

LIST OF SAN DIEGO COUNTY PROPERTIES

	<u>ACRES</u>
Warners	43,000.00
Anderson	495.00
Barnett	900.00
Bernardo	5,175.00
Blochman	80.00
Bowman	120.00
Booth	1,565.00
Bryan	220.00
Buttemer	40.00
Butler	160.00
Calac Roman	161.61
Cassau	160.00
Chapman	460.00
Clancy	65.00
Crouch	160.00
Craig	270.00
Ellithorpe	320.00
Eucalyptus Culture	155.00
Ellis Payne	115.00
Ferlin	120.00
Foster Pamo Power House Site	20.00
Froelich	80.00
Garetson-1/4 int.	1,368.11
Gramman	30.00
Hawkes	160.00
Hermans	28.00
Hooper	69.00
Irwin	160.00
Live Oak Corp'n Prop.	1,200.00
McCray - 1/2 int.	302.00
Miller	197.65
Nelson	160.00
Peters	40.00
Rice De	120.00
Roselein	160.00
Roarke	70.00
Smith, Anna W.	160.00
Smith, S. Carder	2.91
Sutherland Damsite	40.00
Stevens, Lucy	330.00
Stevens, George D.	80.00
Stoddard	50.00
Swaille	4.71
Utt	960.00
Vasey	26.00
Ward	550.00
Wakeham	160.00
Woosley	160.00

60,439.99

March
Twentieth
1 9 2 0

Mr. Griffith Henshaw,
c/o Riverside Portland Cement Co.,
Los Angeles, California.

My dear Mr. Henshaw:

I would like an expression from you as to whether or not you think \$20.00 an acre is a reasonable value for the lands outside the reservoir site, on the Jim Carroll, Tom Carroll and Eucalyptus Culture Company properties. As you know, it is all rough land.

On the Nulton or Gould property, we paid \$20.00 an acre for the whole thing. Would not \$15.00 an acre for the balance of the land be a fair average?

On the Barnett property there are 109.9 acres flooded, under the agreement of sale to the City. There are only 250 acres of bottom land on the entire tract of 900 acres. Barnett wanted \$30,000 for all the floodage rights, or \$41,000 for the outright purchase of the property. It seems to me, under the circumstances, that \$100.00 an acre for the 109.9 acres, being all riparian, would be a fair value.

On the Chapman property, all the bottom land is flooded - 107.5 acres. We purchased 460 acres. I think that the 352.5 acres outside should be put in at about \$25.00 an acre, and the balance of it charged up to the cost of lands to be conveyed to the City.

On the Bernardo ranch, 92.1 acres, this is all bottom land, the same as Barnett, and all riparian. I would say that \$75.00 an acre for this would be a fair valuation as compared to the whole. It could easily be sold at \$100 an acre as a farming proposition.

Regarding the Jim and Tom Carroll lands, the idea would be to charge up the cost of both properties and credit the outside lands at \$20.00 an acre.

If the above arrangements are satisfactory, the attached statement shows you the amount which should be filled in on the new proposed contract. I would like your criticism of this.

Yours very truly,

EF:KLM

cc-J.T.

August
19
1920

Mr. Griffith Henshaw
and
Mr. John Treanor,
San Francisco, Calif.

Gentlemen:

I have just received a personal letter from Charles H. Lee, President of the State Water Commission, in relation to the State Water Commission's permit which we have secured to divert water out of Sutherland and Black Canyon for power purposes.

Lee lost his wife the other day. She was a personal friend of both Mrs. Fletcher and myself, and in answer to a personal letter from me, he informed me that he would be down in the near future to investigate the local situation, and that no action would be taken until we were given reasonable notice.

I have just lately received notice of a water filing for power purposes made by the San Diego Gas & Electric Company on Puma Creek, which comes into the San Luis Rey, 10 miles above Pala, and in which we are not interested. The Gas Company has also made a power filing on Mendenhall Creek above Warner's dam, and which comes into Warner's ranch from Palomar Mountain. They are installing gauging stations and putting men there to determine the rate of flow. I know they are going to develop all the water power that they can in San Diego County. They have brought on one of their best hydraulic engineers from Chicago.

When I come up next Tuesday to San Francisco, to see Mr. Watriss, Mr. Henshaw and Mr. Harry Payne Whitney's attorney, with Mr. Treanor, I will bring the contract that the Gas Company wants the owners of the Cuyamaca System to sign.

On receipt of Lee's letter, I went right over and had a talk with Jones of the Gas Company, who admits that they are going ahead with all the power development that is worth their while, and that they can get. I believe that I convinced Mr. Jones of the necessity of working with us, and suggested that if he would build a small diverting dam at Sutherland immediately, a three-mile conduit and put in the power plant at Pamo, the Gas Company financing everything and the question of our revenue

Page Two

being left to the State Railroad Commission, I believed a deal of that kind could be put thru immediately.

I also put up the question to him of building a diverting dam at Warner's, building 9 miles of canal and the power plant, dropping the water into the Escondido Ditch, and that revenue to be determined by the State Railroad Commission, the idea being in both cases to have both plants and conduits built large enough to take care of the increased supply when the Sutherland and Warner's dams are built. By taking action on both of these projects now, we are tying up the waters in a way that they can never get away from us.

I think Jones will submit a form of contract for us to look over and see whether or not you are interested, but the main thing I would like to see done now is to protect our water right given us by the State Water Commission on Sutherland, and let that, at any rate, be built immediately.

The special reason is that it was only yesterday that Spreckels has given his answer that El Capitan must be built immediately. This he informed Mr. Sumner of the City Water Commission. That means that they are going to attempt to condemn Sutherland and bring all the Sutherland water into El Capitan, and the quicker that we put that water to beneficial use under a contract with the Gas Company, and drop the water into Pamo, the more advantageous it is to us.

I will take this matter up with you when I come up on Tuesday, and possibly have a tentative form of contract for you people to consider.

I have sent a copy of this letter to Mr. Stevens.

Yours very truly,

cc-HJS

Dec. 9, 1920.

Mr. Griffith Henshaw,
762 Mills Bldg.,
San Francisco.

My dear Mr. Henshaw:

There is a tract of land down the San Luis Rey canyon below Warner's dam, through which the river runs, an undivided one-half interest having been owned by Mr. C. W. Gates, a personal friend of mine and now deceased. The other half interest was acquired years ago from Messrs. Puterbaugh and McRae by Mr. Henshaw.

Shortly before Mr. Gates' death in November, I secured his half interest. I placed the deed in the hands of the Title Company for recording and they informed me that Mrs. Fletcher and I had deeded the entire property to Mr. Henshaw already. On investigation I find that through an error, Mrs. Fletcher and I did deed the entire property instead of the one half interest which Mr. Henshaw had acquired years ago. Mr. Black has the Certificate of Title showing the ownership--one-half in Wm G. Henshaw's name and one-half in C. W. Gates' name.

Enclosed herewith find deed, Wm G. Henshaw and Hettie T. Henshaw to me, a quitclaim, which kindly have signed and my wife and I will deed to Mr. Henshaw immediately the riparian rights of diversion, allowing the construction of Warner's dam, without any charge to Mr. Henshaw. This completes the acquisition of all riparian rights from Warner's dam to the Indian Reservation.

Yours very truly,

EF/hls

CC
J.T.

(another letter written in place of this one to Griffith Henshaw, but a copy of this letter did go to John Treanor)



RIVERSIDE PORTLAND CEMENT CO.

640 TITLE INSURANCE BLDG.
LOS ANGELES, CAL.

December 14, 1920.

Colonel Ed. Fletcher,
San Diego, California.

My dear Mr. Fletcher:

In accordance with our meeting last Saturday, you will proceed with the development work on the Sutherland conduit along the lines and estimates which you submitted at the meeting.

I would like very much to be kept in touch with the progress of this work.

Yours very truly,

GH/NEM.

Griffith

December
14,
1920

Mr. Griffith Henshaw,
c/o Riverside Portland Cement Co.
Los Angeles.

My dear Mr. Henshaw:

Mr. Henshaw has never acquired the undivided half interest of that tract of land lying in the canyon below Watner's dam, owned by C. W. Gates and more particularly described as follows:

Lots 1 and 2 of Section 10; the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 9; and the S $\frac{1}{2}$ of the SE $\frac{1}{4}$, the S $\frac{1}{2}$ of the SW $\frac{1}{4}$, and the NW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 4, all in Twp. 11 South, Range 2 East, S. B. M.

Mr. Black has the certificate of title issued two or three months ago, showing that Mr. Henshaw owns one-half interest, and Mr. Gates the other half interest.

I asked Mr. Gates for a price on his half interest, and he told me that owing to the many courtesies I had extended to him in the past, he would give me his interest in the property without any consideration. I rendered considerable service to Mr. Gates before I ever knew your father, and without compensation, both in getting a telephone line to Warner, in making a hurried trip to Warner's in early days, at Mr. Gates' request when Mr. Vail was badly hurt, and in numerous other ways, for which I refused to accept any compensation. Mr. Gates became very wealthy and showed his friendship for me in many ways, so I feel that under all the circumstances it would be a fair arrangement for me to give, without any charge, to Mr. Henshaw, the riparian rights of diversion, reserving the ownership of the land as Mr. Gates' gift to me.

Kindly let me know if this meets with the approval of your father.

EF/KLM

Yours very truly,

Original carbon with deed

Dec. 21, 1920.

Mr. Griffith Henshaw,
762 Mills Bldg.,
San Francisco.

My dear Mr. Henshaw:

Enclosed find copy of letter which I wrote you under date of Dec. 14, 1920. I should have added in that letter that Mr. Gates deeded to me this property on the 5th day of October 1920, just two weeks before his death, and it was acknowledged by James S. Lawshe, a Notary Public of Los Angeles, on the same date.

I have delayed notifying you immediately as I preferred to take the matter up with you gentlemen personally and explain the matter.

Yours very truly,

EF/hls
CC
J.T.

William G. Henshaw
Mills Building
San Francisco

December 23, 1920.

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

Dear Sir:

In answer to yours of December 14th,
I took up the matter of the property that Mr. C.W. Gates
deeded to you, with my father.

He says that he is perfectly satisfied to
handle it the way you suggest, that is, you transfer
to him riparian rights of diversion, reserving the
ownership of the land as Mr. Gates' gift to you.

Very truly yours,

Griffith Henshaw

GH/HH.

December
28
1920

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

My dear Mr. Henshaw:

Enclosed find copy of letter from
Richardson, the attorney, which is explanatory.
This is undoubtedly our last expense before
proceeding with the organization of the district-
Escondido to Oceanside, and by all means I urge
that we secure this information. I think I can
keep the expense down to about \$200.

Will you kindly let me hear from you
by return mail as to whether or not to incur this
indebtedness.

Yours very truly,

EF:KIM

cc - J.S.

December
Twenty-ninth
Nineteen
Twenty

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

My dear Mr. Henshaw:

Answering yours of the 22d, under separate cover I am writing you a letter which I hope meets with your approval.

The people that I have in mind only want to buy the Warner's ranch and the riparian rights that you have acquired, also the Warner's dam and power rights from Warner's. If you want to sell the above I would say a price of somewhere between Two and Two and one-half million dollars would be fair; \$500,000 down and mutually satisfactory terms on the balance at six percent interest.

This sale would not include that ownership of lands below on the San Luis Rey, and neither would it include Sutherland, or Pamo or anything on the Santa Ysabel or San Dieguito Rivers, just the ownership of Warner's ranch and the small holdings that you have adjoining it, together with the right to divert the water. If you care to sell this unit by itself, let me know. I am sure we can get together in the matter of compensation to me.

I do not know as I can put this deal thru but I have a party that is interested enough to spend a little money investigating if you care to consider. I think I can put it thru for two and a quarter or two and a half million dollars, and possibly a cash price of practically two million. If we could sell at two and a half million, I would be satisfied with a five percent commission, based on the sale of the ranch at one million, and let the other million and a half apply on our contract. I have no knowledge of what the other party will pay, but I would start in at around three million and see what kind of a raise we could get out of him. If I get more than two and one-half million, I should get larger compensation on the sale.

The above is simply a suggestion.
Yours very truly

RF:KIM
cc-J.T.

December
Twenty-ninth
Nineteen
Twenty

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

My dear Mr. Henshaw:

Answering yours of December 22d, referring to Mr. Henshaw's properties in San Diego County, including his water projects, will say I assume you are not including any of the partnership lands with Mr. Whitney or with me, also not including that portion of these lands, as per list attached, which will be needed for the water project.

I place a sales value on the list of properties hereto attached on today's basis of valuation at \$1,550,000. I place a value on the water system complete, in its present condition, today's valuation, at \$3,500,000.

Character of the soil: The Warner's ranch lands are at an elevation of 2700 to 3700 feet. Several thousand acres are ideal for alfalfa, while the mesa lands produce the finest deciduous fruits. The quality of the soil is mostly loam and granite. The lands owned along the San Luis Rey are practically all riparian, mostly deep loam, excepting where washed by the river floods, and is ideally adapted for alfalfa and deciduous fruits. This land is mostly decomposed granite. The other tracts of land are varying in soil conditions, but mostly located on the mesa, practically frostless, and with the water system developed will become very valuable for citrus fruits and winter vegetables. A practical demonstration of the above statement can be made by a personal visit on the ground.

Practically all the lands have first-class transportation facilities. I am a member of the County

Highway Commission, and we are now putting a paved highway to within eight or nine miles of the west line of Warner's ranch. We have ideal dirt roads, with nothing to exceed a six percent grade today, connecting up the Warner's ranch with San Diego direct, also connecting Warner's ranch and the state highway at Oceanside, up the San Luis Rey valley thru the properties controlled by Mr. Henshaw. The County Highway Commission of San Diego have the money in the bank and are now building a paved highway from Oceanside thru a number of the San Luis Rey properties, to a point near what is known as Bonsall Junction. We are also building a concrete highway from San Diego to Escondido thru the Bernardo ranch, and a number of other ranches controlled by Mr. Henshaw, in fact, the concrete is now being laid thru the Bernardo ranch.

Approximately 10,000 acres of this land lies within three or four miles of Escondido, the second largest city in the county and the terminus of the Santa Fe Railroad. The fact is, all of these properties are directly connected up with the main arteries of travel in San Diego County, excepting a few minor properties lying outside the reservoir site in the mountains.

San Diego County is noted for its climate, and with proper water development, Mr. Henshaw's property will very materially increase in value over the price which was paid for it.

I would be very glad to go into this matter in detail with you or your friends at any times
Yours very truly,

EF:KLM

cc- J.T.

December
29
1920

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco.

My dear Mr. Henshaw:

I am glad to get your letter of December 23d and appreciate the expression of satisfaction of your father. You paid four or five thousand dollars, if I remember rightly for the other half interest, and by getting the riparian rights for nothing, thru Mr. Gates' friendship for me, I feel I have done the Volcan Land & Water Company a service.

On July 9th, 1920, thru an error in this office, Mrs. Fletcher and I deeded all the McCray property to Wm. G. Henshaw when we only owned an undivided one-half interest. Since that deed was recorded, Mr. Gates has deeded to me his undivided one-half interest, which I have not yet recorded. By putting my deed on record, all of the property would stand in the name of Wm. G. Henshaw. Mrs. Fletcher and I had no right to give you a grant deed to all the property when we only owned one-half interest.

Will you kindly have Mr. Henshaw, or you, having his Power of Attorney, sign the enclosed deed for an undivided one-half interest. I will then put the C. W. Gates deed of record to my one-half interest, and will immediately execute the usual riparian right deed that we have acquired from others in consideration of \$1.00 to Wm. G. Henshaw, all as per my letter of December 14th.

With kind regards, and wishing you and yours a Happy New Year, I am

Very sincerely yours,

EF:KLM

February
Tenth
1921

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco.

My dear Mr. Henshaw:

Enclosed herewith find copy of that portion of the decision in the Cardiff Irrigation District in which you are interested.

Mr. Crouch says that if this decision holds good, then there never can be a method by which the territory Oceanside to Del Mar can become one irrigation district, owing to the technicality brought out in the decision which reversed the judgment.

Yours very truly

EF:KLM

February
Sixteenth
1921

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco.

My dear Mr. Henshaw:

For five or six years your father gave me Power of Attorney, thru C. B. Gould, to transfer and settle any claims relative to the old Linda Vista Irrigation District. There are 1100 different certificates on different tracts of land yet unsettled for, delinquent taxes, which have never been paid, the amounts running from 50 cents up.

I have, under an agreement, a half interest with Mr. Henshaw to look after this matter after he gets back his money and interest, and naturally it is to my interest to make the best settlement possible and get the most money out of it for both Mr. Henshaw and myself.

Mr. Henshaw, a while back, had me draw up a general deed, C. B. Gould to Wm. G. Henshaw, covering all of his interests in San Diego County. When this deed was put on record it carried with it the transfer of C. B. Gould's interest in these tax titles on Linda Vista Irrigation District assessments. Enclosed find Power of Attorney covering this particular matter, which, if agreeable, will you kindly sign for your father and mother.

I have 3 or 4 applications for settlement of little amounts from \$1.00 to \$4.00 and \$5.00, and as I said before, there are 1100 different pieces of property affected by these delinquent taxes, and I do not think you want to be annoyed in this matter on every little individual settlement, therefore, if you will sign the Power of Attorney herewith enclosed and return same, it will put me in a position to make a settlement with the delinquent tax property owners and I will make the best adjustment possible for the interests of Mr. Henshaw and myself.

Yours very sincerely,

EF:KLM

cc- Mr. Treanor



RIVERSIDE PORTLAND CEMENT CO.

8TH FLOOR, CORPORATION BLDG.
724 SOUTH SPRING STREET
LOS ANGELES, CAL.

February 21, 1921.

Colonel Ed. Fletcher,
San Diego, California.

My dear Mr. Fletcher:

In answer to yours of February 16th regarding the settling of claims on the Linda Vista Irrigation District, will say that Henry Stevens informs me that I have not the power to grant you power of attorney from my mother and father, so that until my father returns the necessary papers will have to be sent to San Francisco.

Yours truly,

GH/NEM

Griffith Henshaw

April 5, 1921

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco.

My dear Mr. Henshaw:

I was to get \$50,000 if we sold Mr. Henshaw's interest in the San Dieguito for \$500,000. If we sold it for \$425,000 I am entitled to \$25,000, and if we should sell it for \$350,000 under the terms of the existing contract, I get nothing until the whole Warner's project is sold.

When I signed that agreement with Mr. Henshaw I was under the assumption that Mr. Henshaw's interest in the San Dieguito cost over \$300,000. As a matter of fact, I have gone into the actual figures, as per statement forwarded to you today, and find that such is not the case, and that the cost is less than \$200,000.

I feel, under the circumstances, that I have every right in asking that I be paid \$25,000 as my share of the profits in the sale of Mr. Henshaw's interest in the San Dieguito, if I sell this interest to the Santa Fe for as low a sum as \$375,000 or \$400,000, and hope you will confirm it.

Very sincerely yours,

EF:KLM

cc- Mr. Treanor

April Fifth 1921

Page Two

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

My dear Mr. Henshaw:

I enclose statement of cost of the San Dieguito project which, in my opinion, is absolutely a fair statement of costs.

We only furnished floodage rights to the Chapman, Barnett, Smith, Fenton, Foster and Xarissa Hill portion of the Bernardo rancho, and paid \$57.00 per acre for the Foster and \$55.00 per acre for the Fenton floodage rights. I have put the others in at the same amount.

The fact that the Chapman, Barnett and Bernardo ranches can be easily sold at the present time, whereby you will get back your money and interest, and particularly on the Bernardo ranch a profit, should satisfy you that this is a fair statement of cost of the San Dieguito project.

Under my agreement with Mr. Henshaw, I will take one-half interest in the Jim Carroll, Tom Carroll, Eucalyptus Culture, Nulton and stone entries, on the basis of the prices herewith enclosed, and let same apply on my payments of the Cuyamaca Company notes. I have allowed no credit for the Roeslein, Hawkes, Irwin and Cassou lands for the reason that they were all bought at such cheap prices that they can be resold at any time at a good profit, and I am willing to take a half interest in these properties at the amounts they cost, and interest, if Mr. Henshaw desires to sell.

Please let me know if the price on what is left of the two Carroll properties, the Stone Entry, Nulton and Eucalyptus Culture Company properties are satisfactory as of this date, and if so, I will credit the Cuyamaca note account with \$8,000, and ask you for a deed to one-half interest in the above properties. You need not clear the title now, so long as you give me a written agreement that you will clear the title and pay off all costs and obligations as they mature, so that I may have an undivided

one-half interest in the Jim Carroll, Tom Carroll, Stone Entry, Nulton and Eucalyptus Culture Company properties outside the reservoir site for the sum of \$8,000.

If satisfactory I will send up a deed for your signature.

Yours very truly,

EF:KLM

cc- Mr. Treanor

APRIL 25TH
1921

Mr. Griffith Henshaw.,
c/o Eden Valley Ranch,
Hearst Postoffice, Calif.

Dear Mr. Henshaw:

I am sorry not to have found you in town today and acting on the suggestion of Mr. Treanor, I had the State Superintendent of Banks go with me to see Mr. Blyth and told him under what condition the State Superintendent of Banks would approve the bonds for the construction of the Warner's Dam. Mr. Stearns told Mr. Blyth that if you wanted to go ahead and put the Warners Ranch in as security for the loan, that he would certify to the bonds.

Mr. Blyth said that put an entirely different angle on the project and that he was quite sure their Company could handle the bonds under those conditions. Mr. Blyth asked for a report of the State Engineer, as to valuation, also a report of the Reclamation Service and the report of the Board of Engineers as to the water supply, and said he was ready to go into the question of investigating the project and giving the final answer at an early date, if you desired to proceed along as outlined by Mr. Stearns. Of course, if

Mr. Treanor can finance the project without the necessity of putting Warners Ranch in, then that is by far the better but as Mr. Stearns stated today, the bonds could easily read to be redeemable, at par, at any time along the line of financing as Mr. Stearns suggested, so as it would really mean only three or four years probably before a new scheme of financing could be arranged and the Warners Ranch eliminated as security for the bonds.

I am sending a copy of this letter to Mr. Treanor and if you two should decide that you are interested in having Blyth - Witter take up the financing along the lines above mentioned, will you please furnish Mr. Blyth with the information above asked for?

Yours very sincerely,

Ed. Fletcher
(L)

EF/GI.

June 6, 1921.

Mr. Griffith Henshaw,
c/o Riverside Portland Cement Co.,
Los Angeles, California.

My dear Mr. Henshaw:

Enclosed herewith find deeds, original and duplicate, covering the Tom and Jim Carroll, the Eucalyptus Culture, the Nulton and the Johnson piece of land around Lake Hodges, the understanding being I am to credit on your Cuyamaca notes the sum of \$4,000.00 in consideration of said deeds, all as per verbal understanding between Mr. Treanor, yourself and myself in Los Angeles several weeks ago.

It is understood that the property is now mortgaged, but you will eventually pay off the mortgage.

The "Johnson piece" is a portion of the 40 acres outside the reservoir site acquired by purchase thru Wyandotte scrip, in the name of Mr. Johnson and afterwards transferred to Mr. Henshaw.

In the matter of the tracts of land below the dam, such as Cassou, Irwin and Belle Hawks tracts, and which were acquired on account of their riparian rights, I am willing to take over and credit you on your Cuyamaca notes based on the original cost of the property, with the riparian rights divorced. In other words, we will determine the original cost, and one-fourth of that will be credited to your Cuyamaca notes, and I will secure a deed to an undivided one-half interest. Kindly let me know if the above arrangement is satisfactory.

I am sending you the duplicate set of deeds covering the Johnson, Tom and Jim Carroll, Eucalyptus Culture Company and Nulton properties for your files. Kindly execute the deeds, and return at your convenience.

Yours very sincerely,

EF:KIM

JUNE 27TH
1921

Mr. Griffith Henshaw.,
762 Mills Bldg.,
San Francisco, Calif.

My dear Mr. Henshaw:

I received from my friend Mr. Spencer, Oceanside, the following letter in relation to the attitude of the City of Oceanside. He writes as follows:

"Dear Colonel: Answering yours of the 18th. I have taken the matter up with Dr. Reed, confidentially, and with one or two others. We are willing to make the final effort along the lines suggested by you. We believe we can get together at least 10,000 acres around Vista which together with what we can get around Oceanside and Carlsbad, say 5,000 acres more, we should be able to vote sufficient bonds to build the main pipe line through to the Coast., if some way can be found to use the present Carlsbad distributing system or if we can get the South Coast Land Company to come into the District. Do you know who they stand toward the formation of the District? I am writing Mr. Tolle to get information.

If the new district could build the Merriam Reservoir and we could use the Escondido Ditch, we need not wait until the Warner's Dam is completed to deliver some water to the Vista people as they need it badly. The Oceanside Trustees will be very glad to cooperate in this plan and I believe they will want to encourage the project by taking a lot of water. I am informed that we are now pumping a million gallons a day for the city alone. If we could take that amount that would help out a great deal in the formation of the District.

Griffith Henshaw-June 27, 1921-Page 2.

I am writing Mr. Richardson for a full list of Vista land owners who favor the formation of the District. We are assuming that it will not be necessary to bond the land for more than \$75.00 per acre to pay for the main pipe line. If the people you represent will sign up for all the land that you own around Carlsbad and South Oceanside, say 2,000 acres, this will start the ball rolling. As to the contemplated legal proceedings, it is just as well to be frank about it.

Judge Britt has already filed a protest with the State Water Commission against the Escondido Ditch diverting any more water at this point, also against the South Coast Land Company as well as some of the farmers of the Valley. I am satisfied that all those will continue to oppose the building of Warner's Dam unless some other arrangement is entered into with you to give this section a fair share of the water from Warner's Dam. I think it will be futile to talk about any arrangement to start to build a dam with a simple dam promise to sell us some of the water later on. The whole project must go through together from the start as originally agreed on.

Lets' get down to business right off and get your people committed to a definite proposition and you can count on our hearty co-operation.

Yours very truly..

(Signed) M. W. Spencer."

I am satisfied that we can get the Santa Fe to finance the building of this line, or through their connections buy the bonds. I have had a very satisfactory letter from Mr. Engle of the Santa Fe along these lines within the last two weeks. Mr. Engle is the Treasurer and Chairman of the Board of Directors of the Santa Fe.

If you include the lands of the Tubbs Estate together with the Kelly Lands in the proposed District, there are about 2500 acres of land around Carlsbad that Mr. Henshaw controls that should go into this District.

I have had a talk with Mr. Kerckhoff and he is very anxious to put the South Coast Land Company's Water Plant into the District, which pumps water from the San Luis Rey Valley, and also take his lands around Carlsbad and put them into the District, and get water from Warner's Dam but he has felt that it is so far off it was useless to wait. If we could only assure him that he could get water in the next year or two, I am sure we would have Mr. Kerckhoff's co-operation.

My suggestion is that you write a letter agreeing to sell 10,000 or 15,000 acre feet of water at \$15.00 per acre foot, per annum delivered at Escondido Ditch - making the letter as strong as you can and yet protecting yourself. You can write the letter to me or Mr. Spencer, just as you prefer, a letter strong enough to get your Engineer to go ahead immediately with the organization of the District.

If you will write me a letter saying that the Warner's Dam is going to be built at an early date, that it is financed, that you will sell, as soon as the Dam is completed, 10,000 or 15,000 acre feet at \$15.00 per acre foot, per annum, to the District on some mutual satisfactory basis, this is all that I want. I will show the letter to Mr. Spencer and get them to get quick action, in determining the boundaries of the District and calling the election to organize.

Enclosed find copy of letter I have written Mr. Kerckhoff which is explanatory and for your information. I am leaving today for the North with the family and will return about the fifth of July. If anything important comes up a telegram sent to Eureka up to and including next Wednesday will reach me, after that Crater Lake Hotel until Saturday or Sunday the second and third of July. I will come back by train if important, otherwise I will reach Lake Tahoe about the sixth or seventh of July and leave my family there coming back to San Francisco first.

Yours very truly,

EF/GL
Encs. 1

Dictated but not revised.

July 21, 1921.

Mr. Griffith Henshaw,
762 Mills Bldg.,
San Francisco.

My dear Mr. Henshaw:

Enclosed find copy of letter from F. L. Richardson, city attorney of Oceanside, which is explanatory.

Six or eight months ago I verbally agreed with him that he would be paid \$5,000 if he got busy and organized the so-called Vista district. He is a personal friend. I lately had Governor Stephens appoint him as a member of the State Board of Harbor Commissioners of San Diego Bay, and while he is not a world beater, he is steady and persistent. Being the city attorney for Oceanside, he also can be of assistance in bringing harmony on the riparian right question. His letter is fully explanatory.

I had a very satisfactory meeting with two members of the city council, and with Mr. Spencer and Dr. Reid, who run the politics of the town. No publicity has been given in any way, and certainly it is better to have the Oceanside committee and Richardson handle the whole thing, as far as the public is concerned.

Mr. Richardson has taken the district law, it has been approved by Mr. Stevens and I suppose by Mr. Treanor, and the petition has been formally o.k.'d by Stevens. Everything is ready to shoot in the matter of circulating the petitions, but the question is whether to change the boundaries of the district and include part, or all of South Oceanside and Carlsbad in the petition for the original district, or get the district organized first, and then let the Carlsbad and South Oceanside lands petition later to join the district.

Everything is waiting final decision by you and Mr. Treanor, and if you come down this week, we can go over it together.

Yours very sincerely,

EF:KIM

cc- Mr. Treanor
Mr. Faulkner
Mr. Hodges

William G. Henshaw
Hills Building
San Francisco

AUGUST 15TH
1921

August Tenth, 1921.

Mr. Griffith Henshaw,
702 Hills Building,
San Francisco, Calif.

My dear Mr. Henshaw:

I saw Mr. Lees while in San Francisco, and he had approved the deed in the matter of the one fourth interest in the Tom and Jim Carroll, the Nulton, and other lands at the agreed price of \$4000, to be credited on the Guyanaca note account.

This matter has been running now for many months, and I would like to have it cleaned up.

Please let me hear from you on this subject. The amount was agreed upon between us, i.e., \$4000, and it was according to the contract.

An early reply will be appreciated.

Yours very truly,

WF:AH

Colonel Ed. Fletcher.,
San Diego, Calif.

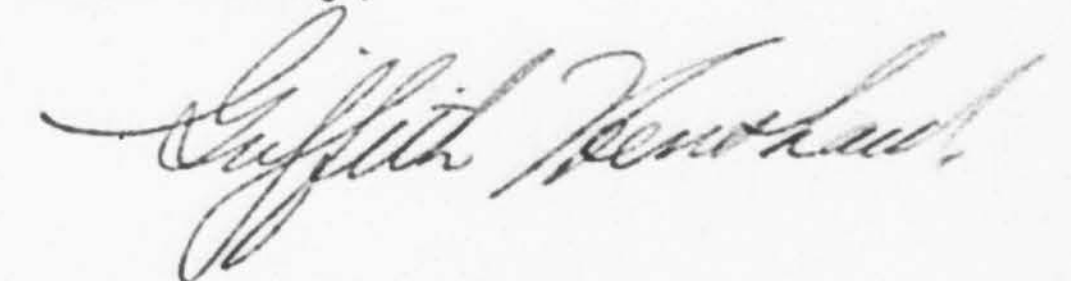
Dear Colonel:

Your letter of August 10, 1921, regarding the purchase by you of a one-fourth ($\frac{1}{4}$) interest in the Tom and Jim Carroll, Nulton and other lands from my father, will say that you seem to have misunderstood both Mr. Treanor and myself in this matter and I would like to clear it up now.

We asked you to place a valuation upon the one-fourth interest which you are proposing to buy and that we would in turn recommend that my father accept your valuation. There was no amount agreed upon between us.

My father will be up this week end and we will take it up with him at that time.

Yours truly,



GH/GL

Final letter

17 August 1921

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

My dear Griffith:

Answering yours of August 15th relative to the purchase of my one-fourth interest in the Tom and Jim Carroll, Nulton, and other lands, will say my understanding is that the contract between your father and me called for the immediate valuation and the purchase by me of certain lands outside the Lake Hodges reservoir site.

I wrote you on April 5, 1921 in relation thereto. You and Mr. Treanor came down later and personally inspected the lands, all as per agreement and about the 1st of June we agreed that a fair value of one-fourth interest was \$4000, and that this was to be applied to the Cuyamaca notes. You asked me to prepare a deed covering same, which I did, and sent you on June 6, 1921 and wrote you as follows:

"Enclosed herewith find deeds, original and duplicate, covering the Tom and Jim Carroll, the eucalyptus Culture Company, the Nulton and the Johnson pieces of land around Lake Hodges, the understanding being I am to credit on your Cuyamaca notes the sum of \$4,000 in consideration of said deed, all as per verbal understanding between Mr. Treanor, Yourself and myself in Los Angeles several weeks ago. It is understood that the property is now mortgaged, but you will eventually pay off the mortgage."

Certainly everything was clear and agreed upon, and I have never heard anything from you or Mr. Treanor to the contrary. In fact, the only statement I have heard from you was that the deed was sent up to Mr. Lees to be checked, and I spoke to Mr. Treanor about this matter the last few days while in San Diego, and he said it was satisfactory to him, and that he would speak to you about it. I would like the matter definitely settled, please.

Very sincerely yours,

EF:KLM
CC Mr. Treanor

22 August 1921

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

My dear Mr. Henshaw:

I should have made further explanation in my recent letter in regard to my understanding of the agreement, which was, that we had definitely agreed on \$4,000 on the lands adjoining the reservoir site, but you and John asked me to make a proposition on the lands below the reservoir site, and no definite arrangement was ever agreed upon regarding the lands below, however, we made a special trip for the purpose and investigated the Tom and Jim Carroll, the Nulton and the Eucalyptus Culture Company lands, according to the agreement I made with your father, and we agreed on \$4,000 for my one-fourth interest in same.

This is my understanding of the matter, and I hope it is yours.

Yours very truly,

EF:KLM

August
Thirty-One
1921

Mr. Griffith Honshaw,
762 Mills Building,
San Francisco, Calif.

My dear Griffith:

I got no reply to my letters written your father, and very few from you. Am I to assume that Mr. Treanor is the one in full authority to give instructions as to what to do here in San Diego County, and if so, this arrangement is perfectly satisfactory, but I never have been instructed either by you or your father to that effect, and would like something in writing. If I should take my instructions from John, do you want me to send you copies of the letters that I write him so that you may keep posted?

An early reply will be appreciated.

Yours very truly,

RF:AH

William G. Honshaw
Mills Building
San Francisco

September 16, 1921

Colonel Fletcher,
920 Eighth Street,
San Diego, California

Dear Colonel:

I have just returned from Santa Barbara and am in receipt of yours of August 31st in which you speak of not having received answers to letters addressed to my father and myself.

As to my father, you must realize that he has not a stenographer there and that he seldom, if ever, writes in long hand. As to my not answering your letters, I can recall only one instance and my only excuse for not answering this letter is that there were certain investigations that had to be made before it was possible to reply. I am referring particularly to your letter regarding your purchasing a quarter interest of the left-overs in the San Dieguito. Of course, a great many letters that you address to both my father and myself are sent to John to answer for us and I know that John often does the same.

Papa wishes me to add in my reply that any instructions from John are to be regarded as coming from him. By all means send me a carbon copy of your letters.

Hoping this clears the matter satisfactorily in your mind, I am

Yours very truly,

Griffith Honshaw

William G. Henshaw
Mills Building
San Francisco

DECEMBER 14TH

1 9 2 1

Colonel Ed. Fletcher:
San Diego, Calif.

Re Mission Gorge.

Dear Colonel Fletcher:

Mr. Treanor forwarded to me your letter of December 7th offering my father a one-half interest in your Mission Gorge Damsite. Mr. Treanor will answer you direct but I want to say that I took the matter up with my father and he was very appreciative of your offer and told me to be sure and tell you this.

I feel sure you understand the reason why he does not want to join you in this proposition.

Yours truly,



GH/GL
C.C.J.J.

December 24 1921

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

"San Dieguito Irrigation
District" clipping

My dear Mr. Henshaw:

Enclosed find petition for formation of
new district.

Yours very truly,

EF:KLM

cc- Mr. Treanor

FEDERAL TELEGRAPH COMPANY



TELEGRAM

R. P. SCHWERIN, Pres.

RECEIVER'S NO.	TIME FILED	CHECK	INDICATE BY	X	RATE DESIRED
					DAY MESSAGE
				X	DAY LETTER
					NIGHT MESSAGE
					NIGHT LETTER

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

San Diego, Calif. Dec. 30, 1921

Mr. Griffith Henshaw,
762 Mills Bldg.,
San Francisco, Calif.

Regarding Fletcher Treanor Syndicate purchase everything o.k. per Lees statement December twenty eighth excepting Calac should be struck out entirely and Barnett and Wakeham must be revalued. Mr. Fletcher's position is as follows He would be willing to pay five thousand for Barnett and assume present ten thousand mortgage upon basis of present lines but since you desire to reserve up to three hundred thirty five foot contour for Santa Fe he will not consent to more than eight thousand dollars net to us Mr. Henshaw adjusting the mortgage accordingly. Fletcher says the new survey to three thirty five foot contour takes out one hundred seventy five acres including practically all the farming land pumping plant alfalfa pipe lines etcetra. Fletcher would really prefer to leave Barnett out of the deal but will purchase on above basis if you desire. Regarding Wakeham he would also prefer to leave this piece out of the deal but will consent to pay six thousand five hundred net to us Mr. Henshaw adjusting the mortgage accordingly. Mr. Fletcher

FEDERAL TELEGRAPH COMPANY



TELEGRAM

R. P. SCHWERIN, Pres.

Continuation of telegram to Griffith Henshaw 12-30-21

RECEIVER'S NO.	TIME FILED	CHECK	INDICATE BY	X	RATE DESIRED
					DAY MESSAGE
					DAY LETTER
					NIGHT MESSAGE
					NIGHT LETTER

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

says the best land together with the house went in the flood we are ready to close on above basis including Barnett and Wakeham or to buy the balance of properties at Lees figures of December twenty eighth leaving Barnett and Wakeham out

1

JOHN TREANOR

Chg Fletcher Co

January
Ninth
1922

SALE OF WARNER'S
PROJECT

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco.

My dear Mr. Henshaw:

Enclosed find copies of letters to Mr.
Treasor regarding the financing of Warner's project,
and referring to Mr. Spreckels' interest in the
matter, all of which are explanatory.

Yours sincerely,

RF:KLM

April Thirteenth
1 9 2 2

MACCRAY PROPERTY
WARNER DAMSITE

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco.

My dear Mr. Henshaw:

Enclosed find copy of letter to Mr. Stevens
and copy of deed, which is explanatory. Mr. Stevens
is asking that this property be deeded to him. Is this
satisfactory to your father?

I have for months been urging that no earth
fill dam should be built at Warners and that a concrete dam
should be built either at the upper or lower site, I don't
care which.

I did not ask that the McCray property or Calac
property be included in the sale to Treanor & Fletcher. It
was put in either by Mr. Treanor or the San Francisco office.

You will notice by this map that a large share
of my interest in the McCray or Gates property I am deeding
to you without charge in my desire to cooperate and help
out in any way I can. That you may familiarize yourself
with the Gates property I refer you to your letter of
December 23d, 1920. I desired to give the riparian rights
on this half interest of the McCray-Gates property for
nothing and deeded it to your father, and now I am glad
to deed the land within the reservoir site, and only hope
that it will be possible to build the dam this spring
either at the upper or lower site. But if the dam is built
at the upper site, I see no reason why I should give the
land that I acquired from Mr. Gates. That is the reason
I put a reversionary clause for three years in case the
dam is built at the upper site. If you finally decide on
the upper site, I would appreciate it if you will see that
the property is re-conveyed to me immediately, and it goes
without saying that any necessary rights of way for conduit
purposes, I will immediately transfer to you, the riparian
rights having already been transferred to you.

An early reply will be appreciated. Mr. Treanor

Page Two/

seems to be in a big hurry regarding the transfer of this Gates interest, altho I think it wiser that a survey be completed and the legal boundaries described before putting any deed on record, however, if Mr. Treanor's desire is yours in this matter, the enclosed deed will be signed immediately and put on record.

Yours sincerely,

EF:KLM

May 1, 1922

PERSONAL

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco.

WARNER'S DAM

My dear Griffith:

Enclosed find copy of my letter to Mr. Treanor as of this date, which is explanatory. For the life of me I don't know what has gotten into the man, and I am sorry.

He came to my office and insisted that I deed over to him, or Mr. Stevens, my undivided one-half interest in the McCray property, which was deeded me by Mr. Gates, and he talked to me as tho I were a \$5.00 a week man. Treanor inferred that as I had gotten this land from Mr. Gates as a gift, he, representing Mr. Henshaw, had a right to demand that I deed it over. I have every right under high heaven, both moral and legal, to that property, as you know, and resented his inference, and I can be just as technical as Treanor can when it comes to questions of this kind.

The incident is closed, as far as I am concerned, but I want to tell you and your father that no matter what you may be told, I am doing my best to cooperate in every way, and until you hear from me to the contrary, you can know I am giving the best there is in me for results.

We paid nearly \$9,000 for the McCray one-half interest, and your father was willing to sell the McCray land, reserving the riparian rights, for \$1250 to Treanor and Fletcher, paying something like \$8,000 for the riparian rights alone, when the plan was to build at the upper site. I secured the riparian rights to the Gates one-half interest for the Volcan project for nothing, and in addition have always been willing to give free of charge to the project the necessary lands, if the dam were built at the lower site. There is no question as to that because my first letter stated that. The whole trouble is Mr. Treanor's method of handling the matter, and over the telephone Mr. Treanor informed me that he was handling this matter and that it was not being done at the request of your father. You can count on it, when I am not cooperating 100 percent with Mr. Treanor, I will be the first one to let you know.

Yours sincerely,

EF:KLM

May 15, 1922

LA JOLLA-DEL MAR PIPE LINE

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

My dear Mr. Henshaw:

Enclosed find note of the Merchants National Bank and note of the First National Bank on the Henshaw-Fletcher Pipe line, which kindly sign. These notes are simply renewals, the old notes being for \$50,000 each.

Attached hereto is statement from my sister showing that the amount of each note is correct. I will return the old notes.

This year we are furnishing the city with two million gallons of water a day, and I hope to pay off \$15,000 on each note, and have them all paid off in three years.

Yours very truly,

EF:KLM

Good
May 15, 1922.

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

TREANOR-FLETCHER SYNDICATE

My dear Griffith:

When it came to deeding by your father to Treanor and Fletcher, the San Luis Rey riparian lands, I called attention to the fact that the consent to build Warner's dam had not been reserved. Mr. Treanor informed me it was the desire of Mr. Henshaw to deed the properties without reserving the riparian rights, in order to show a loss in the matter of his excess profit tax or income tax, and that we would transfer right to build Warner's dam to him at a later date.

A week ago last Saturday Mr. Stevens came down and said he had been sent by Mr. Treanor, and I was that day, with my wife, to sign a deed transferring the right to build Warner's dam to Mr. Stevens. This was perfectly willing to do at any time, but I did not like to do so without some authorization from you or from Mr. Henshaw's agent, Mr. Treanor, so I insisted upon written authority so to do. Enclosed find copy of the telegram of May 6th which Mr. Treanor sent me, also copy of agreement, also dated May 6th, 1922, which I had Mr. Stevens sign, all of which I desired as a matter of record so as to prevent any future misunderstandings. I believe you already have a copy of the deed which I signed, if not I will send you one.

Yours very truly,

EF:KLM

P. S. I was surprised to read in the daily paper that the deed had been recorded and that the consideration was \$10,000. I received no consideration of any kind, and do not understand the meaning of it. I shall write Mr. Stevens on the subject.

E.P.

William G. Henshaw
Mills Building
San Francisco

MAY 18TH
1922

Mr. Ed. Fletcher.,
San Diego, Calif.

Re La Jolla & Delmar Pipe Line.

Dear Mr. Fletcher:

I return herewith duly signed
the notes enclosed in your letter of May 15th.
These are as follows:

First National Bank, San Diego. Dated
May 4, 1922, due May 4, 1923, for \$41,123.35,
with interest at 7%, payable monthly.

Merchants National Bank of San Diego.
Dated May 10, 1922, due one year after date,
for \$41,103.72, with interest at 7%, payable
quarterly.

Yours truly,

*Griffith Henshaw
for Henshaw*

WL: GL
Encs. 2.
c.c.J.T.

May 19, 1922

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

La Jolla-Del Mar Pipe Line

My dear Mr. Henshaw:

I acknowledge receipt of the First National
Bank note for \$41,123.35, and the Merchants National
Bank note of \$41,103.72 properly signed.

Yours very truly,

EF:KLM

cc- Mr. Treanor

William G. Henshaw
Mills Building
San Francisco

MAY 19TH
1922

Mr. Ed. Fletcher.,
San Diego, Calif.

Re Treanor-Fletcher Syndicate.

Dear Mr. Fletcher:

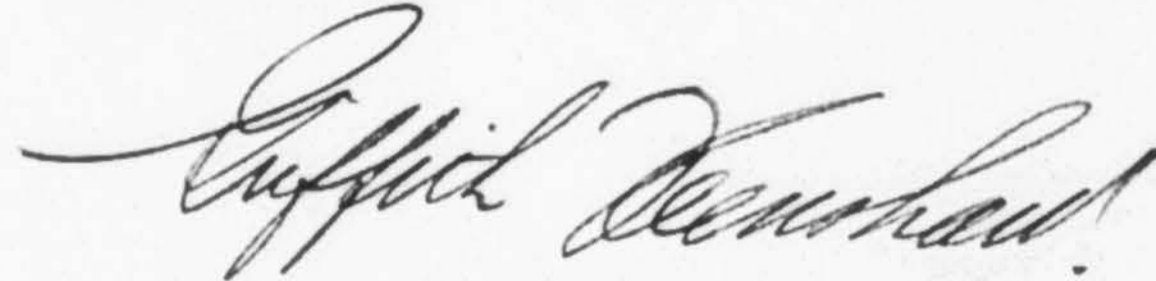
I duly received yours of May 3rd enclosing instructions to the Southern Title Guarantee Company authorizing them to deed to you and Mr. Treanor the property contained in the Trust 1059, and which property is the so called Carroll, Craig and Hopper tracts.

I enclose the said authority duly signed by me.

We have made an exhaustive search through our records here but fail to locate the original trust 1059 which you say we should have. Neither Mr. Metcalf nor Mr. Lees remember having seen it.

You can make this explanation to Mr. Johnson and if there are any further instructions necessary under the circumstances, kindly advise me.

Yours truly,



GH/GL
Encs.

May 24, 1922

LA JOLLA-DEL MAR PIPE LINE

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco.

My dear Griffith:

Enclosed find cancelled notes of \$50,000 each of the First National Bank and the Merchants National Bank.

I hope the next time you are in Los Angeles you will run down and let me see you for a few hours in San Diego.

Yours sincerely,

EF:KLM

822
822
16 4 *Row*

POSTAL TELEGRAPH - COMMERCIAL CABLES

CLARENCE H. MACKAY, PRESIDENT

RECEIVED AT

TELEGRAM

DELIVERY NO.

106

This is a fast Telegram unless otherwise indicated by signal after the number of words:—"Blue" (Day Letter) "N.L." (Night Letter) or "Nite" (Night Telegram) Form 16 Dbl
STANDARD TIME INDICATED ON THIS MESSAGE.

83gscw 253pm 24 280-12

H San Francisco Cal July 28 1922

Ed Fletcher

San Diego Calif

Proceed with surveying syndicate lands by lippinott engineers
under terms and conditions as contained in your
telegram of July twenty eighth nineteen twenty two

Griffith Henshaw

Walk - 179612/19

RECEIVED AT 1044 - 4th ST.
SAN DIEGO, CALIF.

December 5, 1922.

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

SUTHERLAND RESERVOIR

[EF # 280-29]
CBM

My dear Mr. Henshaw:

Enclosed find recorded deed to the
elevation of 2113 feet above sea level within the
Sutherland reservoir, affecting the stone entries
as per our understanding with Mr. Black.

Yours sincerely,

EF:KLM

cc- Mr. Treanor

December 30, 1922

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco.

My dear Griffith:

Glad to know that you are going to take a quarter interest, with John, in the Solana Beach, or Jones tract between Del Mar and Cardiff. I wish you would come down here and look it over and spend a day or two with me. I would like to go over a lot of things with you that I am sure will be of interest and to give you a good time as well.

By the way, January 25, 1923, there is a \$1,000 payment due on the E. Ronsse water right purchase, and July 25, 1923 \$750 due. How shall these payments be handled? Or, is Mr. Treanor's office taking care of this.

Mr. Treanor informs me that after the 1st of January I no longer have anything whatever to do with any of these matters and my compensation for office expense ceases, however I will be glad to cooperate in any way I can to clean up these matters, but I assume that the San Diego County Water Company has taken everything over and this office has nothing whatever to do with these matters. Don't hesitate to have the San Francisco office call on me at any time where I can be of service.

Wishing you a Happy New Year, I am

Sincerely yours,

(signed) ED FLETCHER

EF:KLM

yellow carbon given to Miss Fletcher for file in safe.

March 21, 1923.

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

My dear Griffith:

Thinking that perhaps your father might desire to sell his interest in the Cuyamaca System, I would like to know if he cares to consider the following exchange: His interest in what he acquired from the Cuyamaca System, costing him to date of December 31, 1922 - \$73,444.17, as per statement herewith attached, together with his interest in the San Dieguito Options properties, which stands him \$7,642.12 (the above does not include interest on either amount) in exchange for the cancellation of my contract with Mr. Henshaw, including the \$15,000 payment due on the 28th of July next.

If your father is interested and will consider this exchange, I believe I can so arrange my affairs as to close the deal immediately, and would like a few days to work on the proposition. Let me know whether your father is interested or not some day this coming week, and greatly oblige

Yours very truly,

EF:AH

cc - J. J.

March 21, 1923.

Mr: Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

My dear Griffith:

Thinking that perhaps your father might desire to sell his interest in the Cuyamaca System, I would like to know if he cares to consider the following exchange: His interest in what he acquired from the Cuyamaca System, costing him to date of December 31, 1922 - \$73,444.17, as per statement herewith attached, together with his interest in the San Dieguito Options properties, which stands him \$7,642.12 (the above does not include interest on either amount) in exchange for the cancellation of my contract with Mr. Henshaw, including the \$15,000 payment due on the 28th of July next.

If your father is interested and will consider this exchange, I believe I can so arrange my affairs as to close the deal immediately, and would like a few days to work on the proposition. Let me know whether your father is interested or not some day this coming week, and greatly oblige

Yours very truly,

(signed) ED FLETCHER

EF:AH

GRIFFITH HENSHAW
Mills Bldg.
San Francisco

February 2, 1924.

Mr. Ed Fletcher,
Fletcher Bldg.,
920-8th St.,
San Diego, Cal.

Dear Mr. Fletcher:-

Solana Beach

I have your favor of January 31st.

As there is always the likelihood of confusion and loss of time in referring matters here in connection with the handling of the above project and in order to facilitate matters, the following arrangement will be satisfactory to me.

1. That from now on all arrangements made as to this property will be done entirely between Mr. John Treanor and you. Any arrangement made by Mr. Treanor as regards my interest will, until further notice in writing, have my approval.
2. That copies of all agreements, letters, statements of accounts or other documents in connection with the project, shall be sent me.

Yours truly,

GRIFFITH HENSHAW ✓

WL:GG

April 12, 1924.

Mr. Griffith Henshaw,
762 Mills Building,
San Francisco, Calif.

My dear Griffith:

John tells me that he has discussed with you the matter of the purchase by Mrs. Taylor, my daughter, of the Barnett property in 1922.

John feels that he should now have a half interest in the profits from the resale of the property by Mrs. Taylor.

I wish to state emphatically that there was no intention on my part, or thought of taking advantage of John in any way, and in the sale to Mrs. Taylor of this property, I believed I was legally and morally within my rights. If you and John believe in my sincerity in this matter, then I am willing to consider a compromise, for my one desire is to satisfy you both.

On May 29, 1922 John wrote me as follows, relative to the different properties which we jointly own and acquired from your father:

"Answering your letter of the 22nd, until January first, 1923, I am willing to sell our partnership holdings upon the basis of 50% increase over purchase price and accumulated charges. Of course I would appreciate an opportunity to confer and pass specific judgment upon specific plans of sale as it might very well be that individual pieces were purchased upon a better basis than other pieces, and we might not feel justified in selling off the cream at a sacrifice. However, with these suggestions you can feel free to go ahead and push the sale. I would like to clean things up."

We made one or two sales at a small profit, but a few weeks later I asked John if he was willing to sell me two or three of these properties if I could get it financed. John's answer was "Yes"; and he admitted having recollection of the conversation within the last few weeks.

I told John verbally that I might be interested in the Taylor sale, but have no record in writing. John denies

Page Two/

this.

The following is the history of the Barnett sale:

The Barnett property cost us \$8,000. I offered it to two or three different parties at \$12,000 during June - and no buyers. There was a mortgage on the Barnett property - it was almost ready to outlaw, and they demanded the \$4,000 payment on principal at once. John urged the sale of the property, if possible, so I made a special effort in that respect.

On June 26th I wrote John as follows:

"Have been asking \$12,000 for the Barnett property. It is possible that the property can be sold for \$11,000 - 25% down, and the balance on term payment at 7%. I have made no commitment. Let me know how you feel on the subject."

If I remember correctly, it was a Spaniard from Sacramento who wanted to buy.

On June 30th John wrote that he considered my judgment of values better than his, and he would let me determine whether or not we should sell on the basis of \$11,000, as set out in my letter of the 26th.

I saw John in Los Angeles, we discussed the sale again, and on June 30th, I wrote him as follows:

"Regarding the Barnett property, as discussed in Los Angeles Wednesday, when you said you would leave the whole thing to my judgment, will say after consideration I think it better be sold, and if you have not changed your mind, I will try and tie the proposition up and submit it to you for your final approval."

This deal was not consummated.

Late in July I took up with John in Los Angeles the matter of sale of the property for cash to Mrs. Taylor. The note outlawed in October, and something had to be done, and Mrs. Taylor paid \$11,000 for the property, assuming a \$6,000 mortgage, relieving us of any further liability thereof. John agreed on a price of \$11,000 with me while in Los Angeles, and on August 2nd, I wrote him as follows:

"The Barnett proposition is closed, and before drawing up the contract, how shall I handle the matter of the water company moving the equipment in case the dam is ever raised? My understanding now is that we have decided all the Barnett property below the 330 ft. level to the San Dieguito Mutual

Water Company and that there is a deed to come back from them to us, reserving floodage rights; further that they will, or have agreed, to remove the improvements to another location without any expense.

I want to embody these conditions in the agreement of purchase, which I will send up to you for you and Mr. Stevens to check over, as soon as I have a complete understanding in this matter."

John verbally confirmed this sale, but the matter drifted for a few days, and on August 29, 1922 I wrote him as follows:

"Will you kindly look up your agreement which we signed. My understanding is that we were to be deeded back all the land between the 315 and 330 ft. contour by the water company they reserving the right to flood the land; and, in addition, if they flood the land they are to remove all improvements on the property that will be flooded to other portions of the land nearby that will not be flooded, and at the expense of the water company.

Will you please confirm this."

On September 18th, 1922, from John's secretary, Miss McLaughlin, I received the following:

"My dear Mr. Fletcher:

Regarding the Barnett matter, Mr. Treanor has asked me to telephone you today but being unable to reach you I am writing this letter. Mr. Treanor and Mr. Stevens undertook to go into the matter today but as they had such a short time at their disposal and Mr. Stevens wanted to refer back to the original instructions of conveyance and investigate the status of the mortgages, etc., on which he will perhaps have some suggestions to make, they were obliged to allow the matter to again go over as Mr. Treanor is leaving for San Francisco tonight to be gone until Thursday.

Meanwhile Mr. Treanor wants you to stand the bank off and he will not delay the matter beyond Thursday.

(Signed) H. E. McLaughlin"

On October 13, 1922 I received from John the following:

"My dear Ed:

I am putting the Barnett deal through with a rush and hope to have the papers in your hands by Tuesday next. You can draw upon me for whatever is necessary for my share of the partial payment to the bank.

I have nothing in writing from Mr. Hodges but I have his word and I am sure there is no chance for misunderstanding."

The transaction was entirely closed in October, 1922, and the property deeded to Mrs. Taylor. Mrs. Taylor kept the property for over a year.

In the fall of 1923, a year later, the Taft Realty Company of Hollywood bought three or four thousand acres between Escondido and Lake Hodges. In fact, they bought all the property from the southerly line of the Escondido city limits to the north line of the Barnett property above mentioned, adjoining Lake Hodges. They acquired large interests in Escondido City proper, four miles away from the Barnett property, started a new bank, announced big plans for development of their tract of land, planted a large nursery, commenced subdividing the three or four thousand acres they had bought, and they took up with me the question of acquiring all the lands on the north side of Lake Hodges adjoining their property, the intention being to build a country club, make the lands last mentioned more or less residential property.

The Taft activities and other purchases materially increased values everywhere, including the Barnett, Hulton and Jim and Tom Carroll properties. We still owned at that time the Hulton and a portion of the Jim Carroll properties. I advised John to join in with me and option these properties to Taft.

We paid \$8,994.44 for the Hulton property, 670 acres. On September 5th, 1923 we gave a four months' option to purchase the Hulton property - 425 acres at \$75 an acre - to Taft. We also gave a four months' option at \$200 an acre to Taft for 146 acres of the Jim Carroll property, which cost us about \$40 an acre.

Taft got a four months' option for the Taylor or Barnett property - 40 acres of the property at \$500 per acre, 40 acres at \$150 per acre, and approximately 490 acres at \$75 an acre.

John was aware of the Taylor option to Taft, and I rendered a big service to him by keeping him posted on the Taft activities and getting a handsome price for same, which meant a handsome profit for both of us. I had three or four different agents try to get me to sell these properties at a much lower figure, but believe I got the full value under the circumstances existing at that time. He would have been glad to have sold it at a much lower figure, but I protected both his interests and my own.

We had received an initial payment of \$1,000 down on our options to Mr. Taft. John was anxious to see the deal closed, and asked me to see Mr. Taft in advance of the due date and find out if he was going to exercise his option and buy the Nulton and Jim Carroll properties from us.

I followed his instructions, saw Mr. Taft soon after, and he definitely stated he would exercise the option and pay the 25% down before the option expired.

In November or December John asked me to buy some lands for him in the San Pasqual Valley on a 5% commission. I agreed to it. He also told me that his engineer, Mr. Lippincott, who had been studying the water problem of the San Dieguito River, was seriously considering as a solution the raising of Lake Hodges Dam or the building of a new dam down below Lake Hodges bridge that would flood a large portion of the Nulton and Bernardo Ranches and other ranches, including the Fenton property, which I controlled above the 330 foot level under settlement heretofore made with John.

Taft also owned a piece of land above Lake Hodges that John wanted me to buy, and asked me to take up negotiations with Taft, which I did. We had several conferences with Taft and his associates, and they said that the raising of the water level would destroy their club proposition along the shores of Lake Hodges, and under that condition they would not care to go ahead and exercise the options of purchase of the Taylor or Treanor-Fletcher options with Taft, and Taft asked for the return of his money.

I told John that the failure of Taft to exercise the Taylor option, as well as the Treanor-Fletcher option would be a loss to me, as I was interested in the profits of the Taylor option and had a half interest in the Treanor-Fletcher option to Taft. John, representing the water company, saw my point of view, and on February 4th he wrote me the following letter:

"My dear Fletcher:

You have written me several letters of late regarding transactions in and around Lake Hodges. We met last Saturday morning at the California Club and reached a definite understanding with respect to these matters which I will make record of as follows:

(1). You are to give us, in consideration of the payment of \$100 per month (check for the first payment being enclosed), a six months' option to buy such lands on the shores of Lake Hodges as you own which we may wish to acquire at a price of \$100 per acre, the purchase price to be paid at any time within five years from date of the exercise of option, interest to be paid at the rate of 6 percent. The lands to be acquired lie below the 395 ft. contour above sea level.

(2). If Taft does not exercise his option to purchase the so-called Country Club tract and the so-called Taylor-Barnett property we are to make the purchase ourselves.

(3). A contract is to be drawn covering the portion of the so-called Fenton lands which are ultimately to go to you substantially as follows:

(a). An agreement to convey that portion of the Fenton land on the South side of the river lying above the 395 ft. contour at some time within the next five years.

(b). An agreement to convey that portion of the Fenton land South of the river lying between the 330 ft. and 395 ft. contours at some time within five years, or in lieu thereof to pay you \$100 per acre for the land so located between these contours. In the latter event we will permit you to remove the house and barn.

(c). You are to have the free use of lands referred to in paragraph (a), and also in paragraph (b) up to the time we exercise our option of paying you \$100 per acre.

(4). You waive claim to any further compensation in connection with the Foster or Fenton properties or with the dealings with Taft.

(5). In the event Lake Hodges should be raised we agree to deed you an acre of land in some place equally well suited to store purposes as your present property, and at our own expense place thereon your improvements.

putting them in as good condition as at present. In return you will deed us the present store acres.

(6.) As soon as you can complete negotiations with your associates you will put a price upon your holdings adjoining Warners Ranch adjacent to Lake Henshaw, allowing us to make payment for same at the end of five years.

(7). You are to act as our agent to obtain options upon land in the San Pasqual Valley upon the basis of 5 percent commission upon net purchase price.

We are under no obligation to pay you anything in this connection excepting as we buy the various properties.

Yours truly,

JOHN TREANOR"

On February 11th I answered him as follows:

"My dear Treanor:

Answering yours of February 4th confirming our verbal agreement arrived at a week ago Saturday morning at the California Club, will say that your letter of February 4th substantially covers it.

Confirming our verbal conversation today over the telephone, Article 6 of your letter of February 4th is not intended as a condition nor does it affect the rest of the agreement. I am simply to do the best I can to secure the lands adjacent to Warner Ranch for you and submit a proposition to you covering my own ownership of lands at a price satisfactory to me, and Article 6 is only a moral obligation.

Confirming our verbal conversation over the telephone today "b" in Article 2 - it is understood that I reserve the right to remove all improvements below the 395 foot contour in case you exercise your option to purchase the Fenton lands. You mention only the house and barn.

Referring to Article 1 in your letter of Feb. 4th, I acknowledge receipt of the \$100.00.

Re: Article 2 of your letter of Feb. 4th you refer to the Taft option as the "so-called Country Club tract". You are, no doubt, referring to the Fletcher-Treanor option to Taft.

It is understood I am to receive no compensation for any work I have done in the past in connection with the sale of any water stock to Taft or the purchase of any lands you might make from Taft, this to include the Fenton and Foster options.

Kindly write me a letter stating that the above is all according to your understanding.

Yours very truly,
ED FLETCHER"

The following is John's reply under date of Feb. 12th:

"My dear Fletcher:

Your letter of February 11th referring to my letter of February 4th has been received. I find your comments in order and consider that my letter of the 4th and your letter of the 11th correctly reflect our understanding.

Yours truly,
JOHN TREANOR"

I proceeded to prepare the contracts with John to take over my interest in the Treanor-Fletcher-Taft option, also the Taylor option, and early in March saw John in his Los Angeles office to sign up according to the terms of his letter of February 4, 1924 and my answer of February 11th.

The Taft option called for 25% down and 7% interest on deferred payments. John asked for a modification of same, so I reduced the rate of interest to 6% on our Taft option, and changed the payment to 10% down instead of 25%. I also made the same modification on the Taylor option.

As we were about to sign the contract on the modified Treanor-Fletcher-Taft option which John had agreed to take over, he brought up the subject of the Barnett-Taylor sale made in 1922, and asked me if I had any interest in it. I told him that I did. John immediately claimed a half interest in the profits. I answered that I did not lock upon it that way - that John had offered to let me buy any of the properties during the year 1922 at 50% above cost. He said that he had no recollection of my stating that I was interested in the Taylor sale, and that if I had mentioned it he would have gone along with me, guaranteeing Mrs. Taylor against loss and sharing in the profits.

He says that Mrs. Taylor is not entitled to any profit on her money invested, and that he should have one-half of all the profits on the entire Barnett sale.

In this Barnett-Taylor sale the property sold for \$11,000 less the agreed commission, that had cost us \$8,000, within eight or nine months from the date of purchase - a reasonable profit.

At the time of sale no one had any idea of the San Diego County Water Company's desiring this land for reservoir purposes; neither did anyone know that the Taft Realty Company were going to make such large purchases and such a big development adjoining the Barnett property.

We have not been able to as yet sell any of the other properties that we took over from Mr. Henshaw at a profit, although John urged me time and again to make a sale and clean up.

Through all the negotiations with John I acted as agent for the Taylor property. John understood it, and his letter to me of February 4, 1924 says:

"If Taft does not exercise his option to purchase the so-called Country Club tract and the so-called Taylor-Barnett property we are to make the purchase ourselves."

The fact is the desire of the water company to acquire the additional floodage rights for water purposes between the 330 and 395 foot contour upset the entire club proposition, and it was up to the water company to do the square thing and take over these Treanor-Fletcher-Taylor-Taft contracts, which John agreed to do.

The following is a copy of letter from Taft of December 26, 1925, which bears directly on this subject:

"Regarding the Taylor option, it was my intention to exercise the option until the matter of the water situation with Mr. Treanor came up.

This matter so upset the plans I had in mind for the development of the property, that for the present, at least, I do not see my way clear to exercise the option.

Yours very truly,

A. Z. TAFT"

The fact is the water company accomplished its purpose in blocking a big development on the shores of Lake Hodges, as they had plans for enlarging either Hodges Dam or building a new dam a mile and a half below the present concrete bridge at Lake Hodges, and if Taft had acquired that property and developed it, values would have increased so materially that the cost of getting the lands to be flooded would have been prohibitive, as you know.

It had gone so far that the Santa Fe officials had a written contract for signature giving the Taft people exclusive hunting, fishing and boating privileges on part of the lake for twenty-five years, and it was at your request that the contract was not signed with Taft, but you assumed the obligation from the Santa Fe people when you take over the water system and consolidate Lake Hodges with the San Diego County Water Company.

The agreement of sale of the Barnett property to Taft which John has assumed, consists of 570 acres, the purchase price being as follows: 40 acres at \$500 per acre, 40 acres at \$150 per acre, and 490 acres at \$75 per acre. There is also 121 acres at \$75 an acre which John never owned, the price of which is \$75 an acre, being a part of San Dieguito option lands which I acquired in my settlement with Mr. Henschaw.

Now, Griffith, I don't propose for one minute to allow any man to say that I intentionally double-crossed him or sold him out. The thought never entered my mind.

My attorney has read all the correspondence on the subject, and states that he cannot see where I am either legally or morally bound, and that I have just as much right to insist upon one-half the profits in the future when John sells this property, as John is now claiming; but I want your absolute unbiased opinion as to what the moral obligation is, for it is my earnest desire to satisfy you both that I want to do the square thing, man to man. Therefore, will you please answer the following questions:

First: Do you feel that I have intentionally sold out a partner for gain, keeping all the facts from him?

Second: Do you feel that I have misinterpreted John's letter of May 29, 1922? Does said letter give me or not the authority to be interested in the purchase in the future of any properties John and I own if purchased during the year 1922?

Third: What is an equitable adjustment of this matter as between friends?

You are an interested party. It is the water company which your family control that have lately found out that these lands may be necessary for floodage purposes in raising the height of Lake Hodges Dam, or the building of a new dam at some later date, but I have confidence in your fairness, and ask you to give as unbiased an opinion as you can as to a means of settling this unfortunate misunderstanding between

John and me.

There is only one thought that I have in mind - I don't want any partner of mine, for any excuse whatever, real or pretended, to be able to say that Ed Fletcher did not play the game as between partners. Therefore, I want first to make every attempt to settle this matter in the family, as it were, satisfactory to all parties in interest, and be able to maintain that confidence between us that one must have in order that we may work together.

May I hear from you at an early date?

I have sent a copy of this letter to John.

Yours very truly,

EF:AH

May 9, 1924.

Southern Title Guaranty Company,
San Diego,
California.

Gentlemen:-

Enclosed herewith find mortgage to Ed Fletcher from Griffith Henshaw covering certain lands in the Bernardo Ranch, together with note for \$30,537.50; also note for \$25,310.83 to C. F. Taylor from Griffith Henshaw, secured by certain lands in the Barnett Tract, said mortgage being herewith enclosed which you may deliver to C. F. Taylor when you can furnish me with certificate of title showing the above properties, free and clear of encumbrance, in the name of Griffith Henshaw, subject to mortgages heretofore mentioned, and subject to a \$6,000 mortgage to the Southern Trust and Commercial Bank; also subject to rights of way or easements heretofore granted; also subject to state and county taxes due and payable next fall.

Enclosed herewith find \$5,000 (canceled) note of Ed Fletcher on account of the Bernardo Rancho account which you may deliver to said Fletcher whenever you can furnish a certificate of title in the name of John Treanor to an undivided one-half interest as per copy of deed C. F. Taylor and B. H. Taylor to John Treanor herewith attached covering certain portions of the Barnett property free and clear of encumbrance except state and county taxes due and payable this fall, and subject to any rights of way or easements heretofore granted.

I will pay the usual recording fees and continuation of certificate showing the property in the name of Griffith Henshaw and John Treanor subject to one-half of the usual escrow charges, said Taylor and Fletcher to pay the other half.

Yours truly,

Griffith Henshaw

EF-ES
Enclosures.

February 18, 1927.

Mr. Griffith Henshaw, ✓
200 Bush Street,
San Francisco, Calif.

My dear Mr. Henshaw:

I realize that Mr. Treanor has been your right-hand man in handling the affairs of the San Diego County Water Company, and there is a certain obligation you owe him, but I am writing you man to man asking you to give me a clean bill of health in the matter of the unjust accusation made by Mr. Treanor against me.

I gave the best that was in me in your father's interests, and as things have proven, the lands that I purchased in San Pasqual Valley I acquired at less than one-half of what the City of San Diego is paying for the same type of property.

Mr. Treanor has accused me of two things: -- acquiring water rights on the Harbell place and making money out of it to the detriment of the Henshaw interests, and in owning a half interest in certain personal property that went with the San Pasqual Ranch, in addition to my 5% commission.

As regards the Harbell matter, I have the correspondence whereby I made the offer to Mr. Treanor and have his letter rejecting it in the matter of the acquisition of the Harbell water rights. As Mr. Treanor refused to consider the proposition, I took it over myself and made the loan, and it is a matter of record that this was done several months before Mr. Treanor ever thought of buying the San Pasqual lands, and everything was done open and above board in my name at a time when I was neither in the employ of the San Diego County Water Company or the San Dieguito Water Company, and my acquisition of these water rights in no way affected the price at which the property was sold to the San Dieguito Water Company.

I bought the lands from Harbell at less than one-half the cost that the City is paying per acre for the rest of the lands, and for \$5000 less than he had ever offered the property before.

Everything that I did in connection with the San Pasqual Ranch Company was absolutely over and above board, and nothing was done or no money paid by Mr. Treanor to me or the San Pasqual Ranch Company without first getting Mr. Treanor's approval by telephone.

Attached hereto is a copy of my correspondence with Treanor's attorney, Senator Wright, and his answers in reply. I also had an expert certified accountant go into the records of the case, examine Mr. Harbell's books and mine and our correspondence, and have an absolute clean bill of health from him. I would be glad to send you a copy if you desire.

I was authorized to buy the San Pasqual Ranch in any way that I saw fit, and I purchased the property at a ridiculously low figure - six hundred and fifty some odd acres for \$80,000 - all riparian. The City of San Diego recently paid \$125,000 for 300 acres adjoining on the south, not as good land, and subject to a reservation allowing pumping from the 300 acres sold water for 600 acres the City did not buy.

I was mighty glad to dis-associate myself from any further business dealings with Mr. Treanor, and have been very appreciative of the very fair settlement that was made at that time in segregating our interests.

I have only one object in mind in writing you and asking point-blank where you stand on this matter, whether you believe or not that Ed Fletcher in any way failed to live up to my obligation to the San Diego County Water Company and the San Dieguito Water Company.

If I can be of any service to you personally or the Henshaw interests in San Diego, do not hesitate to call on me.

I am trying at the present time to straighten out the matters between the Whitney interests and the San Diego County Water Company without litigation, and hope to succeed.

I never had a word of controversy with you, I want to feel that you are a friend, and assure you that this letter is written in the most friendly spirit.

Yours very truly,

EF:AG

Ed Fletcher Papers

1870-1955

MSS.81

Box: 11 Folder: 6

General Correspondence - Henshaw, Griffith - 1920 - 1924



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.