in the Mayor's office, with the Mayor", so I suppose that the Mayor and Rhodes are together now with the state engineer.

If this thing blows up, as I am fearful it is, because there is such intense feeling between the Mayor and the council, our best bet, I suggest, is to get the state engineer to notify Mr. Brundige that he sees no chance of a compromise, and ask the State Railroad Commission approve the sale to the district at an early date.

Yours very truly,

EF: KIM

P. S.

4 p. m. Mayor Bacon just informed me that he and Rhodes had the conference, that everything was very favorable, and the Mayor was hopeful. The councilmen are now in conference with State Engineer McClure.

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

My dear Frank:

Enclosed find clipping from this morning's Union that is explanatory.

The conference last night was satisfactory with the La Mesa District and McClure.

Enclosed find copy of final suggested plan which is being worked out. The state engineer is down with the Hayor this morning trying to work it out.

Also find clipping f om last night's Tribune.

Yours sincerely,

EF:KLM

That the La Mesa Irrigation District get all the water it can develop from the Cuyamaca System, as at present constituted, any surplus going to the city.

That El Capitan dam be built to a height of 150 feet at the earliest possible date, and completed, say within 3 or 4 years.

That thereafter the district get a minimum of six million gallons a day, if needed by the district, and a maximum of one-third of the entire development of water on the San Diego River and tributaries, when completely developed.

May 21, 1925.

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

My dear Frank:

Enclosed find letters from Mr. Channing that are explanatory for for your information.

Mr. Treamor has done what he could to discredit me with these people, both by letter and otherwise. I know how highly you think of Mr. Treamor. You have expressed yourself that way many times. On the other hand I feel I have your complete confidence, and yet you must be puzzled why such a situation could arise as exists between Treamor and me today.

When the facts are presented to you it will be shown that Ed Fletcher bought two or three pieces of property for \$40,000 or \$50,000 less than any other man could have bought them for, that I was clothed with authority to handle it any way I saw fit, that I used my best judgment, was successful, and that Mr. Treamor got off on the wrong foot, jumped at conclusions, insulted me, and now has not the courage to back up.

We expect to have all the papers filed temorrow, segregating our interests entirely. You are going to hear more from me later on this subject - the full particulars - unless I hear from you that you don't want the facts presented, and that I have your confidence one hundred percent.

Yours very truly,

EF:KLM

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

CHARLES F. STERN

May 22nd 1925

Dear Colonel Ed:

I have before me your letters in re your controversy with Treamor. You have several times referred to this matter, apparently feeling that I was seeking or would welcome some explanation from you as to your relations and differences with Treamor. Your letter focuses this thought and there is evidently in your mind the fear that my relations with Treamor, or with mutual friends, may be such that your controversy with him might undermine my confidence in you.

When you put the matter before me in this definite form, you are entitled to a statement from me.

Colonel Ed, you and I have participated in some hard-fought battles; we bear honorable scars of conflict; we have met reverses; we have won victories. In all of these battles, we have been standing shoulder to shoulder. I do not think that you have questioned the loyalty of my cooperation and I certainly have not questioned yours. You are my friend, my business partner, and should the time come, and I do not expect it to come, when I have any suspicion with reference to your position or your activities, I would come to you in the most open frankness and ask you for your explanation. I shall expect you to do the same to me.

F-2

Until then, I think there is nothing further for us to discuss under this general head and insofar as your controversy with Treanor or anybody else is concerned, I have no personal interest. I shall be glad to read anything that you want me to read but I am not asking for any explanation and do not want it.

I hope I have made myself perfectly clear.

With best personal regards,

Sincerely yours,

P. S. In addition to the \$8,250 we have to take care of on June 1st, I have today notice from the Anglo & London Paris National Bank of interest amounting to \$5,308.33, due on the 25th instant.

C. F. S.

Colonel Ed Fletcher, San Diego, Calif. May 22, 1925.

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

My dear Frank:

I have read over the contract between the ha Hesa Irrigation District and ourselves. I find that the following points must be cleared up:

They have asked for six months' time, while you and I agree that September 1st should be the date of the expiration.

take it subject to all litigation, and I am in favor of putting in a clause that they shall pay for all capital expenditures. If we cannot agree on what they are it is to be left to arbitration, and that they shall pay for all cost of litigation from the 7th of April, 1925.

Please let me know if you agree with me in this matter, and any other suggestions, as I have only gone over the contract hurriedly.

Yours very truly,

EF:KLM

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

My dear Stern:

Mr. Engel wired me to take dinner with him last night, and to my utter amazement, he informed me that the Santa Fe was behind the plan to sell the Lake Hodges System to the city. That he could not sell his bonds, which he had taken in return for his property. That the contract, he thought, with the districts protected them even if the city did buy the Lake Hodges System, and by selling the Lake Hodges System to the city it would make his bonds good, and he could get his cash which was what he wanted.

I told him I thought the water ought to remain in the watershed, that it meant more to the Santa Fe Railroad to have that territory developed, that I felt sure he could borrow the money and put the bonds up as security, but his answer was no, and he hoped the City of San Diego could buy the Lake Hodges System.

They fired Judge Sloane as attorney for the district and put in that old war-horse, Senator L. A. Wright, who now is in the position of attorney for the water company, attorney for the irrigation district and president of the city board of health, and representative of Mr. Treanor handling the promotion of the sale of the Lake Hodges project to the city. This explains everything to me. I am in a position to kill the sale to the city and intend to do it, but will not come out publicly as you have requested me not to do, neither will I commit you in any way.

Yours very truly,

EF:KLM

May 23, 1925.

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

My dear Frank:

Enclosed find San Diego Herald, also Union of this morning, that are explanatory.

The situation is fierce, and I am sorry to see this thing break just at this time. McClure is still here, waiting for three of the councilmen and Rhodes to return. He is either going to make them come to terms the first of the week, or else go to the Railroad Commission and ask them to make an immediate decision, I am sure. He is handling matters fine.

Yours very truly,

EF: KIM

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

My dear Frank:

I am sorry now that I wrote you the other day any more pertaining to Treanor, but that day I had received word that Treanor had made the remark to the city council of San Diego that he, Treanor, had the goods on Fletcher and had forced a settlement.

I do appreciate your letter of the 22d. I ought not to bother you in relation to this matter between Treamor and me. I am waiting for one affidavit from the owner of the San Pasqual Ranch Company that has been promised, and then at your convenience sometime, I want you to read the history of the whole thing, under your premise not to do violence to Mr. Treamor.

Am sending the \$8250 to Brown.

I hope to see you early next week in regard to other matters.

Yours very truly,

EF:KLM

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

My dear Frank:

The Grand Jury convenes today. I was mighty sorry that Sauer butted in. He should have let the Mayor handle the situation in his own way.

Weitzel came to my house last night after I had gone to bed, fearful that his old experience may flare up sgain, and he may be called to testify regarding the past.

I am sending today the \$8250 to Brown, also the \$5308.33 to the Angle Bank.

Yours sincerely,

EF:KLM

May 26, 1925.

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

My dear Eranktern:

Mr. McClure went back yesterday, after writing a letter to the Mayor approving the two-thirds and one-third plan of Mr. Rhodes, so it puts the buck right up to the city council again to act.

Mr. McClure said he was going to see both the Bond Commission and the Railroad Commission, and my impression was that he was going to force early action of the State Railroad Commission approving the sale to the District. Mr. McClure's Irish is up, and he thinks the listrict ought to go in and fight the thing thru to a finish if the city is not going to come across with a reasonable compromise, and at an early date.

If anyone has been in close touch with the situation I certainly have, and I have come to the definite conclusion that we are getting nowhere because we refuse to pay money. Mr. Fred Stearns told me that he and Doolittle paid \$62,000 to put over the sale of the Spreckels System to the city. Enclosed find copy of the contract that Stearns, Senator Sample and John Porward, Jr insisted upon making, which was sighed by Henshaw, the intention being to pay them 3125,000 for solling the Volcan System. I refused to be a party to this contract, and then is when I first incurred Mr. Henshaw's ill-will and Treanor commenced to appear on the scene. It was the beginning of the end from that date, as far as I was concorned, but I am mighty glad of it. I was mighty lucky to get out and make a handsome profit, something that is a very long way off as far as the Treanor-Henshaw interests are concerned at the present time, and a lot of grief ahoad of them.

Of course, the war broke up the sale of the Volcan System to the city even with the slush fund available to put it over.

Mr. Fred Stearns is the dominant factory today in this whole situation. He and Rhodes are working hand and glove. Mr. Hall, Mr. Halley, you and I heard Mr.

Stearns say he had to be paid good and well for his services in putting this over, and that Fred Rhodes would have to be paid well as well, and I have come to the bitter conclusion that that condition is paramount, and we are being punished for not "coming thru".

consider thoroly reliable, I have heard there is a \$100,000 slush fund being furnished by Treanor's organization to put over the sale of the Lake Hodges project. Mr. Treanor was down last week, using every effort personally to put it over, and he is bringing particular pressure to bear on Councilman Maire. Treanor also saw him personally. Mr. Cromwell, his engineer, is staying down here a good deal of the time going over this matter with the Mayor and members of the council, and I think it is foolish for us to waste any more time on this city council.

and go to the bat immediately with the Railroad Commission, in case the council does not act this week to call the election.

Want me to I will (but I do think your influence will be by far greater than mine), and take it up with Attorney General Webb and Superintendent Johnson, explain the situation to them and get them to go to the Railroad Commission and ask them to approve the sale to the istrict. The Bond Commission is vitally interested in the La Mesa Irrigation District, has full control of the situation and I see no reason why they should not take this action if they see fit.

The atmosphere will be cleared the minute the sale is approved to the listrict. It will wake up the people of San Diego, as well as the city council.

Yours sincerely,

EF:KLM

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

My dear Frank:

The Grand Jury is in session. Mayor Bacon and Sauer have been called, and the Mayor is before them now.

Mr. Hall, who owns the slot machines told Mr. Frank Schroeder Monday, and Schroeder told me yesterday, that Mrs. Bruschi notified Hall Sunday morning that if he did not pay her \$500 by Sunday night, Monday they would vote against the use of slot machines in the city, that Hall paid \$250.00 to Bruschi Sunday, \$250 to Weitzel and \$250 to Kempley, the district attorney. That was all he could dig up, and Monday they voted to kill the proposition, leaving Hall out on a limb, and no chance to croak.

The Mayor told me this morning he would bring up tomorrow or next day the letter from Mr. McClure-that everything looked favorable toward the city taking early action. Rhodes told me the same thing this orning and said there was nothing else that he knew of to object to.

King told me this morning that our friend Stearns has lately repeated that the Cuyamaca System was not worth a ---- and that he was opposed to either the district or the city buying it. If we put this over we will be jamming it down Stearns' throat.

Without consulting me, Mr. Sanders instructed Mr. King to prepare a relief map of the San Diego River. Mr. King told him it would coat at least a thousand dollars, possibly two thousand dollars. Sanders said it was all right even if it cost \$2,000 or \$5,000, they would have to have it. I told Mr. King todo nothing in relation to it and frankly I am disgusted with the way the attorneys, both Smiley and Sanders are going ahead incurring indebtedness without my consent. If you have given approval to Mr. Smiley and Mr. Sanders to do what they think best, let me know.

I hope everything comes out all right and that the city goes ahead, but I have "me doots". Have lost all

confidence in the bunch, but am keeping absolutely quiet.

I took a chance and ran a bluff on Hall, telling him that the district would have to pay all attorneys' fees after the 7th of May, and got Hall to agree.

Enclosed find copy of letter to Fred Stearns in relation thereto.

Yours sincerely,

F:KIM

## THE FIRST NATIONAL BANK OF LOS ÅNGELES PACIFIC-SOUTHWEST ARVALA BANK FIRST SECURITIES COMPANY LOS ÅNGELES

CHARLES F. STERN

May 29th, 1925.

My dear Colonel Fletcher:

From time to time we have had certain temperamental difficulties with and among our attorneys, and from time to time we have had reason to discuss the advisability of parting with some of them.

It is my understanding that at this time the La Mesa Irrigation District is seriously considering whether it ought not to dispense with the services of Mr. Fred Stearns, as Attorney.

I recognize, of course, the elements that enter into this discussion.

Without going into any debate as to the character or value of Mr. Stearns' services, it would seem to me, from this distance, that certainly it would be inadvisable at this juncture to let him go. Mr. Stearns has been an intimate part of our litigation, and is thoroughly informed on all phases of our situation, both our strength and our weakness. I am referring, of course, to the joint problems which we have with the Irrigation District.

I would be quite fearful of the possible reaction in a number of directions, if Mr. Stearns were to leave us now on anybody's motion other than his own. I trust that the District will take this position in the light of all of the facts.

2.

I wish to emphasize that I am expressing this opinion purely from a practical point of view, and without reference to the value of Mr. Stearns' services or his loyalty to our joint cause.

Sincerely yours,

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

ce - m Hall

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

My dear Frank:

Enclosed find copy of telegram I have sent to Mr. McClure today.

Mayor Bacon told me over the telphone today that owing to the grand jury investigation, it is foolish to bring up the water question, in his opinion, for a week or ten days yet and that he thought an arrangement could be just as quickly made between the district and the city, with the district owning the Cuyamaca System.

He reiterated his statement that he wished the litigation between the city and the district would cease and the compromise mde but he was determined to clean up house in the city council and he felt sure the grand jury would do its duty. For that reason, however, he saw no prospect of immediate action with the city council.

Yours very truly,

EF: KLM

May. 29, 1925.

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

My doar Frank:

Enclosed find copy of letter from Wilcox and copy of my reply, which I hope meets with your approval.

Also enclosed find note, duly signed. Will you kindly sign and mail up to Mr. Wilcox.

Certainly he is a good sport.

Yours very truly,

EF: KLM

copy of note make for Lon B mathews

dated 5725725 due six months

### **Ed Fletcher Papers**

1870-1955

**MSS.81** 

Box: 27 Folder: 27

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



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