

**COPY C. W. CO.
FILE**

July 29, 1913.

Crouch & Harris Attorneys,
San Diego, Cal.

Gentlemen:

A complaint has been made against the rules adopted by the Cuyamaca Water Co. particularly relative to Rules 5, 6, and 7 and a hearing by Mr. Harroun is to be held at 2 o'clock tomorrow at the court house. It occurs to me that our rule 2 (a), which is inserted on the Commission's suggestion but not carefully considered by them is not a proper one. I have suggested to Mr. Sweet that he bring the matter up for the Company, but he says that it would more properly come from those who are exclusively domestic consumers and I therefor suggest that attention be drawn by yourself by formal complaint to this inequality in domestic rates.

Very sincerely yours,

RAY H. HARRIS
CHARLES C. CROUCH
CROUCH & HARRIS
ATTORNEYS AND COUNSELORS
SAN DIEGO, CALIFORNIA
HOME PHONE 3021

416 Timken Bldg. **FILE**

August 2nd, 1913.

C. W. CO.

Cuyamaca Water Company,

San Diego, California.

Gentlemen:

We are being bothered a good deal with complaints which come in from the property-holders in Normal Heights that notwithstanding the ruling of the Railroad Commission that your company should put its service to the property line, you only go to the curb line.

We have had so much trouble with this case that we are not looking for any more if we can get out of it, and thought possibly that directing your attention to your evident overlooking of this clause would accomplish the same result we write you.

Yours truly,

. CCC:CH.

Crouch & Harris

March 14, 1916.

Mr. G. C. Grouch,
314 Owl Ridge,
San Diego, Cal.

Dear Sir:-

In confirmation of our conversation over the telephone on March 13th and 14th, I am giving you information regarding the available water supply which this Company has on hand and also the probability of our being able to continue to give satisfactory service to all our consumers.

At the present time we have in storage in La Mesa Reservoir 158,000,000 gallons; in Cuyamaca Reservoir 2,500,000,000 gallons; and in other reservoirs we have sufficient in storage to bring the total up to 3,650,000,000 gallons.

We are now furnishing to the City of San Diego and all of our other consumers not to exceed 7,000,000 gallons per day. At this rate, and making liberal allowances for evaporation and other losses, we have sufficient water in storage to last at least one year, even if there is no rain in that period, and also if we could get no water out of the streams.

We are, however, turning into our reservoirs at the present time 3,000,000 gallons a day and by April first will have our entire flume line repaired and will be turning into storage at least 12,000,000 gallons per day. After April 15th we expect to have our system brought to such a state of efficiency so that we can turn in at least 20,000,000 gallons per day.

Within the next few days we expect to start our pump at La Mesa Reservoir and will be able to furnish pressures that will be entirely satisfactory to all consumers whose water comes from La Mesa Reservoir. At the present time consumers in La Mesa, Lemon Grove, Spring Valley and other localities receiving water from Murray Hill and Eucalyptus Reservoirs are getting as good pressures as they have ever had.

If you desire any more information, I should be pleased to let you have it.

Very truly yours,

KMF:K

Assistant Manager.

SAN DIEGO, CALIFORNIA, December 29, 1917

Mr. G. C. Grouch,
314 Owl Ridge,
San Diego, Calif.

Dear Sir:-

Mr. Malcolm tells me that there is a new road district law under which he presumes we will operate. The law is set forth on page 1299 of the 1917 Statutes to which we are supposed to conform in forming our Road District. This, as I understand, involves an election and will take up considerable time. As you know our deeds are of no use after April 10, 1919, and I suggest that you examine the Law and advise what action has to be taken. I think we will have all the right of way deeds by the end of January. Let me hear from you as soon as convenient.

Yours very truly,

TPE:K

CHARLES C. GROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

May 23, 1918.

Col. Ed Fletcher,
Fletcher Building,
San Diego, Cal.

Dear Sir;

I hand you herewith an outline of the procedure which Judge Haines, Attorney for the La Mesa Lemon Grove and Spring Valley Irrigation District, and myself agree should be followed in proceeding to sell the Cuyamaca Water System to the District.

Section 30 of the Irrigation District Act of 1897 (under which act this District was organized) lays down the procedure which must be followed incident to the voting and issuance of bonds by a water district for the construction or acquisition of a water system. We should be very careful to follow every proceeding specified, as upon due observance of all the law's requirements depends the validity of the bonds which may hereafter be issued.

One of these steps is that in the first instance the plans and an estimate of cost shall be made by "a competent irrigation engineer" appointed by the Board of Directors of the District. The law requires that then this engineer's report shall be submitted to the commission consisting of the State Engineer, the Attorney General and the Superintendent of Banks of the State. Both Judge Haines and myself consider it improper procedure to have the State Engineer pass upon these plans in the first instance. Inasmuch, however, as the act gives the commission power to make such additional surveys and examinations as it may deem proper or practicable, the plans and estimates to be prepared by the District's engineer need be but formal, and could no doubt be prepared from the plans already available and be ready for submission at a very early date. Upon receipt of the commission's report as to the feasibility and cost of constructing the system, the Board of Directors has the power to call an election for the purpose of authorizing the issuance of bonds to pay for the cost of acquiring the system. A majority of the votes cast for the issuance of the bonds is all that the law requires.

With regard to the proposed inclusion of your lands in the District, I am not satisfied that a petition

#3-

would be legal which specified that it was to take effect only upon the happening of some condition subsequent, but inasmuch as a petition of that character is satisfactory to Judge Haines, and inasmuch as if should the District vote to buy the system, we could file a new petition without conditions, I see no necessity for disagreeing with Judge Haines on this matter.

I note that Judge Haines has provided that after the receipt of the commission's report, in the event the Board of Directors does not declare such project feasible, or should not be petitioned as provided by law, to call the election, or in the event the election should not carry, that the Board shall refund one-half of the money advanced for the cost of the State Engineer's investigation. This was not as agreed upon. I understood that in any of these events, the District was to refund the entire cost. At least, we should insist that they refund the entire cost in the event the Board should not call the election when petitioned so to do. If we go to the expense of this investigation, we should be assured of an opportunity to present the advisability of the purchase of the system to the voters of the District, and not be at the mercy of their Board of Directors.

The first step, therefore, to be taken is for the Cuyamaca Water Company to submit in writing its offer to sell the system fully completed for the sum that the State Engineer finds to be the reasonable value thereof. Judge Haines does not consider the present offer sufficient, in that it is not signed by the other owners of the system and is not a binding offer for the reason that it is a mere outline of what Mr. Fletcher is willing to recommend to his associates.

Your attention is directed to Section 50 of the Public Utilities Act which provides that a water corporation before beginning the construction of any extensions to its system must first procure from the railroad commission a certificate that the present or future public convenience and necessity requires such extensions before beginning a construction thereof, and your attention is further directed to Section 51 of the same Act which prohibits a water corporation from disposing of the whole or any part of its system without first having secured from the railroad commission an order authorizing it so to do.

In your written offer you should be careful to specify with particularity just what improvements to and extensions of the system you are willing to construct; and some provision should be contained therein for the passing upon the validity of the bonds which you are to get, before you are obliged to make the transfer.

#3-

Another matter occurs to me. Either the State Engineer in determining the value of the system as completed should include interest on the money that you invest in this new construction up to the time that you get your bonds, or else you should provide for it as one of the conditions of your offer. At least, you should provide for some means of securing interest on the selling price from the date that you are ready to make the transfer until the date that you get your bonds, as some time might intervene between these dates, due to either the delay of the Board, or to some litigation which might hereafter be instituted.

Upon receipt of your written offer, if the Board of Directors of the District then passes a resolution to enter upon the consideration of the project, and avails itself of your plans, I am of the opinion that this would bind the District to repay you the cost of the State Engineer's investigation upon the happening of any of the contingencies hereinbefore mentioned.

Very truly yours,

Charles G. Crouch

SM

W. M. Doubleday, President
El Cajon.

P. S. Thatcher, Clerk
El Cajon.

J. Leslie Cutler,
Bostonia.

EL CAJON VALLEY UNION HIGH SCHOOL
El Cajon, California.

Sept. 17, 1918.

Mr. Chas. C. Crouch,
San Diego, Calif.

Dear Mr. Crouch:-

Your letter of Sept., 17th is received. It is somewhat of a surprise to me to receive such a letter when I have been trying for the past ten months to find some one to whom I could pay my water rent. If I owe the Cuyamaca Water Co. why don't they send me their bill as I shall be only too glad to settle the matter. I thought perhaps I would have to settle with either Mr. Graves or Mr. Dougherty who have had water turned in - I thought I might have used some of their supply. However if the Cuyamaca Water Co. will accept payment, and will send me their bill, I shall remit at once at their household rate. I should like to pay every month in the future.

Very truly,

J. Leslie Cutler.

[orig. letter filed]
by CUTLER
lsm

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

September 20, 1918.

Cuyamaca Water Company,
San Diego,
California.

Gentlemen:

Attention Mr. Harritt:

Enclosed herewith please find a letter just received from Mr. Cutler. Kindly return the same when it has answered your purpose.

Very truly yours,

Charles Crouch

CCC*H



CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA



October 11, 1916.

Ouyamaca Water Company,
San Diego,
California.

Gentlemen; Attention Mr. Harriett:

I enclose herewith a letter just received from Philip Storer Thasher as attorney for J. Leslie Outler, together with Mr. Outler's check for \$20.00 referred to in the letter.

Very truly yours,

Charles Crouch

CCC:M

M^r Crouch advised me \$20⁰⁰
or settlement fee
M^r Crouch
10/14/16

[Couch, c.c.]

COPY

November 8, 1918.

34

Messrs. O'Melveny, Millikin & Tullar,
Attorneys at Law,
Title Insurance Building,
Los Angeles, California.

Gentlemen:

In re - Cardiff Irrigation District.

A number of written objections to the granting of the petition to enlarge the boundaries of the Cardiff Irrigation District were duly filed with the Board prior to the time specified in the notice of the hearing on the petition. The various grounds of their objections are set forth in the following quotations taken therefrom:

POINT 1.

"That said land is already irrigated by another system of irrigation works, to-wit, the Oceanside Mutual Water Company, a corporation, in which the undersigned owns stock."

POINT 2.

"That notice of the hearing on said petition has not been published as by law required."

POINT 3.

"That said described lands will not be benefited by irrigation by means of a water system or works included within the said district proposed to be annexed, as set forth in said petition."

POINT 4.

"That the said Cardiff Irrigation District has no water or source of water supply sufficient to irrigate the lands within its present boundaries and no water whatsoever or source of water supply from which to irrigate the lands described in the petition or any of them."

POINT 5.

"That the South Coast Land Company that has signed said petition is financially interested in the present water and piping system of Del Mar; that it is proposed to sell such

O'Melveny, Millikin & Tullar - #2.

system to said proposed Cardiff Irrigation District, and hence that said signer of said petition is not a properly qualified signer in contemplation of the law."

POINT 6.

"That the lot of undersigned lies directly upon the Pacific Ocean and adjoins the platted town of Encinitas on the North, and that by reason of the location, contour and soil of said lot, the lands thereof are suitable only for use as town lots for building purposes, and accordingly have been platted as such into small lots, and as such have been actually set apart and permanently devoted to uses other than agricultural, horticultural, vinecultural or grazing."

POINT 7.

"That a water well and water system from which to secure and provide an ample water supply for domestic use and irrigation for the lot of the undersigned, already, at great expense, has been developed and constructed, and said lot is fully supplied with water independently of any other or additional irrigation system, and that the land of the undersigned would not be directly benefited, or benefited at all, by being included within said proposed Cardiff Irrigation District."

POINT 8.

"That the lot of the undersigned, is one of the lots in Sea Bluff a platted tract already provided with a water system which is a mutual system owned jointly by each and all of the purchasers of lots within said Sea Bluff, and a pro rata interest and share in said water system is included in the purchase price of each and all of the lots of said Sea Bluff and are irrigated or entitled to be irrigated therefrom, and that good, ample and sufficient water from said system so already provided can now be furnished and supplied to any and all of said lots of said Sea Bluff whenever the same shall be required."

POINT 9.

"That the lot of the undersigned is not susceptible to irrigation on account of the character of soil and sub-soil and the contour thereof, as said lot lies immediately along the ocean front where there is sand and outcroppings of sandstone and where the slope of the land is so steep as to preclude irrigation thereof."

POINT 10.

"That the lands included within the boundaries of the

O'Malley, Millikin & Tullar - #3.

proposed extension of said Cardiff Irrigation District as described in said petition, are not as a whole susceptible to irrigation by reason of the contour and the character of the soil and sub-soil thereof."

POINT 11.

"That the plans and specifications upon which said petition is based are insufficient to support the same, in that they are impracticable and in that they disclosed cost of the only available water supply is manifestly exorbitant and prohibitive."

POINT 12.

"That the petition and proceedings herein involve the acquiring of a new and separate system of water supply wholly independent of said Cardiff Irrigation District, which has no water for the lands described, and hence amounts to the formation of a new irrigation district."

POINT 13.

"That the petition filed herein does not set out or disclose that the lands herein described or any of them are susceptible of irrigation, or would be benefited thereby, as required by law."

POINT 14.

"That the petition does not state the source or sources from which the lands therein described are proposed to be irrigated, or disclose any possible source of supply or any feasible plan or means of acquiring water for the irrigation thereof, as required by law."

POINT 15.

"That in fact said Cardiff Irrigation District has no water sufficient even for its own lands and none whatsoever wherewith to irrigate the lands described in the petition or any of them."

POINT 16.

"That the petition is not signed by 500 qualified signers as provided by Sections 1-5 of said act."

POINT 17.

"That the Board of Directors of the Cardiff Irrigation District has no jurisdiction under said petition or of any

O'Melveny, Millikin & Tullar, - #4.

matters or proceedings involved with respect to the same for the reason that the proceedings herein have improperly and irregularly been instituted under and pursuant to the provisions of Section 85-92 inclusive of the California Irrigation District Act, instead of under Sections 1-5 of said Act, which latter named sections are the only sections applicable to the matters involved in said petition and of which the Board of County Supervisors of said San Diego County have sole and exclusive jurisdiction."

POINT 18.

"That Sections 85-92 inclusive of said act are applicable and relate only to the matter and occasion of including adjacent lands within an irrigation district which is already supplied with sufficient water to irrigate its own lands and also the adjacent lands which are sought to be included, and that Sections 1-5 inclusive are the only sections of said act that are applicable to the proceedings, when a separate and independent source of water supply is sought to be obtained for the irrigation of said lands, and in which the irrigation district already formed has no right or interest."

POINT 19.

"That said Cardiff Irrigation District has no water or water supply or any source of water supply sufficient even to irrigate or supply its own area, which consists of but about 800 acres of land, and no water supply whatever, or source of water supply, wherewith to irrigate or furnish water in any amount whatsoever to the lands described in said petition which consist of about 25,000 acres of land."

POINT 20.

"That the only water supply and system of water works which might be sufficient to irrigate the 25,000 acres of land described in said petition, if the same could be obtained at all, is a prospective water system which is not yet completed or in operation, known as the Carroll Dam Water System which is owned and being constructed by the San Dieguito Mutual Water Company, and which would be an entirely separate and distinct source and supply from the Cardiff Irrigation District and not included within, or in any way pertaining to, said Cardiff Irrigation District, and one in which said Cardiff Irrigation District has no right or interest whatsoever."

POINT 21.

"That the petition filed herein involves and is based

O'Malley, Millikin & Tullar - #5.

solely upon the idea of acquiring by purchase the Carroll Dam Water System from the San Dieguito Mutual Water Company as a new source, entirely separate and apart from any water supply possessed by said Cardiff Irrigation District, thus in law and in fact amounting to the organization of a new irrigation district to acquire a new, separate and independent water supply."

POINT 22.

"That there are about 1800 separate owners of lands described in the petition, and that very few of them, and not so many as the majority in number nor as many as 500 of them would sign such petition, and that to avoid the requirements of said act, the petition filed herein, and which is signed by less than 70 persons, a few of whom are owners of large areas, has been directed to the Board of Directors of the Cardiff Irrigation District, instead of to the Board of Supervisors of said County, in an attempt to force, indirectly, said 25,000 acres of land into an irrigation district to purchase said Carroll Dam as a common source of water supply, at a very high price from the owners thereof, by first causing them to be included in said Cardiff Irrigation District of 800 acres already formed, but which has no water, and no source of water wherewith to supply them."

POINT 23.

"That all of the lands sought to be included by said petition, with the exception of small and scattered areas not exceeding in the aggregate about 1/5 of the whole, are suitable only for the raising of grain, beans and like products which require no irrigation, and that the net profits to be derived from the cultivation of said lands would be greater as a whole without irrigation than with irrigation."

POINT 24.

"That the act specifically provides and requires that the petition shall state generally the source or sources from which the lands are proposed to be irrigated; and that the petition filed herein does not so state, nor does it state or disclose that there is any available source or sources of water supply for the irrigation of the lands described in said petition, or show or state how any feasible or practicable means of securing or constructing works for irrigation."

POINT 25.

"That the proposed inclusion is for the purpose of

O'Melveny, Millikin & Tullar - #6.

buying the said Carroll Dam Water System, the owners of which would not sell the same for less than \$2,600,000.00, which sum is enormously in excess of its cost and present value, and very greatly in excess of any benefits that could accrue from the same to said lands."

POINT 26.

"That the petition filed herein is invalid and insufficient in law for the reason that various and numerous of the signers thereof are not properly qualified to sign the same and that without those signatures thereto said petition does not represent 1/3 or more of the lands described in said petition."

POINT 27.

"That the Santa Fe Land and Development Company, a corporation, that has signed said petition, and that owns a large part of said lands described in said petition, is not properly qualified to sign the same, for the reason that its principal officials and stockholders are also officials and stockholders and principal owners of the San Dieguito Mutual Water Company, owner of the Carroll Dam the purchase of which, indirectly involved, and that the essential purpose and desire of said signers of said petition is to sell said Dam and water system for a very great profit and participate in the proceeds of such sale, and not to irrigate its lands."

POINT 28.

"That the said Santa Fe Land and Development Company has omitted from said petition its level and valley lands that are susceptible of irrigation and has included only its high and rough lands; and consequently that the interests and purposes of said signers are adverse to the purposes and intent of said act and without the signature of said Company to said petition the same does not represent 1/3 or more of the lands included in said petition."

POINT 29.

"That one Ed Fletcher, who has signed said petition, and who is owner of a considerable part of said lands, is at the same time the manager of, and otherwise interested in said Carroll Dam Water System, and that, his essential purpose in signing said petition is to sell said water system for a very great profit rather than to irrigate his lands described in said petition, and he is not therefore a properly qualified signer of said petition."

O'Malley, Millikin & Tullar - #7.

POINT 30.

"That one J. Frank Cullen, who owns considerable of the lands described in said petition, and who has signed the same is also and at the same time one of the members of the Board of Directors of the Cardiff Irrigation District to whom said petition is directed and presented for adjudication, and consequently that said Cullen is not a properly qualified signer upon said petition."

POINT 31.

"That various and many signers to said petition are not qualified to sign the same for the reason that the lands owned and described by them in said petition are platted and improved town lots within the limits of the towns of Del Mar, Encinitas, Cardiff, Leucadia, Carlsbad and South Oceanside and which, as such town lots have been improved and built upon and permanently withdrawn from agricultural, horticultural, vinicultural and grazing and without whose signatures said petition does not represent 1/3 or more of the lands proposed to be included."

POINT 32.

"That many of the signers to said petition are not qualified to sign the same for the reason that the lands described by them are located within the boundaries of the said Cardiff Irrigation District."

POINT 33.

"That contrary to law and procedure as contemplated by the act under which petitioners are proceeding, said petitioners have filed with the Directors of said Cardiff Irrigation District certain plans and specifications of the Carroll Dam and Water System, purported to be passed upon by the State Engineer, and are prematurely and unlawfully representing that the said petition and subsequent proceedings are based upon said plans and specifications, wherein and whereby it is proposed that if said petition is allowed and the irrigation subsequently is favorable to the annexation of said proposed lands, that it is proposed to vote bonds to purchase said dam and water system to the price of \$2,500,000.00 already fixed by the owners thereof, which is contrary to the spirit and intent of the law, which is, that the District should be first annexed according to law, and that thereafter the Directors may proceed in a lawful manner to the acquisition of a water supply."

POINT 34.

"That said petition is not properly acknowledged.

ORALVENCY, MILLIKIN & FULLER - #8.

Assuming that the provisions of the law have been observed in the matters mentioned in Points 3, 25 and 36, do you find any merit in any of the other grounds of objections urged?

The Board of Directors are to meet Tuesday next for the purpose of taking further action on the petition and the objections thereto, and if consistent with your other duties, you could give me your reply before that date, either by letter or telephone, later confirmed by letter, it would be appreciated. Should there be any doubt in your mind as to the merit of any of these contentions, it might be advisable to have the further hearing again postponed, and the writer comes to Los Angeles for a conference concerning the questions raised, in which event kindly so advise me before Tuesday.

Hopscotfully,

Charles C. Crouch

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA



December 27, 1918.

Cuyamaca Water Company,
San Diego,
Cal.

My dear Mr. Matthews:

I have had a talk with Col. Fletcher and he states that the contract and all of the correspondence relating to the claim of the Baker Iron Works for the pipe on El Cajon Ave. is in your possession. I suggest that you let me have a copy of the contract and get together all of the correspondence on the matter and let me go over it.

Very truly yours,

Charles C. Crouch

CCC:M

CHARLES E. GROUCH,
ATTORNEY
SAN DIEGO, CALIFORNIA

106-4
February 17, 1919.

Col. Ed. Fletcher,
Fletcher Building,
San Diego, Calif.

Dear Sir:

I am in receipt of a letter of February 10th to you from Engineer E. W. Case relating to the Right of Way for the Carroll Canal. Engineer King has furnished me with drawings Nos. 165 and 183, the first showing the line of the canal and the latter the high water line of the reservoir. I believe new maps should be filed, as 165 does not show the reservoir into which this canal empties in accordance with Section 11 of the regulations of the Department of the Interior, and map 183, as Mr. King informs me, does not show the actual high water line of the reservoir and in addition does not show the dam as it was constructed, but does show one which was not constructed.

Section 8 of the Regulations require the furnishing of certain information where the applicant is a corporation such as copy of the articles incorporation, copy of the law under which it incorporated, etc. etc..

I assume that on a matter of fact you have assigned your interest in this Right of Way to the San Dieguito Mutual Water Company since your application was approved. The Regulations do not seem to provide whether or not in the case of assignment to

#3--Col. Ed. Fletcher,

a corporation this information must be furnished, and I suggest that a letter be written to the General Land Office requesting advice on this point.

Engineer Case's letter and the maps furnished me by Mr. King are returned herewith.

Very truly yours,

CCC:RG

CHARLES G. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

March
Twentyfirst,
1919

Mr. James A. Murray,
Col. Ed Fletcher,
San Diego, California.

Gentlemen:-

Pursuant to the request of Mr. Murray, I have prepared and hand you herewith form of deed from James A. Murray and wife to the Guyamaca Water Company, covering five-sixths interest in what is understood to be all of the property of the Guyamaca Water system.

I wish you to understand that in the preparation of this deed I assume no responsibility whatever. In order that a proper conveyance of this kind be made, the one who prepares the deed should be furnished with definite information as to the property to be transferred and the particular interest owned by the grantor.

I have done the best I could to secure this information from the records available to me and within the time allowed, but I would not advise that this or any similar deed be filed, necessitating as it will the expenditure of over \$1000 in revenue stamps, until all of the property has been more correctly inventoried and the certificates of title brought down to date.

Of course this deed may be a measure of protection and may serve some useful purpose temporarily, but I write you this letter so that it should later be ascertained either that Mr. Murray does not own all of the property in this deed described, or that there is other property which he does own and which is not described, that the error will not be charged to me.

Respectfully,

Charles G. Crouch

CCC/CM

GRANT DEED.

THIS INDENTURE, made this day of March, A. D. 1919, between JAMES A. MURRAY and MARY H. MURRAY, husband and wife, of the City of Monterey, State of California, parties of the first part, and GUYAMACA WATER COMPANY, a corporation organized and existing under the laws of the State of California, party of the second part, witnesseth:

That the said parties of the first part, for and in consideration of the sum of TEN DOLLARS (\$10.00) to them in hand paid by the said party of the second part, receipt whereof is hereby acknowledged, do by these presents GRANT, BARGAIN, SELL AND CONVEY unto the said party of the second part, and to its successors and assigns forever an undivided five-sixths (5/6) interest in and to the following property situate in the County of San Diego and State of California, more particularly described as follows, to-wit:

The property described in that certain deed from the San Diego Flume Company, a corporation, to James A. Murray, dated June first, 1910, and of record in the office of the County Recorder of the said San Diego County in book No. 495 of Deeds, at pages 61, 62, 63, 64, 65, 66, 67, and 68 thereof;

The property described in that certain deed from the La Mesa Development Company, a corporation, to James A. Murray, dated November 17th, 1913, and of record in the office of the County Recorder of the said San Diego County, in book No. 635 of Deeds at pages 34, 35, and 36 thereof, except that portion of said property described in that certain deed from James A. Murray and Ed Fletcher, dated

February 16th, 1916, and of record in the office of the County Recorder of the said San Diego County in book No. 703 of Deeds, at pages 332, et seq., thereof;

The property described in that certain final order of condemnation made by the Superior Court of the County of San Diego, State of California, on the 29th day of December, 1917, in that certain action entitled: "James A. Murray, Ed Fletcher and Wm. G. Henshaw, plaintiffs, vs. M. C. Healion, County of San Diego, defendants", being case No. 37,433 of the records of said court, and which said order of condemnation is of record in the office of the County Recorder of said County of San Diego and State of California, in book No. 745 of Deeds at pages 171, 172, and 173 thereof;

The property described in that certain final order of condemnation made by the Superior Court of the County of San Diego, State of California, on the 19th day of August, 1914, in that certain action entitled: "James A. Murray and Ed Fletcher, plaintiffs, vs. La Mesa Development Company, a corporation, defendant", being case No. 18,980 of the records of said court, and which said order of condemnation is of record in the office of the County Recorder of said County of San Diego and State of California, in book No. 651 of Deeds at pages 313, 314, 315 and 316 thereof;

~~BOND~~ The property described in that certain deed from M. C. Healion to James A. Murray, dated March 17, 1917, and of record in the office of the County Recorder of the said San Diego County in book No. 731 of Deeds at pages 468 and 469 thereof;

The property particularly described as follows: to-wit: Beginning at the boundary line between Lots Nos. 151 and 152 of La Mesa Colony, according to Map No. 876, filed in the office of the County Recorder of the County of

San Diego, State of California, September 4th, 1901, from whence the North corner of said lots Nos. 151 and 152 bears North 00°, 50' West 40 feet; thence North 89° 10' East 105 feet; thence South 0° 50' East 51.7 feet; thence South 83° 33' West 105.7 feet to the boundary line between said lots 151 and 152; thence North 0° 50' West along said boundary line 43.83 feet to the place of beginning, containing .08 acres;

The Northeast quarter ($\frac{1}{4}$) of the Southwest quarter ($\frac{1}{4}$), and the North half ($\frac{1}{2}$) of the Southeast quarter ($\frac{1}{4}$), of Section Three (3), Township Fifteen (15) South Range Three (3) East, S.B.M. Containing One hundred and twenty acres (120);

The Southeast quarter ($\frac{1}{4}$) of the Northeast quarter ($\frac{1}{4}$) of Section Seven (7); the South half ($\frac{1}{2}$) of the Northwest quarter ($\frac{1}{4}$), and the Southwest quarter ($\frac{1}{4}$) of the Northeast quarter ($\frac{1}{4}$) of Section Eight (8), Township Fifteen (15) South Range Two (2) East, S. E. M;

Block Nine (9) of Villa Caro Heights, according to map thereof No. 1345, filed in the office of the County Recorder of said San Diego County July 3, 1911;

~~ERMINI~~ That portion of Lot 136 of Murray Hill, according to Map thereof No. 1342, filed in the office of the Recorder of said San Diego County, June 8, 1911, lying East of a straight line drawn from the most Westerly corner of Lot 80 and the most Westerly corner of Lot 125 of said Murray Hill;

~~BOND~~ The property described in that certain deed from the Grossmont Park Company, a corporation, to James A. Murray, Ed Fletcher and Wm. G. Henshaw, dated March 22, 1917, and of record in the office of the County Recorder of said San Diego County, in Book No. 730 of Deeds at page 335 et seq., thereof;

BOND

BOND

The property described in that certain deed
from M. C. Hemion to James A. Murray, Ed Fletcher and
William G. Henehan, dated March 3rd, 1917, and of record
in the office of the County Recorder of said San Diego
County in book No. 725 of Deeds at page 320 thereof;

All rights of way, easements, riparian rights,
floodage rights, applications, permits, water filings,
leases, contracts, franchises, dams, reservoirs, reservoir
sites, pipe lines, pumping plants, distributing systems,
telephone lines, wagons, tools, buildings, automobiles,
instruments, machinery, office equipment, maps, records,
and all other property both real and personal of whatsoever
kind and nature and wheresoever situated, formerly used,
now being used, or contemplated to be used in the impounding
distribution or sale of water under that certain water system
in the said County of San Diego commonly known as the Guyamco
Water system.

TO HAVE AND TO HOLD the above granted and described
premises unto the said Grantee, its successors and assigns
forever.

WITNESS our hands and seals this day of
March, A. D., 1919.

Signed and Executed in the
presence of

—000—

State of California }
County of San Diego, } ss.

On this day of March, A. D., 1919,
before me, the undersigned, a Notary Public in and for said
County and State, personally appeared James A. Murray and
Mary H. Murray, both to me personally known, and acknowledged
to me that they executed the foregoing instrument.

WITNESS my hand and the seal of my said office
the day and year in this certificate first written.

Notary Public in and for the County
of San Diego, State of California.

HAROLD E. MILL
BOND

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

M. S. T. C. D.
Twentyfirst,
1919

Guyamaca Water Company,
San Diego, California.

Gentlemen:-

With reference to the proposed transfer of the properties of James A. Murray, Ed Fletcher and Wm. G. Henshaw, to your Company, which properties include certain permits issued by the Forest Service of the United States Department of Agriculture: I call your attention to Article Four of the Water Power Permit issued to James A. Murray and Ed Fletcher by the Secretary of Agriculture, and dated December 10th, 1914, which reads as follows:

Art. 4. This Permit and the permission granted hereunder to occupy and use National Forest lands may be transferred to a new Permittee under the following conditions, and not otherwise: The proposed transferee shall file with the District Forester of the District in which the lands to be occupied are situated the decree, execution of judgment, will, proposed contract of sale, or other written instrument upon which the proposed contract of sale, or other written instrument upon which the proposed transfer is based, or a properly certified copy thereof, also an application by the proposed transferee in the form of a stipulation binding the proposed transferee to the performance of such new and additional conditions expressed therein as the Secretary may deem necessary; and thereupon the Secretary may, in his discretion, approve in writing the proposed transfer, and after such approval the transferee shall succeed to all the rights and obligations of the Permittee, subject, however, to such new and additional conditions as shall have been embodied in such stipulation and so approved.

I apprehend that similar procedure will be necessary to transfer all permits which you have.

Respectfully,

CCC/bm

Charles C. Crouch

Ed Fletcher Company
FLETCHER BUILDING
820 EIGHTH ST.
SAN DIEGO, CALIFORNIA

AGENTS
PINE MILLS
DEL MAR
GROSMONT

San Diego, California,
March 26, 1919.

Mr. C. C. Crouch,
Owl Building,
San Diego, California.

My dear Mr. Crouch:

Enclosed find copy of letter from Mr. Henshaw, with copy of my answer in reply.

Kindly let me know if my interpretation of the matter is correct.

Yours very truly,

Ed Fletcher

EF/bm
encl

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

San Diego, California,
March 26, 1919

Mr. C. C. Crouch,
Owl Building,
San Diego, California.

My dear Mr. Crouch:

Enclosed find copy of letter from Mr. Henshaw, with copy of my answer in reply.

Kindly let me know if my interpretation of the matter is correct.

Yours very truly,

EF/bm
encl

MARCH
Twenty-seventh,
1919.

Col. Ed. Fletcher,

San Diego, Calif.

Dear Sir:

SAN LUIS REY IRRIGATION DISTRICT.

Referring to Mr. Henshaw's letter to you of March 24th, and your reply to him of the 26th, copies of which are inclosed with your letter to me of the latter date, I would answer Mr. Henshaw's questions as follows:

1. The petition praying for the formation of an irrigation district will have to declare the boundaries.
2. A procedure is provided under the law for altering these boundaries later on if it is decided wise to do so. This alteration of boundaries may be done by the Board of Supervisors prior to calling the election, under the following language found in Section 3 of the "Bridgesford Act."

"On said final hearing said board shall make such changes in the proposed boundaries as it may deem advisable and shall define and establish such boundaries, but said board shall not modify said boundaries so as to exclude from such proposed district any territory which is susceptible of irrigation from any of the sources proposed, unless said board shall decide to modify the plan for such proposed district, as herein provided, more shall any lands which will not, in the judgment of the board, be benefitted by irrigation by means of any of said systems or works be included within such proposed district.

A method is also provided in the act for changing boundaries of the district after its organization, upon petition to the Board of Directors.

MAR 27 1919

#2. Col. Ed. Fletcher.

3. The petition should declare under what irrigation law the district is to be organized.

In my opinion careful consideration should be given to the matter of under what act to proceed before petitions are started.

Very truly yours,

Charles C. Crouch

CCO:RG

MARCH
Twenty-seventh,
1919.

Col. Ed. Fletcher,
San Diego, Calif.

Dear Sir: SAN LUIS REY IRRIGATION DISTRICT.

Referring to Mr. Henshaw's letter to you of March 24th, and your reply to him of the 26th, copies of which I inclose with your letter to me of the latter date, I would answer Mr. Henshaw's questions as follows:

1. The petition praying for the formation of an irrigation district will have to declare the boundaries.

2. A procedure is provided under the law for altering those boundaries later on if it is decided wise to do so. This alteration of boundaries may be done by the Board of Supervisors prior to calling the election, under the following language found in Section 2 of the "Bridgeford Act."

"On said final hearing said board shall make such changes in the proposed boundaries as it may deem advisable and shall define and establish such boundaries, but said board shall not modify said boundaries so as to exclude from such proposed district any territory which is susceptible of irrigation from any of the sources proposed, unless said board shall decide to provide the plan for such proposed district, as herein provided, nor shall any lands which will not, in the judgment of the board, be benefitted by irrigation by means of any of said systems or works be included within such proposed district.

A method is also provided in the act for changing boundaries of the district after its organization, upon petition to the Board of Directors.

#2. Col. Ed. Fletcher.

3. The petition should declare under what irrigation law the district is to be organized.

In my opinion careful consideration should be given to the matter of under what act to proceed before petitions are started.

Very truly yours,

CCC:RG

Ed Fletcher Company
Agents
PINE HILLS
DEL MAR
ENCINITAS
SAN DIEGO CALIFORNIA

AGENTS
PINE HILLS
DEL MAR
ENCINITAS

April 17, 1919.

Mr. G. C. Grouch,
Owl Drug Bldg.
San Diego, California.

My dear Mr. Grouch:

Enclosed herewith find copy of letter from State Engineer McClure, recommending the Bridgeford Act of 1897 for the San Luis Rey Irrigation District petition.

How soon can you get this petition out?

Yours very truly,

F-F

Ed Fletcher

Mr. G. C. Grouch,
Owl Drug Bldg..
San Diego, California.

My dear Mr. Grouch:

Enclosed herewith find copy of letter from State Engineer McClure, recommending the Bridgeford Act of 1897 for the San Luis Rey Irrigation District petition.

How soon can you get this petition out?

Yours very truly,

F-F

April 5th, 1919.

Colonel Ed Fletcher,
920 Eighth Street,
San Diego, California.

Subject: Proposed San Luis Rey Irrigation District.

Dear Colonel:-

I have yours of March 31st enclosing copy of letter from Mr. Grouch.

I do not understand Mr. Grouch's expression "Under what irrigation law the district is to be organized." There is only one California Irrigation District Act, - the Bridgeford Act of 1897, - and as amended. This is the law with which you are more or less familiar.

I have your wire stating that Mr. Bartl reports the San Dieguito Dam leaking. You may remember my remarking that I anticipated that there would be some seepage under the footing because of the porous material. Will be pleased to visit the dam with Mr. Bartl just as soon as I can.

Very truly yours,

W. F. McClure Signed

State Engineer,

WFM:LKA

CHARLES C. GROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

APRIL 23,
1919.

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

Dear Sir:

I have yours of the 17th instant inclosing a copy of the State Engineer's letter to you of April 5th, in the matter of the proposed organization of the San Luis Rey Irrigation District.

In addition to the Bridgford Act, lands can be irrigated through the formation of a county water district ~~act~~, under the Act of June 10, 1913, a bill introduced by Senator Caminetti, or under the County Water Works District Act of June 13, 1913, a measure fathered by Senator Gates of Los Angeles. All of these acts in some respects are superior to the others.

Would you kindly write me a general description of the territory that you propose to have included in this irrigation district. Will there be any municipality included? Do you contemplate the sale of water outside the district? Do you propose to develop and sell any power? If I could have a conference with you and ascertain a little more fully what you hope to accomplish, I might be in a better position to make suggestions.

APR 24 1919

Very truly yours,

Charles C. Grouch

CCC:HG

APRIL 23,
1919.

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

Dear Sir:

I have yours of the 17th instant inclosing a copy of the State Engineer's letter to you of April 5th, in the matter of the proposed organization of the San Luis Rey Irrigation District.

In addition to the Bridgford Act, lands can be irrigated through the formation of a county water district ~~act~~, under the Act of June 10, 1913, a bill introduced by Senator Caminetti, or under the County Water Works District Act of June 13, 1913, a measure fathered by Senator Gates of Los Angeles. All of these acts in some respects are superior to the others.

Would you kindly write me a general description of the territory that you propose to have included in this irrigation district. Will there be any municipality included? Do you contemplate the sale of water outside the district? Do you propose to develop and sell any power? If I could have a conference with you and ascertain a little more fully what you hope to accomplish, I might be in a better position to make suggestions.

Very truly yours,

CCC:RG

San Dieguito Mutual Water Company

H. D. FLETCHER,
President
H. O. FAULKNER,
Secy.-Treas.

Fletcher Building
San Diego, Calif..

E. W. CASE,
Engineer

May 1, 1919.

Ed Fletcher Company
FLETCHER BUILDING
520 EIGHTH ST.
SAN DIEGO, CALIFORNIA

AGENTS
PINE HILLS
DEL MAR
CROSEMONT

San Diego, Calif.
April 25, 1919

Mr. C. C. Crouch,
Owl Bldg.,
San Diego, Calif.

My dear Mr. Crouch:

Answering yours of the 23rd will say I have sent your letter to Mr. McClure. There will be no municipality included. It is contemplated to sell water to the City of Ocean-side. We will develop and sell power, and my understanding is the last legislature has passed a law giving a district that right. I will inform you as soon as I hear from Mr. McClure.

Yours very truly,

EF/bm

Ed Fletcher

By Ed Fletcher

Mr. C. C. Crouch,
San Diego, California.

Dear Sir:-

I received a rather peremptory letter from State Engineer in which he says the California Irrigation District Act is the only Act and adds: "If you and Mr. Crouch conclude that any of the other acts are superior to the Irrigation District Act, then you should arrange for organization accordingly."

I feel that it would be a mistake not to take Mr. McClure's suggestion in this matter and ask you to please prepare the petition under the California Irrigation District Act.

Yours very truly,

Ed Fletcher

EF-mk

#3 Col.Ed. Fletcher.

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

APRIL 30,
1919.

Col. Ed.Fletcher,
Fletcher Building,
San Diego,Calif.

Dear Sir:

I have examined the proposed contract transmitted to you with the letter of W. L. Huber of date of April 26, 1919, to be entered into between Mr. Murray, Mr. Henshaw and yourself of the one part, and the Thums of the other. You ask me to criticize it and state whether or not in my opinion it is a fairly good contract.

I have examined it carefully and it seems to be very fair in its provisions. There is one thought, however, that occurs to me, and that is the question of what are "Riparian Lands". Riparian lands according to the common law and general definition of the term, are lands situate on the bank of a river (Mobile Transp. Co. v. City of Mobile, 30 South. 645, 646, 128 Ala. 335, 84 L.R.A. 333, 86 Am. St. Rep. 143). Such lands must border on the stream. (Jones v. Conn, 64 Pac. 855, 858, 39 Or. 30, 54 L.R.A. 630, 87 Am. St. Rep. 634). It has been held in this State, however, that where a subterranean stream flows in a distinct, permanent and well defined channel, it is governed by the same rules as apply to a natural water course on the surface, and the owners of land beneath which it flows have the same right to it as riparian owners have to it with respect to a stream on the surface, and that the same is true with respect to a large body of under-

ground water located in well defined strata. (Miller v. Bay City Water Company. 157 Cal. 258 40th Oyo. 627). This decision in the 157 Cal. is somewhat modified, however, by the later case of Gallatin v. Corning Irrigation District, 126 Pac. 864, which holds that flood waters which are of no substantial benefit to the riparian owner or to his land, and are not used by him, may be taken at will by any person who can lawfully gain access to the stream, and conducted to lands not riparian, and even beyond the water shed, without the consent of the riparian owner and without compensation to him. They are not a part of the flow of the stream which constitutes "parcel" of his land within the meaning of the law of riparian rights.

Now if the lands to be described in this contract are all riparian lands as defined by the laws of California, then this contract is all right. Or if their rights to damages and use of water are limited by the contract only to such of the lands described as are riparian, then it would be all right; but I do not think that you should be called upon by this contract to ever pay any damages for the diversion of water from any lands which are not entitled to have such diversion prevented, or that you should by any contract, without adequate consideration, agree to at all times after the construction of your contemplated dam, furnish sufficient water to irrigate any such lands. I would suggest, therefore, that either the language of this contract be so changed as to limit your obligations to these parties to such of the lands only as are riparian or are under the laws of this State at the present time, en-

#3 Col. Ed. Fletcher.

titled to the use of these waters which you propose to possibly divert, or that an additional clause be added containing some such language as the following:

"It is understood and agreed that the parties of the second part shall be under no obligations by this contract to the parties of the first part as to any lands herein mentioned which are not entitled under the laws of this State to the prior use of the waters so contemplated to be impounded by the parties of the second part."

The contract and letter of Mr. Huber are returned herewith.

Very truly yours,

Charles C. Grouch

CCC:RG
Incl.

CHARLES C. GROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

MAY 3,
1919.

Col. Ed. Fletcher,

Fletcher Building,

San Diego, California.

Dear Sir:

SAN LUIS REY IRRIGATION DISTRICT.

I agree with State Engineer McClure that you should organize this district under the Bridgeford Act. While the other acts are available and in some particulars superior, yet they have not been used sufficiently in this state to have their various provisions tested by so many Supreme Court decisions as fortify the Act of 1897.

For my information in preparing the petition, I shall need the following information:

1. The name of the proposed district.
2. A description of its exterior boundaries.
3. A general statement of the source or sources (which may be in the alternative) from which the lands are proposed to be irrigated.
4. Advice as to whether any of the territory is incorporated.
5. Advice as to whether any of the territory has ever been before included in an irrigation or other water district.
6. Information as to whether any of the lands lying within the exterior boundaries of the proposed district are not to be included in the district, and if so, the legal description of such bodies of land.
7. Advice as to whether you contemplate having the petition signed by a majority in number of the holders of title or by not less than 500 residents and property owners in the proposed district.

MAY 3 1919

Col. Ed. Fletcher,

For your information, I advise you that the lands to be organized into an irrigation district need not consist of contiguous parcels.

Upon receipt of the above information, I will start work immediately upon the petition.

Very truly yours,

CCC:RG

Charles Crouch

MAY 3,
1919.

Col. Ed. Fletcher,

Fletcher Building,

San Diego, California.

Dear Sir:

SAN LUIS REY IRRIGATION DISTRICT.

I agree with State Engineer McClure that you should organize this district under the Bridgeford Act. While the other acts are available and in some particulars superior, yet they have not been used sufficiently in this state to have their various provisions tested by so many Supreme Court decisions as fortified the Act of 1897.

For my information in preparing the petition, I shall need the following information:

- 1- The name of the proposed district.
- 2- A description of its exterior boundaries.
- 3- A general statement of the source or sources (which may be in the alternative) from which the lands are proposed to be irrigated.
- 4- Advice as to whether any of the territory is incorporated.
- 5- Advice as to whether any of the territory has ever been before included in an irrigation or other water district.
- 6- Information as to whether any of the lands lying within the exterior boundaries of the proposed district are not to be included in the district, and if so, the legal description of such bodies of land.
- 7- Advice as to whether you contemplate having the petition signed by a majority in number of the holders of title or by less than 500 residents and property owners in the proposed district.

For your information, I advise you that the lands proposed to be organized into an irrigation district need not consist of contiguous parcels. Upon receipt of the above information I will start work immediately upon the petition.

Ed Fletcher Company
FLETCHER BUILDINGS
200 EIGHTH ST.
SAN DIEGO, CALIFORNIA

AGENTS
PINE HILLS
DEL MAR
CARMEL MOUNTAIN

May
Fourteenth,
1919.

Mr. C. C. Crouch,
San Diego, California.

San R Rey Inv. sheet

Dear Sir:

I don't understand your question
No. 7 - Advice as to whether you contemplate
having the petition signed by a majority in
number of the holders of title or by not less
than 500 residents and property owners in the
proposed district.

What advice do you want from me on
this subject? Please get me on the phone
and straighten this matter out.

Yours very truly,

EF-mk

Ed Fletcher

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

e/f 12/9
~ 1/1
MAY 16,
1919.

Col. Ed. Fletcher,
San Diego, Calif.

Dear Sir:

I am in receipt of yours of the 9th instant
inclosing the letter from Malcolm and Turrentine to you of
the 5th and a copy of your reply of the 9th with reference
to Mrs. Webb's controversy regarding the use of water of the
San Pasqual River. I have also had an interview with Mrs.
Webb and with Mr. L. N. Turrentine regarding the matter and
my conclusion is that Mrs. Webb is trying to get you to pull
her chestnuts out of the fire, and that the best thing for
you to do is to keep out of Court on this proposition at
present.

In the decree in the case of Ward vs. Kuffner,
No. 11891, the records of our Superior Court show the water
of the river was proportioned between the upper and lower
users, and under this decree your Ward property was decreed
to be entitled to a certain share of the twenty day's flow
of the lower users which had been theretofore decreed by the
court in another action.

Prior to the late flood, the Webbs secured
water from certain springs from which they irrigated their
irrigated their lands. These springs were destroyed by the
flood and buried under some 8 feet of ground. Now after *they*
MAY 1

the water had been divided, there was an agreement made between the upper and the lower users, under which the ditch was enlarged from the point of diversion on the river at the joint expense of both the upper and the lower users, and an agreement (not in writing, however), was entered into by which it was understood and agreed that after the ditch was full that the upper users were entitled to the surplus water. This is a great benefit to the lower users, because by having the surplus used on the upper lands, it percolates and flows down to them, and gives them more water for pumping. Now the Webbs lie between the upper and lower users, and they have taken a "dog in the manger" attitude and have refused to allow the water to go down to the lower users through the ditch or canal through their property in which it has been accustomed to run for more than 18 years past, and a lawsuit is contemplated between the Webbs and the lower users regarding their right to have this water pass through the Webb property lying between the Ward property and the dam. They are also disputing the right of the upper users to this surplus water. In other words, the Webbs are antagonistic both to the lower users and the upper users. It would appear to me from the statements made by Mr. Turrentine that the upper users recognize the right to the use of the water on the Ward place under this decree, and are willing that it shall have its share of the twenty day's run, but they dispute the right of the Webbs to take this water and use it on other lands, and they dispute the right of the Webbs to take any of the surplus water and use it on their own lands.

This entire matter is very complicated, and there is no question but that it will be threshed out in court in the near future in this contemplated action which is being prepared by Messrs. Winnek & Schoonover, and the conclusions I now have may be changed by subsequent information; but for the present I advise you not to institute any litigation at Mrs. Webb's request until after it has been made more plain to you what you have to gain thereby.

Very truly yours,

Charles Crouch

Ed Fletcher

No. Date.

IN THE
Superior Court
OF THE
STATE OF CALIFORNIA
IN AND FOR THE
COUNTY OF SAN DIEGO

E. H. Webb

Plaintiff..

F. B. Perriago

Defendant..

Civil Subpoena

Borey

In the Superior Court of the State of California
IN AND FOR THE COUNTY OF SAN DIEGO

C. A. Webb

Plaintiff

F. R. Perris & ^{vs.}

Defendant

SUBPOENA

The People of the State of California Send Greeting: To.....

Ed Fletcher

We Command You, That all and singular, business and excuses set aside, you appear and attend

Before E. A. Luce, Judge of Dept. 3

of our Superior Court of the County of San Diego, State of California, at the Court House, in the City of San Diego, County of San Diego, on the 3rd day of June A. D. 1919

at 10 o'clock A.M., then and there to testify in the above stated cause, now pending in said Court on the part of defendant

and for failure to attend you will be deemed guilty of contempt of Court, and liable to pay all losses and damages sustained thereby to the parties aggrieved, and forfeit one hundred dollars in addition thereto.

WITNESS: Hon. E. A. Luce

Judge of said Superior Court, at the Court House in the City and County of San Diego, this 29th day of

Seal. May A. D. 1919

ATTEST my hand and the seal of said Court, the day and year last above written.

By J. S. Bailey Clerk
Deputy

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

JUNE 7, 1919.

Mr. King and Mr. Faude,
Fletcher Building,
San Diego, California.

Gentlemen:

I wish each of you to separately prepare exhibits showing the following:

1. A computation of the amount due the Sharp & Fellows Company on their contract price (pay no attention to force account), prepared upon the assumption that they are entitled to no additional compensation beyond the unit prices. In other words, this will be just like our books and like our final estimates.

2. A computation showing what would be due them were they allowed such sum as you deem the fair value of constructing the vertical arch rings at the toe of the old dam. This computation, of course, should show the unit quantities the same as the first one, but of course the unit quantities in the changed part should be deducted from the total unit quantities.

3. A computation showing the amount that would be due them, based upon the assumption that they would be allowed pay for the reasonable value not only of the toe, but also of the cutoff wall in other parts of the dam. These exhibits should be sufficiently definite to show the Court just how you arrive at results.

Kindly make an original and two copies of these exhibits.

CCC:RG

Very truly yours,

Charles C. Crouch

[orig. w/ 3 L R.R. Com.
filed
as m]

June 5th, 1919

Mr. C. C. Crouch,
Owl Drug Bldg.,
San Diego, Calif.

Dear Sir:-

Please, without fail, bring up the question of amortizing our losses owing to the building of Murray Dam. I refer to the old La Mesa Dam which cost us \$30,000 or \$40,000, and which both the State Engineer and Mr. Huber say must be amortized in making rates. I am writing you these letters from time to time, and want you to keep them in mind for the hearing.

Yours very truly,

CC/bm

RECORD OF MATERIALS REMOVED

PAGE ____ OF ____

COLLECTION NAME ED FLETCHER.
 SERIES & FOLDER TITLE CUYA WTR CO.

Description of Material	Date of Material	Re-Filed As:	
		Series	Folder Title
LETTER CHAS. DETRICK of RR COMM TO CUYA	JULY 3, 1916	DETTRICK, RR COMMISSION	
" CUYA to DETRICK	JULY 3, 1916	"	
DETTRICK to CUYA	AUG 3, 1916	"	



CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

JUNE 16,
1919.

Lew B. Mathews, Secretary,
Cuyamaca Water Company,
San Diego, California.

Dear Sir:

I am inclosing herewith a copy of a letter which I am today writing to Mr. Murray with regard to deeding all of the properties of the Cuyamaca Water System to the Cuyamaca Water Company, a corporation.

Kindly take the matter up with Col. Fletcher regarding bringing down the Certificates of Title to date so that I know we will have the correct legal description of these properties; and if there are any outstanding interests which should be acquired or corrected I can either proceed to get them or take such further action as may be deemed best. I don't want to draw a deed as important as this unless I know that it will be correct when it is drawn.

Some of the descriptions which you have are ambiguous and some are no doubt incorrect; but I assume that all parties concerned wish these deed to accomplish the purposes for which they are to be drawn.

Very truly yours,

CCC:RG
Incls.

Charles C. Crouch



CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

JUNE 17,
1919.

James A. Murray,
c/o Cuyamaca Water Co.,
San Diego, California.

My dear Mr. Murray:

I am in receipt of yours of the 4th instant requesting that I have deeds made out to the Cuyamaca Water Company, a corporation, from yourself and wife, Mr. Fletcher and wife and Mr. Henshaw and wife, covering all of the property both real and personal used in the operation of the water system. In this connection I call your attention to the following in my letter to you of March 31st last:

"I would not advise that this or any similar deed be filed, necessitating as it will, the expenditure of over \$1000.00 in revenue stamps, until all of the property has been more correctly inventoried and certificates of title brought down to date."

I am today, as per your request, writing Mr. Mathews to furnish me with a full description of all the property which should be included in the deeds, and to confer with Col Fletcher regarding having the certificates of title brought down to date showing in just what state all of these properties are so that the entire matter can be cleaned up at this time after this inventory and these certificates of title have been furnished me, and I will then draw the deeds as you request.

Very truly yours,

CCC:RG

Col. Fletcher, #3.

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

JUNE 17,
1919.

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

Dear Sir:

THUMS LANDS.

I have read the letter to you of May 30, 1919, from W. L. Huber and the letter of the same day from A. E. Chandler, President of the State Water Commission, which letters were transmitted to me with yours of the 24th of May with reference to whether or not the lands described in the proposed contract with the Thums are riparian in character. I note the following statement is contained in the letter of Mr. Chandler:

"The description of the S. and W. Thum property given by me to you, is the description of their riparian lands."

If you are satisfied as to the truth of that statement, then in my opinion it is all right for you to sign this contract as drawn, although I think it would have been preferable to have had the contract written along the lines of Mr. Huber's tentative draft as mentioned in his letter, in which he left the question of whether the lands were riparian or not for the Water Commission to thereafter determine.

By re-reading my opinion of the 30th of April, 1919, you will note that all I desired to protect you from in signing this contract was from entering into an obligation to thereafter furnish water to the Thums lands which were not

entitled to priority in the use of such water by reason of their being riparian in character.

If you are satisfied that all of these lands are riparian then it is all right to sign the contract as drawn. If you have any doubt upon this question, then I suggest that you adopt the procedure outlined in Mr. Chandler's letter and make an investigation as to the facts; and if you find they are not riparian state the reason for your position to the Water Commission and have the matter ~~concluded~~ and determined in the manner outlined.

The letters of Mr. Huber and Mr. Chandler are returned herewith.

Very truly yours,

CCC:RG
Incls.

Charles C. Crouch

JUN 15 1919

San Francisco, Calif.
May 20, 1919

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

May 24, 1919

Mr. C. C. Crouch,
Owl Building.
San Diego, California.

My dear Mr. Crouch:

Please return these letters of Chandler and Huber, without fail, for my files, together with your opinion in the matter of acquiring riparian rights.

Yours very truly,

EE/mm
encl

Dear Mr. Fletcher:

This office is in receipt of your letter of May 17th, enclosing copy of your letter of May 16th to Mr. Huber, and copy of opinion of April 30th from Charles C. Crouch to you -- all in regard to proposed water agreement between you and riparian owners on San Diego River.

Mr. Huber called this morning and we discussed the paragraph suggested for inclusion by Mr. Crouch. The paragraph deals with what is believed to be one of the vital elements of the agreement, which element should be defined in each case before the agreement is executed by the respective parties. The description of the F & W Thum property given by me to you is the description of their riparian lands. I was evidently not sufficiently clear to impress upon you this fact. What we desire from you is a statement as to whether or not you accept the lands as riparian in character, and if you do not so accept them or part of them, to state the reasons for your position. Such action will bring the matter to a crisis immediately, and if necessary we can act as arbiter in the matter.

As stated above, I have discussed this matter with Mr. Huber and I think he is in accord with this position. I am sending him a copy of this letter. If you will take the suggested action in defining the riparian lands, there will be no need for the inclusion of the paragraph suggested by Mr. Crouch.

Yours very truly,

(Signed) A. E. Chandler,
President

EEC/P

C o p y

San Francisco, Calif.
May 20, 1919

Mr. Ed Fletcher,
920 8th Street.
San Diego, Calif.

Dear Mr. Fletcher:

I have your letter of the 16th enclosing a copy of Mr. Crouch's letter with regard to the Thum contract. You will remember that this matter of whether or not Thum lands were all riparian to the San Diego River was a point which I made in drawing up my first tentative draft of an agreement, and by referring to this draft, you will find that I made this one of the points for the Water Commission to determine. Later, in an effort to simplify the contract made by Mr. Chandler and a representative of Thum's, reference of this point to the State Water Commission was omitted, and the contract was drawn, leaving the whole matter of rights to damages to be determined by the State Water Commission. The Commission, of course, will determine the rights of the Thums as to whether or not their lands are riparian. With this idea in mind, I followed Mr. Chandler's draft in drawing up the last agreement, i.e. the one you submitted to Mr. Crouch. This morning I discussed this matter with Mr. Chandler, who feels that the paragraph suggested by Mr. Crouch, if added to the contract, would tend to completely nullify it. However, he says that this very point is the one he took up with you by letter, and which in your reply you apparently missed.

Mr. Chandler sent you a copy of a letter of May 15, from Mr. Thum's Company, giving a description of their lands, to which you replied that the description was all right, by which he infers that you agree that the Thums own these particular lands. What he really wished to know, was whether or not you agree that these particular lands are riparian to the San Diego River. If you do not, he will investigate further before having the description inserted in the contract.

Please cover the above point in an answer to Mr. Chandler and let me have a copy thereof.

Very sincerely,

Signed W. L. Huber/

June 20, 1919.

Mr. C. C. Crouch,
Owl Drug Building,
San Diego, California.

Dear Sir:

Mr. Murray has handed me your letter of June 16th in relation to deeding the property of the Cuyamaca system to the Cuyamaca Water Co.

The State Railroad Commission have their engineers and bookkeepers here now going over the Cuyamaca system and there will be a hearing before the Railroad Commission in a very short time. It seems to me the time to deed these properties is when the railroad commission hands down its decision showing what properties they included as Cuyamaca Water Company property. I talked this matter over with Mr. Murray before he left and believe that this arrangement is satisfactory to him.

I would like to ask this question: We have a corporation known as the Cuyamaca Water Company with capital stock of \$1,000,000. Other attorneys have informed me that we could not deed our property to a corporation without the consent of the state railroad commission, the price to be determined by the state railroad commission, and that it would not be legally transferred without their consent; that any bonds which we might issue would be illegal unless approved by the state railroad commission; that if we should deed the Cuyamaca properties to the present corporation and take in payment all the stock, which is \$1,000,000, in case our property was condemned it might be construed by court as being worth only \$1,000,000. While as a matter of fact the state engineer has just put a valuation of \$1,440,000 on the system.

Another point I would like to know about is this: If we should deed our property for \$1,000,000 or any other larger amount and take stock of the corporation in payment or bonds, would we not have to pay some

000-2

income taxes of some kind, and would not stock or bonds be considered cash and make us liable to pay out money on some of these different war taxes or income taxes in addition to paying the \$1000 or more for revenue stamps for a deed transferring the property.

My suggestion to Mr. Murray has been that if we are not going to be stuck to heavy for revenue stamps or income taxes that we form a \$2,000,000 or \$3,000,000 corporation and deed the property to the corporation at a valuation of \$1,440,000 as determined by the state engineer, and ask the railroad commission to approve it. If they wont do it, find out the reason why. But I do feel that it is a mistake until the railroad hearing is over and new values established to deed the property to a corporation.

An early reply to this letter will be appreciated.

I have sent a copy to Mr. Murray,

Yours very truly,

EF-mk
cc-JAM

(initials)
Col. Ed. Fletcher, #3.

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

JUNE 30,
1919.

Col. Ed. Fletcher,
Fletcher Building,
San Diego, Calif.

Dear Sir:

Yours of the 20th instant stating that the Cuyamaca Water Company has a capitalization of One Million Dollars (\$1,000,000.00); that other attorneys have informed you that you could not deed your properties to a corporation without the consent of the Railroad Commission, the fact to be determined by the Commission, and that it would not be legally transferred without their consent; that any bonds which you might issue would be illegal unless approved by the State Railroad Commission; and that if you should deed the Cuyamaca properties to the present corporation and take in payment all the stock, in case your property was condemned it might be construed by a court as being worth only \$1,000,000.00, while as a matter of fact the State Engineer has just placed a valuation of \$1,440,000.00 on the system.

I call your attention to Section 51 of the Public Utility Act which reads in part as follows:

"SELLING, LEASING, ETC., OF PUBLIC UTILITIES.
No railroad corporation, street railroad corporation, pipe-line corporation, gas corporation, electrical corporation, telephone corporation, telegraph corporation or water corporation shall henceforth sell, lease, assign, mortgage or otherwise dispose of or incommingle whole or any part of its railroad, street railroad, line, plant or system, necessary or useful in the performance of its duties to the public, or any franchise or permit or any right thereunder, or by any means whatsoever, direct or indirect, merge

JULY 1919

or consolidate its railroad, street railroad, line, plant or system, or franchises, or permits or any part thereof, with any public utility, without having first secured from the Commission an order authorizing it so to do."

I am therefore of the opinion that before transferring your properties to the corporation, that you should secure the consent of the State Railroad Commission.

So far as your being capitalized for only \$1,000,000.00 is concerned this of course would make no legal difference, as it would merely make the value of each share in excess of its par value provided the property owned by the corporation was worth more than its capitalization. It no doubt, however, would have a moral effect in case you should later wish to sell the properties or transfer your capital stock. It seems to me that the par value of your stock ought to be at least at much as the actual value of your property, and I believe it would be a good idea to increase your capitalization to say \$1,500,000.00.

The increase of the capital stock would not impose upon you the payment of any additional federal taxes as the capital stock tax is not computed upon the par value, but the actual value of the capital stock; that is, they take into consideration your assets and earnings and you pay a tax of \$1.00 a \$1000.00 on the actual value of your stock over \$5000.00; that is, the first \$5000.00 is exempt, and for the actual value of your stock, irrespective of the par value, you pay \$1.00 per \$1000.00 tax a year.

Trusting that this answers the point you have in mind,

I am,

Very truly yours,

CCC:RG

Charles C. Crouch

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

AUGUST 27,
1919.

Cuyamaca Water Company,
Fletcher Building,
San Diego, Calif.

Attention: Mr. Mathews.

Dear Sir:

I have read the opinion of the Railroad Commission granting your company a surcharge of 2¢ per hundred cubic feet, the same to be effective for all meter readings subsequent to August 11, 1919, and have also read a copy of your letter to the Commission, of August 23rd, and their telegram to you of the 26th instant, and am of the opinion that the Commission intends you to charge this 2¢ surcharge for all meter readings taken subsequent to August 11th.

You state that you take your meter readings the last week of each month. Of course, the August meter readings would show some water which was consumed prior to August 11th, but how much, of course, you have no way of determining, but I am of the opinion that you are entitled to impose this 2¢ surcharge on the full meter readings.

Respectfully,

Charles C. Crouch

CCCG:RG

[ref. Application #4670]
Decision #6540
ccm

[dated 10/7/19] →
ccm

Mr. C. C. Crouch,
Owl Drug Building,
San Diego, Calif.

My dear Mr. Crouch:

Attached hereto is copy of letter from F. & W. Thum Co., also agreement. What I want to know is, if this contract is signed, after one or more dams are built on the San Diego River, would the Cuyamaca Water Company have the right to cancel this contract by bringing suit to condemn, and paying any damages that may accrue, and which the court may determine.

An early opinion from you on this matter will be appreciated.

Yours very truly,

EF/bm

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

CHARLES C CROUCH

October 28th, 1919.

October 28th, 1919.

Col. Ed Fletcher,
Fletcher Bldg.,
San Diego. Proposed contract with
F. and W. Thum Company.
Dear Sir:-

I have yours of the 27th inst. enclosing a contract proposed to be entered into between The F. and W. Thum Company and yourself, James A. Murray and Wm. G. Henshaw, relating to two tracts of the Company's property, one of 27.8 acres and another of 55.60 acres, and under which contract you would acquire the right to construct dams upon and divert the waters of the San Diego river under certain conditions.

You ask this question.

"What I want to know is if this contract is signed and after one or more dams are built on the San Diego river, would the Cuyamaca Water Company have the right to cancel this contract by bringing suit to condemn, and paying any damages that may accrue, and which the Court might determine."

This contract, if executed, places an easement in your favor upon the property described. The Thum Company would still hold the fee title subject to this easement. If in the future the easement rights now being secured should not be adequate, and should the reservations and rights retained by the Thum Company under this instrument interfere with the operation of your system as a public utility, or with the improvement and enlargement of your system in order that it might better serve the public, or serve a greater portion of the public, you would have the right to institute condemnation proceedings and take the whole fee to the land or such further rights therein as your needs might require, and in my opinion nothing in this proposed agreement would prevent such action. The contract is returned herewith.

Very truly yours,

Enc.

Charles C. Crouch

Col Ed Fletcher,
Fletcher Bldg.,
San Diego

Proposed contract with
F. & W. Thum Company.

Dear Sir:

I have yours of the 27th inst. enclosing a contract proposed to be entered into between the F. & W. Thum Company and yourself, James A. Murray and Wm. G. Henshaw, relating to two tracts of the Company's property, one of 27.8 acres and another of 55.60 acres, and under which contract you would acquire the right to construct dams upon and divert the waters of the San Diego river under certain conditions.

You ask this question.

"What I want to know is if this contract is signed and after one or more dams are built on the San Diego river, would the Cuyamaca Water Company have the right to cancel this contract by bringing suit to condemn, and paying any damages that may accrue, and which the Court might determine."

This contract, if executed, places an easement in your favor upon the property described. The Thum Company would still hold the fee title subject to this easement. If in the future the easement rights now being secured should not be adequate, and should the reservations and rights retained by the Thum Company under this instrument interfere with the operation of your system as a public utility, or with the improvement and enlargement of your system in order that it might better serve the public, or serve a greater portion of the public, you would have the right to institute condemnation proceedings and take the whole fee to the land or such further rights therein as your needs might require, and in my opinion nothing in this proposed agreement would prevent such action. The contract is returned herewith.

Very truly yours,

*Signed) Charles C. Crouch

Enc

Original sent to P.C. Black 11/3/19

Black)



CHARLES C. Crouch
ATTORNEY
SAN DIEGO, CALIFORNIA

November 13th, 1919.

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

PARTITION SUIT OF WARD VS. WARD.

Dear Sir:

I am handing you herewith a copy of the complaint in this action. I wish you would have an examination made of the particular property described in Paragraph I, and advise me whether or not the only interest which Mr. Henshaw has in this dam is that described in Paragraph V.

I have been given ten days additional time within which to answer the complaint and this information will be all right if it reaches me within the next week.

Very truly yours,

Charles C. Crouch

atty
district of
marks

(Henshaw
Longwall)

20 November 1919

Mr. C. C. Crouch,
Owl Drug Bldg.,
City.

My dear Mr. Crouch:

Enclosed find clipping which is explanatory. Nobody has served us with any notice. Find out who filed the suit, and who the attorneys are. I want to see this case referred to the State Water Commission.

Yours very truly,

EF:KLM

See Presque

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

November twenty-fourth
Nineteen Nineteen.

Colonel Ed Fletcher,
Fletcher Building, HALL VS. TRUSSELL.
San Diego, California.

Dear Sir:

I have received yours of the 20th inst. enclosing a clipping from a newspaper regarding the water suit which has recently been filed by the users of water in San Pasqual Valley. Pursuant to your request, I have ascertained that Messrs. Sweet, Stearns & Forward and Schoonover & Winnek are attorneys for the plaintiff in this action.

I took the matter up with Attorney Winnek and he brought over copies of the complaint, one of which I hand you herewith. Mr. Winnek advises me the suit is brought in behalf of what are called the "lower users" of the waters of the San Bernardo River and against the "upper users" and various other defendants who have or claim interest in the water of this river. In substance it is a quiet title action by the plaintiff to the waters claimed by them. Mr. Winnek advises me that it is the intention so soon as the features are settled in the Superior Court here to move the court to transfer the action before the Water Commission of the State of California. It would appear to me that we will have to be somewhat on both sides of the fence in this fight. Kate Deasy, I understand, is entitled to seventy-five hours of the West end flow, which belong to the old Ward place. I understand also that when you traded the Roberts place to the Wards that you reserved the right to erect certain dams. I anticipate also that you have various water filings on these waters.

Please advise me which of the defendants named you desire me to appear for, and also have prepared for me a very full statement of all of the various defendants for whom I am to appear as to their claims to the waters of this stream or any easements thereon. You may retain the copy of the complaint for your files, as I have another copy. This information should be furnished me within the next week.

Very truly yours,

CCC-B

Charles C. Crouch

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

November twenty-fifth
Nineteen Nineteen.

Colonel Ed Fletcher,
Fletcher Building, PARTITION SUIT OF WARD VS. WARD.
San Diego, California.

My dear Colonel:

Will you kindly return the copy of the complaint in this case sent you on the 13th inst?

I am advised by Mr. Winnek that the Webbs are buying out all of the other heirs and that this suit will

be dismissed so soon as the transaction is closed. I have secured thirty days additional time within which Mr. Henshaw and the Security Trust & Savings Bank of Los Angeles may appear.

Very truly yours,

CCC-B
Suit 1587.

Charles C. Crouch

Sent complaint
& Summons to ccc.
11/26/19

8 December 1919

San Diego, California.
December 8th, 1919

Mr. C. C. Crouch,
Owl Drug Bldg.,
San Diego, California.

Dear Sir:-

Enclosed find letter from Mr.
Faulkner which will be of interest, to-
gether with copy of Mr. Holyoke's letter.

Yours very truly,

EF/bm
encl 2

Mr. C. C. Crouch,
San Diego, Calif.

My dear Mr. Crouch:

Will you please get in touch with
Mr. Stevens, and you and Mr. Stevens represent
Mr. Henshaw in the San Pasqual suit.

Yours very truly,

EF:KLM

cc: H. J. Stevens

Original sent to Mr. Henshaw 11-28-19

C o p y

November twenty-fifth
Nineteen Nineteen

Colonel Ed Fletcher
Fletcher Building,
San Diego, Calif.

My dear Colonel:

I have just finished dictating the complaint in the action to be brought by Mr. Henshaw against the County Tax Collector, the County Auditor and the County Treasurer, seeking to cancel the delinquent taxes upon his properties.

The estimate of the County Auditor which you turned over to me show that the delinquent taxes with interest and penalties amount at this time to \$2,327.27. Under the law we would not in any event be entitled to the relief attempted, except upon payment of the original amount of the taxes, less the interest and penalties; these amount to \$893.76. Before the complaint is filed it will be necessary to tender to the County Treasurer that sum. Would you therefore have Mr. Henshaw mail me a check for \$1,007.76, being the amount mentioned, plus \$15.00 to cover court costs incident to the suit?

Very truly yours,

Charles C. Crouch

CCC-B

December 4
1919

Colonel Ed Fletcher,
Fletcher Building, HENSHAW VS. CORNELL
San Diego, California.

Dear Sir:-

I enclose herewith a copy of the complaint as drawn in the proposed suit of Mr. Henshaw vs. the County Tax Collector, et al, seeking the cancellation of interest and penalties on the taxes running back for a number of years on his property.

You might forward this to Mr. Henshaw for his files. Meanwhile I am awaiting a check for the amount necessary to tender the County Treasurer before filing suit.

Very truly yours,
Charles C. Crouch.

CCC-B

Original to Wm. G. H. 12.11/19

Ed Fletcher Company
FLETCHER BUILDING
507 BROAD ST.
SAN DIEGO, CALIFORNIA

AGENTS
FINE HILLS
DEL MAR
GROSVENOR

January
Third
1920

Mr. C. C. Crouch,
Owl Drug Bldg.,
San Diego, Calif.

My dear Crouch:

Will you please draw up a Bill for Assemblyman Colburn to introduce, appropriating \$5,000 to construct a suitable memorial commemorating the Battle of San Pasqual. You might mention in the bill that the state at its last session officially accepted a deed to the battle ground in question and that land is now in the name of the state.

Yours very truly,

Ed Fletcher

HF:KLM

The gift
County can build flats 1919 p. 444
Domestic 1907, p. 1366
Domestic 1911 " 1367
1915 - 15-28
1907-01 " 10-6

(C O P Y)
CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

February 2
1920

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

My dear Colonel:

With reference to the proposed loan of \$50,000.00 to the Lemon Grove Mutual Water Company for the repair and extension of its water distribution system and to the taking of a mortgage upon their property to secure the same, I beg to advise as follows:

1. The Articles of Incorporation of this company were filed in the office of the County Clerk of San Diego County on September 12th, 1905, the name of the corporation being given as the "Lemon Grove Mutual Water Company". Mr. Halley has furnished me the original charter of the company, which was issued by the Secretary of State on October 14th, 1905, and this shows that the name of the corporation was the "Lemon Growers Mutual Water Company". This is evidently an error which should be corrected.

2. In my opinion this corporation is not a "non-profit cooperative" corporation, as defined in sections 653t et seq of the Civil Code, for the reason that these sections of the Civil Code were not passed by the Legislature until 1909 while the corporation was organized in 1905 and the procedure followed was that provided for in section 290 of the Civil Code, which provides for the method of incorporation of ordinary business incorporations.

3. POWER TO MORTGAGE PROPERTY. Section (a) of the Articles of Incorporation of this company provide that it is formed for the purpose of "facilitating the distribution of water to the land-owners and residents of Lemon Grove and vicinity". Section (c) provides that they have power to "sell or rent carrying capacity in the pipe line, flume, or aqueduct belonging to the company, to water consumers for irrigation, domestic, or any other lawful use, and to purchase and sell water and water rights". By section (d) it is provided that the water may not only be delivered and supplied to owners of shares of the capital stock, but "also to land-owners and residents in the territory adjacent to Lemon Grove, who may not be stockholders in this corporation". Section (g) provides that the company shall have power to "develop any water supply that may be necessary or beneficial to the company or its shareholders."

By Section 1 (h) it is provided that the corporation shall have power "to borrow money necessary to carry out the purposes and object of the corporation, and to secure the payment thereof by a mortgage upon the company's property". By Section 1 it is provided that "the corporation is not organized for the purpose of profit, its sole purpose being to distribute water to the water-consumers at Lemon Grove and the territory adjacent thereto as economically and equitably as it is possible so to do."

I am therefore of the opinion that this corporation has power to borrow money and to execute a mortgage upon its system to secure the payment thereof.

4. PERMISSION SHOULD BE SECURED FROM THE RAILROAD COMMISSION.
While this corporation was not organized for the purpose of profit, yet it issued capital stock to its shareholders of the par value of \$10.00 each, and in the ordinary form of the ordinary business corporation. Sub-section 1 of the Public Utilities Act of 1915 (Statutes of 1915, page 115) provides as follows:

"The term 'water corporation' when used in this act, includes every corporation or person, their lessees, trustees, receivers or trustees appointed by any court whatsoever, owning, controlling, operating or managing any water system for compensation within this state."

Sub-section (w) of Section 1 provides:

"The term 'water system' when used in this act, includes all reservoirs, tunnels, shafts, dams, dykes, head-gates, pipes, flumes, canals, structures and appliances, and all other real estate, fixtures and personal property, owned, controlled, operated or managed in connection with, or to facilitate the diversion, development, storage, supply, distribution, sale, furnishing, carriage, apportionment or management of water for power, irrigation, reclamation or manufacturing, or for municipal, domestic or other beneficial use."

Section 51 of this act provides that no water corporation shall mortgage any part of its system without having first secured from the Commission an order authorizing it so to do, and provides that every such mortgage made other than in accordance with the order of the Commission authorizing the same, shall be void.

I am therefore of the opinion that before this mortgage could be legal, that consent to its execution would have to be secured from the Railroad Commission, as I believe that under the Public Utilities Act this water company is a public utility.

5. PERSONAL LIABILITY OF STOCKHOLDERS. Section 3 of Article XII of the Constitution of California provides in part as follows:

-5-

"Each stockholder of a corporation or joint stock association, shall be individually and personally liable for such proportion of all its debts and liabilities contracted or incurred, during the time he was a stockholder, as the amount of stock or shares owned by him bears to the whole of the subscribed capital stock, or shares of the corporation or association."

In McGowan vs. McDonald, 111 Cal. 57, it is held that this constitutional provision makes each stockholder in a corporation individually and personally liable for his proportion of all its debts and liabilities and that a subsequent statute, in so far as it intends to exempt corporations formed under it from such liability, is obnoxious to the constitution and of no effect.

Section 322 of the Civil Code is an act of the Legislature carrying this constitutional provision into effect and provides that "each stockholder of a corporation (other than a corporation hereafter organized) under the laws of this state which shall adopt and use as the last word of its corporate name the word "limited" or its abbreviation "ltd", is individually and personally liable for such proportion of all its debts and liabilities contracted or incurred during the time he was a stockholder, as the amount of stock or shares owned by him at the time the debt or liability was incurred bears to the whole of the subscribed capital stock or shares of the corporation.

I am therefore of the opinion that each holder of stock in this water company would be liable for his proportion of this \$50,000.00 loan.

Very truly yours,

Charles C. Grouch

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA



April 8, 1920.

CUYAMACA WATER COMPANY,
Fletcher Building,
San Diego, California.

REFUSAL TO FURNISH WATER THROUGH
FORMERLY LEASED PRIVATE DISTRIBUT-
ING SYSTEMS.

Gentlemen:-

With reference to this matter I call your attention to Section 15 of the Public Utility Act of 1915 (Statutes 1915, p. 124), which reads as follows:-

"Sec. 15. Unless the commission otherwise orders, no change shall be made by any public utility in any rate, fare, toll, rental, charge or classification, or in any rule, regulation or contract relating to or affecting any rate, fare, toll, rental, charge, classification or service, or in any privilege or facility, except after thirty days' notice to the commission, and to the public as herein provided. Such notice shall be given by filing with the commission and keeping open for public inspection new schedules stating plainly the change or changes to be made in the schedule or schedules then in force, and the time when the change or changes will go into effect. The commission, for good cause shown, may allow changes without requiring the thirty days' notice herein provided for, by an order specifying the changes so to be made and the time when they shall take effect, and the manner in which they shall be filed and published. When any change is proposed in any rate, fare, toll, rental, charge or classification, or in any form of contract or agreement or in any rule, regulation or contract relating to or affecting any rate, fare, toll, rental, charge, classification or service, or in any privilege or facility, attention shall be directed to such change on the schedule filed with the commission, by some character to be designated by the commission, immediately preceding or following the item."

It appears that in Decision 4058 the Commission said:

"All in all, the relationship between the Cuyamaca Company and its various group consumers presents the most complicated and one of the most unsatisfactory conditions which has come to our attention in connection with the administration of any water system in this state."

And in order, as they say, that order should be "brought out of this chaos", they divided those group consumers into two classes, namely; one, a group in which the consumers would take the water at the Company's transmission line and distribute it themselves, and maintain and repair their distributing system; and, second, a group in which the Company would deal directly with each member of the group, delivering the water at his premises and collecting directly from him.

With reference to this second group the Commission further said:

"In cases in this class in which the Cuyamaca Water Company does not now own the distributing system, the Cuyamaca Company would either acquire the present distributing system, or construct its own distributing system to reach the existing consumers."

The decision leaves to each particular group the option of selecting under which class it desires to be included.

It appears that thereafter various of the group consumers who owned their own distributing systems elected to have their water furnished to them individually, and with that end in view leased their distribution systems and have

since furnished them the water through these leased lines, and have been measuring their water and charging and collecting payment therefor through their individual meters, instead of at your transmission lines to the group consumers as a unit.

Now it appears that your leases have expired and you are unwilling to renew them, and in some instances have so notified them and cut off their water supply, but that you have not complied with Section 15 of the Act by giving the notice to the Commission therein provided for except that you have addressed a communication to the presidents or secretaries of these various companies, which are really not corporations, and have sent a copy of the notices to the Railroad Commission. It might be held that the notice which you have given would be a sufficient compliance with Section 15, but I think this notice should have been given to every consumer upon the line, and I think it would have been better to have made an application to the Commission for authority to make this change in classification and service. ~~water~~ into the line until such time as the Com I do not believe that the Commission can force you to operate and maintain any property which you do not own, or compel you to furnish water through another system by the continuation of a temporary lease which has expired and which you are unwilling to renew. But in a matter of so serious a nature, and which involves the deprivation of a large number of people of water for both irrigation and domestic purposes,

4-8-20

I think it would unquestionably be the only safe way to proceed to lay all the facts before the Commission and endeavor to secure its approval.

I am not prepared to say that you would be responsible in damages for any losses which these consumers might sustain by being deprived of water, but I am prepared to say that it would be very bad business judgment on your part to take any chance of such damage suits under the present circumstances.

I have seen a copy of a letter from the president and secretary of the Hawley Pipe Line stating that several consumers on said line are without water and that serious damage may accrue and placing at your use temporarily and until further notice, free of rental or of charge of any kind, the said Hawley pipe line and connected pipes for the purpose of delivering water to its consumers thereunder. I think it would be the part of wisdom to avail yourselves of their offer and without delay turn the water into the line until such time as the Commission, either in the decision which we may now expect any day further considers the matter, or until such time as we can make application to the Commission and secure their authority for and approval of the change in classification and service.

It is a very intricate question whether or not you are or are not liable in damages ensuing to these people by

-4-8-20.

cutting off their water, and one that I would not render an opinion upon without an exhaustive study which I have not had time to make, but I do not want you to unnecessarily take the chance of any such damage suits, and I therefore advise you to immediately recommence furnishing water to the Hawley pipe line and to the other lines that the water has been cut off from, provided they will either give you a similar offer to that received from the Hawley Pipe Line Company, or will consent that the use of their lines until such time as the matter can be further determined shall not be considered as a renewal of the lease by your Company.

Very truly yours,

Charles C. Crouch

CCC-S

CHARLES G. CROUCH
Attorney
San Diego, California.

April 21, 1920.

Col. Ed Fletcher,
San Diego, California.

Dear Sir:

Your Mr. King and myself have had a conference with City Attorney S. J. Higgins and City Auditor Moody with reference to the purchase by you and your associates of \$25,000.00 of municipal bonds and the payment by the City of \$25,000.00 to you for the option of the City to purchase the pipe line which you are constructing to La Jolla, and the following procedure has been agreed upon.

1. The Common Council has by resolution already authorized the investment of \$25,000.00 of its idle moneys in certain municipal bonds which have been issued and remain unsold after having been offered to the State Board of Control and to the public. This will place \$25,000.00 in the proper fund from which payment on this option can be made. You are at once to file a verified claim upon this fund for this amount, and the City Attorney is this afternoon to have the Council authorize its payment by ordinance.

2. You are to file with the City Clerk a written offer to purchase these \$25,000.00 of bonds so purchased by the City, at par and accrued interest, and your bid should state that the offer is made conditioned upon the approval by Attorney John C. Thomson, of New York, as to their validity. The City Council is therupon to accept your bid and authorize the City

Treasurer to deliver these bonds to you upon payment of the purchase price.

3. The warrant which is to be issued you in payment for the option is to be held by the City Auditor until such time as the bonds are ready for delivery to you by the City Treasurer. Then you will indorse this warrant for \$25,000.00 to the City Treasurer and give him in addition your check for the accrued interest on the bonds and the bonds will be delivered to you. It will take some ten days or two weeks to procure the final opinion on the bonds. A preliminary opinion is already on file which approves the entire issue, subject only to a "legal sale" for "par and accrued interest". The City is, under the law, authorized to purchase its own bonds, and when this sale shall be made as above indicated, I can see no reason why the procurement of this final opinion should be more than a matter of course. If you should desire to use these bonds without waiting for this final opinion, I am of the opinion you could safely do so, providing that the City Treasurer at the time of delivering them to you gives you a writing stating that they are being delivered "subject to the favorable opinion as to their validity by John C. Thomson, of New York" and that in the event this opinion should not be procured that "you are to have the right to return the same and be returned the amount of their purchase price."

Respectfully,

Charles G. Crouch

(Copy)

Mr. H. C. Orensch
President
Orensch & Sons
La Jolla, California

JOHN H. HALL
GEN. MGR.
FLETCHER BLDG.

June 5th, 1920

Mr. H. C. Orensch,
San Diego, California.

My dear Mr. Orensch:

On receipt of this letter, will you kindly go over to my office and get hold of the contract between the City of San Diego, Henshaw and Fletcher, and see that all the provisions are being lived up to, and see that all the records are in the hands of my sister and are kept together, so there can be no mistakes.

There are certain individuals on the City Council who would like to bust this contract up if there is a legal chance to do it, and I want to watch every step as regards owing pay rolls, by the City, supervising the work, and having everything in writing, right up to the last minute. Please pass on this once more.

Yours very truly,

E. Fletcher

E. Fletcher

June 6
1920

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

Dear Sir:

This is to acknowledge receipt of yours of June 5th regarding the contract with the City of San Diego for the building of the La Jolla Pipe Line. The matter will have the immediate attention requested.

Very truly yours,

CCC-B

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

June 19
1980

Cuyamaca Water Company,
916 Eighth Street,
San Diego, California.

Gentlemen: EL CAJON PIPE LINE AND DISTRIBUTING SYSTEM.

I have examined the various contracts and correspondence relating to the above matter and note that on February 1st, 1915, a contract in writing was entered into with the City of El Cajon for the building of the pipe line and the rental thereof and of the distribution system already installed to the city at a yearly rental of \$500.00. In this contract you gave the City the option to purchase the said pipe line and distributing system at any time upon a valuation to be fixed as therein provided. The contract further specified that the yearly rental was to be paid by the City, "until such time as it shall exercise such option and purchase, take over and pay for the said pipe line and distributing system as hereinbefore provided."

Excepting the above language, there is no promise in said contract on the part of the City to buy the pipe line and distributing system. I am of the opinion that the legal effect of this contract was to make a lease of indeterminate duration to the City with an option to purchase as therein provided.

Attached to the agreement is a resolution signed by all of the members of the Board of Trustees of the City and attested by the City Clerk, which was adopted on February 8th, 1915, wherein the Board resolved:

" * * * That in consideration of the Cuyamaca Water Company giving option on main pipe line and other property which said Cuyamaca Company leases to the City of El Cajon, under water contract executed February 1, 1915, that the City hereby obligates itself to take over and purchase said pipe line and other property as provided for in said contract, within four years from February 1, 1915."

The consideration mentioned in this resolution for the obligation on the part of the City to purchase the system therein expressed, namely, the giving of the option, was given the City in and by the agreement of February 1st, 1915. Therefore there

was no consideration for the obligation expressed in this resolution and in my opinion it has no legal efficacy.

Thereafter and on May 20th, 1916, an agreement in writing was executed with the City, whereby you were given the right temporarily to remove certain portions of the distributing system and in consideration therefor you reduced the yearly rental to \$400.00 per year.

Thereafter and on March 26th, 1920, you wrote the Trustees, calling their attention to the resolution of February 8th, 1916, and asking to be advised what action had been taken in regard to the purchase of the pipe line. And on April 6th, 1920, the City Clerk wrote you a letter as follows:

"Cuyamaca Water Company,
San Diego, Calif.

Dear Sirs:

Your letter of March 26th was read at a meeting of the Board of Trustees last evening.

The Clerk was instructed to draw a warrant for \$2,000.00 in payment of the purchase price on the pipe line and other property provided for in contract of February 1, 1915, and which I enclose.

We are in hopes of making another payment in six months or so.

Yours truly,
LOUISA E. STARR, Clerk."

In my opinion you need give yourselves no anxiety regarding the Statute of Limitations in this matter. If you desire to take the position that the Board should purchase the system in accordance with this resolution above mentioned, then I advise you that the Statute of Limitations would not commence to run until four years from February 1st, 1915, and had you any legal rights under this resolution you could enforce them in court at any time prior to February 1st, 1923. If, however, your rights are to be determined solely upon the contract of February 1st, 1915, as later modified, then the Statute of Limitations has not yet commenced to run against your company because the City did not obligate itself to purchase the system within any particular period. The payment, however, of \$2,000.00 mentioned in your letter above quoted would be an evidence of an election on the part of the Board to purchase the system and would start the Statute of Limitations running, so that, in my opinion, you have four years from the date of this payment within which to compel the Board to pay the balance of the purchase price, and during all of which time the balance of the purchase price would be due and payable.

I am unable to find anything in this contract or correspondence which would justify a claim on the part of the City that the payment of \$2,000.00 on the purchase price of the system would entitle them to a reduction of the rental.

The contracts and correspondence are returned herewith.

Respectfully,

CCC-B
Encls.

Charles C. Crouch

WATER AND DISTRIBUTING SYSTEM.

Upon examination of the various contracts and correspondence between the City and your corporation and note that on February 1st, 1915, a rental agreement was entered into with the City of El Cajon, California, by the said pipe line and distributing system of El Cajon. In this contract you gave the City the option to buy said pipe line and distributing system at any time after to be fixed on therein provided. You further agreed that the yearly rental was to be paid at such time as it shall become necessary to do so. At such time as it may be the said pipe line and distributing system will be terminated or dissolved.

Specifying the above rental, there is no provision in said contract for payment of the yearly rental by the said water and distributing system, all of which is contrary to the intent of this contract to be made a part of the original agreement to the City with the understanding that

attached to the original contract is a copy of the original contract as it stands at the present time, which is dated January 1, 1915, wherein it is

" * * * This day of January, 1915, Coyanosa Water Company, owner of the main pipe line and distributing system of the said Coyanosa Company, located in the city of El Cajon, enter into this agreement with the City of El Cajon, obligating itself to pay to the City of El Cajon the sum of \$2,000.00 per year for the use of the said pipe line and distributing system, to be paid for a period of one year from the date hereof, and thereafter for each year during the term of this agreement, unless the City shall purchase the system through the exercise of the option, as given in the original contract, dated January 1st, 1915, hereto attached.

Specifying in the original contract for the purchase of the system through the exercise of the option, was given the date of January 1st, 1915, hereto attached.

CHARLES C. CROUCH
ATTORNEY
San Diego, California

October 28, 1920.

October
27
1920

Mr. U. G. Crouch,
City.

My dear Crouch:

I think you had arranged for a settlement
in this matter with the Board of Supervisors. In any
event go ahead and get the papers drawn up and see
me before filing.

Yours very truly,

RF:KLM

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

Dear Sir: HENSHAW VS FOSTER.

On November 25th, 1919, I wrote you that I was
preparing the complaint in this case and that before it
could be filed we would have to tender the County
Treasurer \$1,008.76, and requested you to procure
a check for me for this amount plus \$15.00 to cover the
court costs in this suit.

On December 4th, 1919, I forwarded you the
original copy of the complaint and suggested that you
forward it to Mr. Henshaw for his files, and stated
that I was awaiting a check for the amount necessary
to tender the County Treasurer before filing the suit.
Later you advised me to hold the matter up until I
heard from you again. I am ready to proceed with the
case whenever Mr. Henshaw places me in a position
so to do.

Very truly yours,

CHARLES C. CROUCH

CCC-AB

Original sent to Griffith Henshaw, L.A.

CHARLES C. GROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

189

November 11, 1920.

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

Dear Sir:

RAMONA CANAL.

With reference to the letter from the Assistant Commissioner of the General Land Office, dated February 3rd, 1919, transmitting a copy of approved map and compiled notes in connection with your application for a right of way for a canal in connection with the proposed Sutherland Dam, I beg to advise you that I have examined the United States Statutes under which this permit was granted (26 Stat. 1095; 30 Stat. 404) and find that there is no assessment work required to be done in order to keep your permit from expiring; but a portion of Section 20 of the act of March 3rd, 1891, provided as follows:

"Provided, That if any section of said canal, or ditch, shall not be completed within five years after the location of said section, the rights herein granted shall be forfeited as to any uncompleted section of any canal, ditch, or reservoir, to the extent that the same is not completed at the date of the forfeiture."

Copy of the letter referred to is returned herewith.

Very truly yours,

Charles C. Grouch

CCC-AB

November
11
1920

Mr. O. O. Grouch,
Owl Drug Bldg.,
San Diego, Calif.

My dear Mr. Grouch:

Answering yours of October 28th, will say that any day you want, I will tender to the County Treasurer \$1008.76, as per your request. Get busy.

Yours very truly,

EP:KLM

CHARLES C. CROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

December 20, 1920.

Colonel Ed Fletcher,

Fletcher Building,

San Diego, California.

Dear Sir: LA JOLLA PIPE LINE AND RESERVOIR.

With reference to your question as to who is obligated to repair and pay for the break in the La Jolla reservoir of recent date, I have carefully examined the agreement and lease dated January 26th, 1920, between Mr. Henshaw, yourself and the City of San Diego, through its common Council and Board of Water Commissioners, and direct your attention to the following provisions therein:

Subdivision (a) of article II on page 3 of the contract reads as follows:

"(a) The term of this lease shall be for a period of ten years from and after the date when such pipe line and reservoir shall be completed and the delivery of water therefrom shall begin."

Subdivision (b) of the same article provides for the payment of rental by the city upon the first day of each and every month during said term "commencing with the day and month when said pipe line and reservoir shall have been completed, and the delivery of water therefrom shall begin".

Subdivision (c) provides as follows:

"(c) It is further covenanted and agreed that during the time herein provided for and commencing with the time when said pipe line and reservoir is completed and the delivery of water therefrom begins, the city will maintain said pipe line and reservoir in good condition and repair at its own expense."

From the foregoing it is plainly evident that the lease to the city, and its obligations thereafter to keep the pipe line and reservoir in repair, does not begin until the completion of the same "and the delivery of water therefrom begins."

I am therefore of the opinion that the city is under

no obligation to repair this break.

Article VII provides for the giving of an option to the city to purchase the pipe line and reservoir at any time before the expiration of the leasehold period "at the actual cost of said pipe line and reservoir" plus simple interest at seven per cent per annum.

As the legal situation appears to me, you and Mr. Henshaw are the owners of this pipe line and reservoir and the city has no obligation in the matter until the actual delivery of water therefrom begins. The city merely has an option to purchase the reservoir at its cost plus interest. Inasmuch as the city drew the plan for the construction of the reservoir, I am of the opinion that the cost of repairing this break would be charged to the cost of construction and will become a part of the selling price in the event the city should elect to purchase the same under the terms of its agreement.

I therefore advise you to have the repairs supervised by the city in the same manner as the previous construction has been, and that you continue making reports of construction cost as you have been doing.

I also wish to remind you that under article III of the agreement you must within ninety days after the completion of the pipe line and reservoir file with the City Clerk a statement of the cost of construction.

Subdivision fourth of article I of the contract provides for the payment to the city of \$1.00 per year in advance on the first day of each and every January as rental for the right of way over and across the Pueblo lands of the city. I advise you to pay this rental now for the entire ten year period if you can get the city to accept the money.

Respectfully,

CCC:AB

Charles C. Crouch

To Fletcher Company
Purchaser Agents
200 Broadway St.
San Diego, California

Agents
PINE HILLS
DEL MAR
CARMEL BY THE SEA

December
30
1920

Mr. C. O. Crouch,
Owl Drug Bldg.,
San Diego, Calif.

My dear Mr. Crouch:

Enclosed find copy of letter from
Mr. Fitzhugh that will be of interest.

Yours truly,

Ed Fletcher

HENRY

VALLEY GUIDE CO.

William A. Atchison
William Atchison
SAN FRANCISCO, CALIFORNIA

25th December 1920

Dear Sirs:

Your favours of the 24th and 25th instant
addressed to Mr. Fitzhugh were duly received and
I would like to state that he will examine the
paper furnished by you and communicate with you later
concerning the matter.

As to the report to the Mt. Morris Company,
Mr. Fitzhugh stated that the report is in the body
of the contract. The report was furnished to Mr.
Lowell Martin, Jr. His acceptance is embodied in
the agreement or it is with the persons in that
organization.

Yours very truly,

S. E. MAC DONALD

borever

Ed Fletcher Esq
900 High Street
San Diego, California

CHARLES C. GROUCH
ATTORNEY
SAN DIEGO, CALIFORNIA

December 30, 1920.

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

Dear Sir: POWER CONTRACT WITH SAN DIEGO CONSOLIDATED
GAS & ELECTRIC COMPANY.

I have read the proposed contract between yourself, Mr. Murray and Mr. Henshaw, as owners of the Cuyamaca Water Company, and the San Diego Consolidated Gas & Electric Company, relating to the purchase and sale of the hydro-electric power possibilities on the Cuyamaca Water system. The contract throughout appears to be thoroughly and clearly drawn. One or two questions, however, occur to me, which I suggest for your consideration.

1. On page 8 it is provided that each day that water is released from Murray Lake, the following day an equal amount of water shall be released from Cuyamaca. Might not this sometime interfere with your properly taking care of the high service?

2. I notice there is some general language on page 9, recognizing that the supply of water to the consumers is of paramount use, but in view of the use of the words "except as herein otherwise expressly provided", I think the gas company would have the right under this contract to insist upon the release of water from Cuyamaca as fast as it is withdrawn from Murray, irrespective of the needs of the consumers on high service.

3. I notice that on pages 9 and 10 the power company is given the right to construct additional dams. Suppose your company should build some new impounding reservoirs from which power could be used. Does this contract contemplate the obligation on the part of the gas company to make such use; also, is it your understanding that this contract shall not conflict in any way with your right to expand your system?

4. Another thing to bear in mind is this: Is there anything in this contract which might prejudice the city's use of the waters from the Cuyamaca system in the event it should desire to purchase it some time in the future?

If you have not already done so, would it not be a good plan to submit this to Mr. Harritt, because of his familiarity with conditions. The copy of the proposed contract is returned herewith.

Very truly yours,

CCC-AB

Charles C. Grouch

RECORD OF MATERIALS REMOVED

PAGE ____ OF ____

SAVED AS "CCCMURRAY"

COLLECTION NAME ED FLETCHERSERIES & FOLDER TITLE C. C. CROUCH CORRESP.

Description of Material	Date of Material	Re-Filed As:	
		Series	Folder Title
LETTER Crouch to Fletcher	APRIL 21, 1923		"TIMBER & STONE APPLICATIONS"
FLETCHER to Crouch	APRIL 23, 1923		"
K. MAYS to "	April 16, 1923		(returned)

From the papers of Ed Fletcher, the following letters have been removed to the alphabetized correspondence files:

"CORRESPONDENCE WITH C. C. CROUCH ON THE MURRAY NOTE"

BROWN, W. S. K.:

Brown to Crouch,(2 letters) April 1, 1925, April 28, 1925
Brown to Fletcher,(2 letters) April 28, 1925, undated copy

Fletcher to Brown, May 6, 1925

MATHEWS, Lou B. to Fletcher, May 2, 1925

SANDERS, HUGH A.:

Sanders to Fletcher, November 1, 1923

Sanders to Brown, November 1, 1923

Sanders to Smiley, May 6, 1925

Ed Fletcher Papers

1870-1955

MSS.81

Box: 5 Folder: 30

General Correspondence - Crouch, Charles C - General



Copyright: UC Regents

Use: This work is available from the UC San Diego Libraries. This digital copy of the work is intended to support research, teaching, and private study.

Constraints: This work is protected by the U.S. Copyright Law (Title 17, U.S.C.). Use of this work beyond that allowed by "fair use" requires written permission of the UC Regents. Permission may be obtained from the UC San Diego Libraries department having custody of the work (<http://libraries.ucsd.edu/collections/mscl/>). Responsibility for obtaining permissions and any use and distribution of this work rests exclusively with the user and not the UC San Diego Libraries.