

March Fifteenth 1931

Mr. E. J. Engel, Vice-Pres.,
Santa Fe Railroad Company,
60 E. Jackson Blvd.,
Chicago, ILLINOIS.

My dear Mr. Engel:

You evidenced a desire to read a copy of the letter I wrote Mr. Chambers in relation to Warner's ranch development. Herewith enclosed find letter, and map, which I am sure you will read with interest.

If the Santa Fe decides to buy Mr. Hennshaw's interest in the San Dieguito Mutual Water Company, it will be a step in the right direction, I believe, for Mr. Hennshaw immediately will agree to build Warner's dam.

It will cost approximately \$1,000,000 to build Warner's dam and the conduit to the power drop into Escondido Mutual Water Company's system. With the money that Mr. Hennshaw would get from the Santa Fe Railroad, together with the money he would receive from the Escondido Mutual Water Company for the sale of 5,000 acre feet of water in the Escondido section, this alone will finance the million dollar construction above referred to, leaving about 20,000 acre feet of water to be disposed of later between Oceanside and Escondido, or part to the City of San Diego and the rest to the Linda Vista mesa.

It would help the Santa Fe Railroad almost as much to have the water put on the Linda Vista mesa as between Oceanside and Escondido, because you have the Santa Fe Railroad thru the Linda Vista Mesa, and a switch to Camp Kearny, so you are in a position to control all the traffic that develops from Linda Vista mesa.

By all means I urge you to seriously consider buying out Mr. Hennshaw immediately, for I am in a position to state that he will obligate himself to immediately construct Warner's dam and furnish 5,000 acre feet of water to the Escondido valley. The furnishing of 5,000 acre

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feet of water additional to Escondido valley will, alone, double the volume of business out of Escondido valley.

My opinion is that Mr. Henshaw can be bought out at a reasonable price and on easy terms. As it will take two years to build Warner's dam, I am sure Mr. Henshaw would be willing to sell on two years' time, and I will be glad to do anything I can to bring this sale about if I can be of service. The Santa Fe will get the benefit both ways. If they buy Mr. Henshaw's interest, they are going to get value received, without a question of a doubt, and they are also having the assurance of doubling the shipments of products out of Escondido valley, and developing 20,000 acre feet of water in addition, which will eventually accrue to the benefit of the Santa Fe Railroad, either on the Linda Vista mesa or between Escondido and Oceanside.

Very sincerely yours,

EF:KIM

cc* Mr. Chambers
Mr. Hodges
Mr. Faulkner

July 21, 1921.

Mr. B. J. Engel, Vice-Pres.,
Santa Fe Railway System,
60 East Jackson Blvd.,
Chicago, Illinois.

My dear Mr. Engel:

I received a telegram from the Water Commission as follows:

"Water Commission has granted until July 1st, 1926 for complete application Hedges water to beneficial use".

This certainly protects your water rights forever at Lake Hedges.

Enclosed find letter of F. L. Richardson, attorney for the city of Oceanside, who is handling the proposed Vista Irrigation District. He is a personal friend of mine and I have lately secured his appointment from Governor Stephens as State Harbor Commission for the San Diego Bay.

Further in relation to this proposed Vista district, the Henshaw, Whitney and South Coast Land Company's interests own 4,000 acres more land back of South Oceanside and Carlsbad, and they would like to join in this proposed Vista District.

We are looking forward to the Santa Fe, Directly or indirectly, assisting in the financing of this district by the construction of the distributing line. The Henshaw interests will easily be able to finance the construction of the dam and the conduit to a point near Escondido without your assistance. San Diego is short of water, it has only about a year's supply in its reservoirs, and negotiations are on today to buy 5 or 10 million gallons a day under a contract. I do not believe that San Diego would contract at the present time for over 5 millions a day, in which case there would be plenty of water

Page Two

left for Escandido and for the Vista district.

There are a number of matters that I want to discuss with you in case you are not coming out here this fall, and it is possible I may be in Chicago at an early date.

Yours very sincerely,

RF:KLM

July 12, 1931

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

My dear Mr. Henshaw:

Enclosed find copy of letter I have received from Mr. Spencer, which is explanatory. I am going up to see Mr. Rensse and Miss Kitching about their riparian rights, and while there will stop at Oceanside and have an informal talk with these people.

My understanding from Mr. Treanor is that the price of \$15.00 an acre foot out of the Escondido ditch is O. K. if the terms and conditions are satisfactory, the understanding being that the district is to build and operate its own pipe line. I will explain to them that this is a tentative proposition for their consideration, and to let us know if they would entertain it along the lines above outlined.

Very sincerely yours,

BP:KIM

cc- Mr. Treanor

December
Twenty
1921

Mr. H. J. Engel, Vice-Pres.,
Santa Fe Railway Co.,
80 East Jackson Blvd.,
Chicago, Illinois.

My dear Mr. Engel:

I was unjustly criticized by Mr. Henshaw in the matter of purchase of lands in Mission Gorge. I wrote him six or eight times regarding them, urged him, as far back as 1916 to buy certain lands in Mission Gorge, and when he turned me down I informed him that I had done so, yet Mr. Henshaw forgot all about it, and censured me severely, and I was compelled to dig up all my records and prove my case. You may, perhaps, have heard something about it.

Enclosed herewith find copy of letter which I have just received, which is explanatory and for your information. I write this thinking you may have heard something in relation thereto.

Yours sincerely,

HF:KLM

November 27, 1921

I am sure the Santa Fe will be just as greatly benefited by having the water from Warner's cut on the Bernardo River and take the Vista proposition as a separate deal, securing their supply by pumping from the San Luis Valley.

Mr. H. J. Engel,
c/o Mr. E. C. Faulkner,
808 Kerk Street,
Los Angeles, Calif.

I attended a conference with our Superintendent, Joe Angles, the best posted man, in my opinion, in Southern California on pumping of underground waters, with Mr. King, and I will be ready to furnish you with a comprehensive report on the underground water supply of the San Luis valley, on the basis of furnishing Vista with a supply of water, and I am enclosing you herewith copy of complete report of our engineer, Mr. King, covering the core drillings at Pamo, a copy of which has been sent to Mr. Treasurer and one to Mr. Henshaw, with the reports, expecting to see you Friday morning unless I hear from you to the contrary, as per my understanding of Mr. Lippincott's opinion of Mr. Lippincott as an engineer. As a hydraulic engineer, I consider there is none better in the state, qualifying it, however, in this respect. He is opposed to the multiple arch type of construction, and I have been told the single arch type as well to a certain extent. This is proven by his estimate of cost of San Elijo dam, something like \$400,000, I believe. As proof of this I submit the following letter dated November 16, 1921:

Colonel Ed Fletcher,
San Diego, Cal.

Dear Sir:

In the matter of the San Elijo dam, will say I have gone over and revised the figures of the estimate on this dam made sometime ago, and find that the total over-all cost should be about \$167,135.00, which includes all matters connected with it, including engineers' fees, contractors profit fees, gates and spillways. In this estimate 1-2-4 concrete is estimated at \$18.14 and the 1-2-5 concrete at \$11.62."

I am thoroly convinced that a dam will be accepted by the State of California, with a pipe line to

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the north line of the Santa Fe ranch, the height as mentioned in the state engineer's report, the total cost of this development not to exceed \$225,000.

Mr. Lippincott's net safe yield of San Elijo is very much less than that of the state engineer of California, and when you consider that 5,000 or 6,000 acres in Escondido valley will be supplied with Warner's water, and which will drain into San Elijo reservoir, I am sure that the state engineer's net safe yield, as made by Mr. Huber, will be exceeded, instead of diminished. Please keep in mind that the net safe yield studies do not truly represent the facts. The net safe yield study represents the net safe yield covering ten of the driest years of record, while as a matter of fact, out of a cycle of the last thirty years, twenty years out of the thirty, there is, at least, a 25 percent additional supply in excess of the net safe yield estimate by the engineers.

Mr. Treanor from Los Angeles rang me up, asking if I knew where Mr. Hodges was, so I told him of our trip to Warner's, Sutherland and Pamo, also told him that you had been very desirous of putting water from Warner's on ten or fifteen thousand acres around Vista. I told Mr. Treanor also that I had told you that if Warner's was developed immediately, I felt sure Mr. Henshaw would put water on his 7 or 8,000 acres around Bernardo, in addition to supplying water for 5 or 6,000 acres in Escondido valley thru the Escondido Mutual Water Company. Mr. Treanor agreed with me that this is satisfactory.

I casually told Mr. Treanor that Vista was slow in coming to the front in the formation of the district and that undoubtedly the Warner's water would cost more delivered at Vista, and when they did want water at Vista and showed enough inclination, they could probably get it from some point in the San Luis Rey valley by pumping. The fact is only 1,000 acres out of 8,000 acres have actually signed up at Vista, and they have refused to sign up until they know exactly what the water is going to cost delivered at Vista.

I am sure the Santa Fe will be just as greatly benefited by having the water from Warner's put on the Bernardo lands and make the Vista proposition a separate deal, securing their supply by pumping from the San Luis Rey Valley.

I have had a conference with our superintendent, Mr. Harritt, who is the best posted man, in my opinion, in Southern California on pumping of underground waters, also with Mr. King, and I will be ready to furnish you with a comprehensive report on the underground water supply of the San Luis Rey valley, as a basis of furnishing Vista with a supply of water, by Friday morning of this week.

I will come north with Governor Stephens Thursday night with the reports, expecting to see you Friday morning unless I hear from you to the contrary, as per my understanding with you yesterday.

Yours very sincerely,

EF:KLM

cc- Mr. Hodges
Mr. Faulkner

November 28, 1921

Mr. E. J. Engel,
c/o Mr. E. O. Faulkner,
308 Kerckhoff Building,
Los Angeles, Calif.

My dear Mr. Engel:

Referring further to Mr. Lippincott's report, I wish to say that the state engineer's valuation of the cost of building San Elijo dam two years ago, with higher prices prevailing was \$222,000. I am sure that this cost would now be reduced to at least \$175,000, after my talk last week with Mr. Huber, who made the report for the state engineer.

Another thing, Mr. Huber's net safe yield is 3,000 acre feet. Mr. Lippincott's only 1600. In my talk with Mr. Huber, he convinced me that these 3,000 acre feet will be materially increased by the additional irrigated lands, i.e. 5,000 or 6,000 acres in the Escondido valley, which drains into San Elijo.

I am in a position to know that Mr. Lippincott's estimate of the cost of stopping the leakage at San Dieguito dam and at Lake Hodges is entirely too high, and we are now making a demonstration to this effect, the work being done by our own engineer and men at odd times.

I also have the actual figures to show that we can put an 18" pipe line in that will by-pass San Dieguito dam entirely, carrying 4-1/2 million gallons daily for less than one-half of Mr. Lippincott's estimate, which, if I recollect correctly was \$10,000.

I will be glad to discuss these matters with you in Los Angeles, if desired.

EF:KLM

CC Mr. H. O. Faulkner

Yours sincerely,

June 9, 1922.

Mr. E. J. Engel, Vice-Pres.,
Santa Fe Railway Co.,
Chicago, Illinois.

My dear Mr. Engel:

Enclosed find copy of letter to Mr. Faulkner,
which is explanatory.

I have examined Mr. Sinnard and Mr. Lippincott's
plan for road and water development, and believe it is
a mistake to put water on most of the mesa lands on the
south side of the river from the Lake Hodges system, as
well as nearly 500 acres on the east line of the ranch,
which I consider it impracticable to irrigate, owing
to the natural rocky condition of the soil.

I may be mistaken in this matter, but the
maps show that they planned a water system and roads over
land that it is a waste of money to spend a dollar on.
I wish you would discuss this matter with Mr. Faulkner.
I hate to be a disturbing element in this thing, but I
was never consulted (there was no reason why I should
be) by Mr. Sinnard, or Mr. Lippincott or his engineers, as
to what lands on the Santa Fe ranch should be put under
irrigation. I was instructed to furnish the description
of the boundaries of the proposed Santa Fe District, including
all of the Santa Fe ranch and the Syndicate lands, and this
description was furnished by this office to Mr. Clotfelter,
the intention being to form a district immediately, in-
cluding all of the San Dieguito ranch.

My suggestion is that Mr. Lippincott, or someone,
be instructed to make a survey of the lands on the Santa
Fe ranch that should naturally be included in a district,
that it is practicable to farm, or to sell in a sub-
division, and eliminate the waste land that it is a waste
of money to try and develop. If this is done, there will
not be, in my opinion, to exceed 6,000 acres of land in-
cluded in the Santa Fe District.

If you proceed along your present lines, it is

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going to be an expensive matter to the Santa Fe. I have
not sent a copy of this letter to Mr. Hodges. I do not want
to hurt his feelings, and I ask you to please keep this
letter confidential, but I feel it my duty to the Santa Fe
people to butt in on this proposition for the best interests
of the Santa Fe, and am ready to be the goat if necessary.

If you will talk this matter over with Mr.
Faulkner, you will then be in a position to write to Mr.
Hodges. Mr. Faulkner already knows, in a general way, the
lands I am referring to.

Yours sincerely,

EF:KLM

cc- Mr. Keefe

The Atchison, Topeka and Santa Fe Railway System.

Railway Exchange, 80 E. Jackson Boulevard, Chicago

Office of Vice-President

On Santa Fe Train 3, Middle Division,
December 10, 1922.

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

Dear Col. Fletcher:

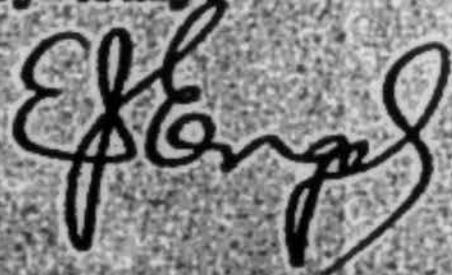
Much obliged for the "eats" which you had put on the car at Los Angeles. We have enjoyed them thoroughly on the way home.

I am very sorry that we saw so little of each other this trip and hope that next time it will be different.

I rather wanted to talk with you a few minutes about your new townsite near Del Mar. It seems to me you may get yourself into a delicate and embarrassing position. I have no doubt that so far as you personally are concerned the matter will be handled entirely properly,

but I am wondering if your representatives will not at times be less cautious than they should be in their eagerness to make sales, and it is going to be very difficult indeed to draw the line. I am rather sorry you went into it and certainly hope that you can so watch and handle it that it will never subject you to criticism. I am most anxious for speed, both in the sale of the ranch and the putting of all of our water to use, and appreciate that you are going to use your best efforts to help us out in these respects.

Yours very truly,



December 20, 1922.

Mr. E. J. Engel, Vice-Pres.,
Santa Fe Railway Company,
80 East Jackson Blvd.,
Chicago, Illinois.

My dear Mr. Engel:

I was mighty glad to get your letter of December 10th, for it shows you are a real friend and it gives me an opportunity to present my side of the case. So often men come to conclusions without hearing the other side, and then both sides are hurt.

I bot that property with as much innocence as a child. No Santa Fe official ever intimated that I should not or could not buy that Jones tract. I really thot I was doing them a favor in eliminating a dirty "stinker" who has been fighting us for years and a man who controls probably the best piece of land in the Santa Fe district.

I am not in the water business. My main business is real estate, and it costs me \$1500 or \$2,000 a month to feed my children. I get no salary from the Santa Fe on their water development. I am allowed \$200 a month to take care of my office expense. The same way with the Henshaw project - I get \$300 a month, but I pay for my stenographers, my bookkeepers and all my incidental office expenses, including rent. On the Cuyamaca System I get \$300 a month but that goes to keep up my share of the voluntary assessments, and I have not drawn a dollar of it for five years.

Enclosed find copy of letter I wrote Mr. Hodges on the subject, which is explanatory. I received no reply except a verbal statement from him that he did not intend to reply to it, but to see that my salesmen did not discriminate against the Santa Fe project. I told him that our salesmen would have to sign an agreement to the effect that the Santa Fe project comes first and every possible effort made to sell the customer on the Santa Fe project. Anyone violating this will be fired immediately.

I repeat I do not see where this in any way competes with the Santa Fe. All of our ground East of the road will be in acre tracts, or less. The price will be a minimum of \$1,000 an acre, up to \$1500. As regards the townsite, I am only subdividing into small lots West of the track, about 60 acres of land. How this townsite can come in competition with the townsite 5 miles away on the Santa Fe Ranch is beyond me.

I would be very glad to sell the property at cost to anybody and get rid of it. I had Mr. Hibbard down, he looked it over, said it was an ideal spot for sub-division for a townsite, said he was glad to see it being done. I thought I was doing a big thing for the Santa Fe to get this thing going. Every additional family who is brought in, no matter by whom, means much for the Santa Fe.

I do not believe Mr. Hodges would have criticized the purchase of the Jones tract if it had not been for Mr. Sinnard. I found out the very first day that Mr. Sinnard wants no advice or suggestions from me, and as I need his cooperation and friendship when the time comes to sell, I have not butted in and have nothing whatsoever to say on anything pertaining to the Santa Fe ranch until such time as it is put on the market. Mr. Sinnard is undoubtedly a very brainy man and a dreamer. Time will tell whether he has handled this matter from a practical and business standpoint. I wish him all the luck in the world, but it is out of the question for me to do anything to expedite matters under existing conditions.

The Jones tract I bought for \$200 an acre, 208 acres, including nearly a mile of ocean front. I have spent \$5000 or \$6000 in surveys, platting, etc. The roads are practically all completed. The maps are ready to file and I am ready to put the water in so as to commence selling, but everything is at an impasse and I don't know where I am at. It has taken all the pleasure out of this proposition and I wish you could suggest some way I could get my money out of it and withdraw, because there is no pleasure in doing business when my friends are going to criticize. There is probably something wrong with me that I have yet failed to see where, even morally, there was any obligation to keep me from buying the Jones tract. Mr. Hodges was aware of it and was satisfied when I bot and sold twelve or fifteen

pieces in the San Dieguito district. He was glad when Mr. Collins bot the tract next to Jones. He was glad when Mr. Henshaw and I bot eight or ten pieces in the Santa Fe district. The idea was to get it into strong hands who could afford to develop instead of a bunch of old dry farmers who do nothing but oppose development. But why I am made the "goat" on this one particular piece is beyond me, for under no circumstances would I have associated with me any man who would violate any of the ethics of the business when it came to a purchaser desiring to acquire land on the Santa Fe ranch.

I do not care how hard you come back at me - go to it. Perhaps you may have a clearer vision of the situation, being so far away.

Mr. Sinnard tells me today there will be no literature out until sometime in January.

My friend the State Superintendent of Banks and the State Engineer have voluntarily written me on this water situation, but I am not going to be told I am a "butter-in" so I am going to keep out of it until Mr. Hodges and the district want me to help get the matter straightened out, but they ought to get together themselves.

With kindest regards and wishing you the Compliments of the Season, I am

Very sincerely yours,

EF:KLM

June 18, 1924.

Mr. E. J. Engel, Vice-president,
Santa Fe Railway Co.,
Railway Exchange,
Chicago, Illinois.

My dear Mr. Engel:

Enclosed find copy of letter I have written

Mr. Jones re: the installing of automatic flagman at
Solana Beach. Anything you can do in this matter will
be appreciated.

Yours very truly,

EF:KLM

July 2, 1924.

Mr. E. J. Engel, Vice-president,
Santa Fe Railway Company,
Railway Exchange Building,
Chicago, Illinois.

My dear Mr. Engel:

Enclosed find copy of letter to Mr. Etter under
date of June 20th, and copy of my answer in reply, which
is explanatory.

I want to do the right thing with everybody but
it does seem to me that the Santa Fe, as a matter of
equity should be satisfied with what I have done in
building the new crossing to take the place of the old
one and let it go at that, without sticking me for the
cost of the automatic flagman, which I do not believe
either the Santa Fe Railroad nor any of us knew the
Railroad Commission would insist upon.

If there was any necessity of this automatic
flagman, it already existed at the old crossing, which
has now been eliminated.

I would be pleased to hear from you on
this subject.

Yours very truly,

EF:KLM

The Atchison, Topeka and Santa Fe Railway System.

Railway Exchange, 80 E. Jackson Boulevard, Chicago

Office of Vice-President

July 8, 1924.

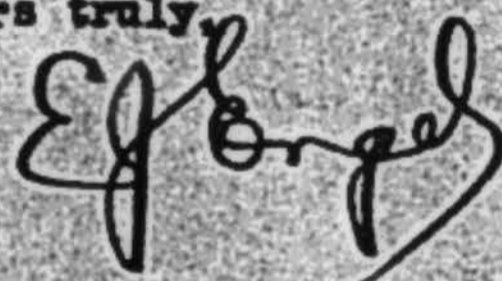
Mr. Ed Fletcher,
920 Eighth Street,
San Diego, California.

Dear Mr. Fletcher:

Referring to your letter of July 2nd, as
to the automatic flagging at Solana Beach.

Presumably you have heard from Mr. Etter in reply to
your letter to him by this time and I am certain he will
treat you fairly. The matter is one so entirely within the
jurisdiction of the Operating Department that I do not feel
like taking active interest in it, aside from saying a good
word for you.

Yours truly,



212226

July 12, 1924.

Mr. E. J. Engel, Vice-Pres.,
Santa Fe Railway,
80 E. Jackson Boulevard,
Chicago, Illinois.

My dear Mr. Engel:

Inclosed find copy of letter from Mr. Etter and
my answer in reply. It makes me sick to have a thing
like this come up, but I can't help but feel it is
rubbing it in. It isn't equitable, and yet I refuse
to have the incident closed in such a manner as in-
dicated in Mr. Etter's letter of the 5th.

I have gone out of my way to help the Santa Fe,
have made every business man who locates at Solana Beach
agree to ship everything Santa Fe, altho they can put
it in there by truck as low or lower than by Santa Fe
and many times without the necessity of an extra handling.
I have done everything possible to boost the Santa Fe's
game publicly and privately. However, this has nothing
whatever to do with the right or wrong in this controversy,
and it must be decided on its merits independent of
everything else.

I want the confidence of the Santa Fe officials
absolutely. The amount involved is little, but to me
it looks like a big principle. Perhaps I am wrong.

I am willing to leave it to arbitration, and if
it goes against me I will certainly humbly apologize.

Yours very truly,

EF:AH

The Atchison, Topeka and Santa Fe Railway System.

Railway Exchange, 80 E. Jackson Boulevard, Chicago

Office of Vice-President

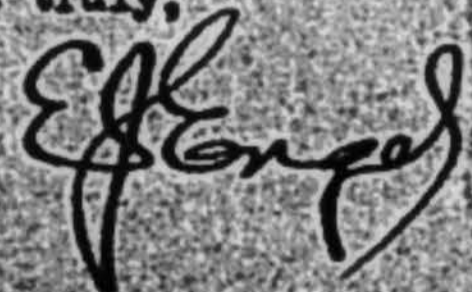
August 4, 1924.

Mr. Ed. Fletcher,
Fletcher Building,
920 Eighth Street,
San Diego, California.

Dear Colonel Fletcher:

Absence from the city and pressure of work since my return has delayed replying to your letter of July 12th, regarding the Solana Beach crossing bell. In the meantime I have received copy of Mr. Etter's letter to you of July 16th. I am inclined to recommend that you forget the matter now that you have been relieved of the expense of the bell but if you think there is still any feeling on either side, why not sit down across the table from Mr. Etter and thresh it out? You understand, of course, he must depend entirely upon his file but knowing him as well as I do I am certain that he had no intention of "rubbing it in" or of implying that you were trying to take advantage of him.

Yours truly,



212327

August 7, 1924.

Mr. E. J. Engel, Vice-president,
The A. T. & S. Fe Railway System,
80 East E. Jackson Blvd.,
Chicago, Illinois.

My dear Mr. Engel:

You no doubt received a copy of Mr. Etter's letter of July 16th, re the Solana Beach automatic flagman. I hate like thunder to bother you, but it gets my "dander" up when I am accused of not living up to a bargain even if it is bad, so I have searched the records and got copies of the order of the Railroad Commission, and as a personal favor I wish you would read this letter in reply to Mr. Etter's letter of the 16th, which I believe is fully explanatory. I have been persistent in this matter because I do not want the slightest suspicion in the minds of either Mr. Etter or yourself that I am a piker.

Yours sincerely,

EF:KLM

August 9, 1924.

Mr. E. J. Engel, Vice-president,
The A. T. & S. Fe Railway System,
80 East Jackson Blvd.,
Chicago, Illinois.

My dear Mr. Engel:

I am in receipt of yours of August 4th
and contents noted. I thank you for your kindly
interest in this matter.

On Aug. 7th I sent you a copy of the letter
I have written Mr. Etter, which I believe is fully
explanatory.

I appreciate your suggestion and will call
on Mr. Etter in Los Angeles the next time I am there.

With kind personal regards, I am

Yours very truly,

EF:KLM

CLASS OF SERVICE DESIRED	
TELEGRAM	<input type="checkbox"/>
DAY LETTER	<input type="checkbox"/>
NIGHT MESSAGE	<input type="checkbox"/>
NIGHT LETTER	<input type="checkbox"/>

Please should mark an X opposite the class of service desired: OTHERWISE THE MESSAGE WILL BE TRANSMITTED AS A FULL RATE TELEGRAM

WESTERN UNION TELEGRAM

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

Form 1206 A

NO.	CASH OR CHG.
CHECK	
TIME FILED	

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

HISTORY

May 20, 1925.

LOS ANGELES CALIFORNIA

ED FLETCHER

SAN DIEGO CALIF

NOT THIS TIME PLEASE DINE WITH HODGES AND ME ON CAR SAN
DIEGO DEPOT AT SEVEN THURSDAY EVENING

E J ENGEL

August 17, 1925.

Mr. E. J. Engel, Vice-Pres.,
Santa Fe Railway,
80 E. Jackson Blvd.,
Chicago, Illinois.

My dear Mr. Engel:

Answering yours of August 10th, will say ninety percent of the people of Solana Beach and seventy-five percent of Encinitas are not in favor of the City owning the system. My interests are wholly with the two irrigation districts. At the present time Treanor controls the directors of both irrigation districts, and they do not represent the opinion of the people in my opinion.

I have made my verbal protest, and feel that if it is a good deal for the City it is a good deal for the two districts, and any deal with the two districts is just as good as any contract with the City. The bonds of both districts are selling above par today.

I even went so far as to agree to back up any proposition calling for a two and a half million dollar payment for everything below Sutherland, and Treanor can easily get a million and a quarter for Sutherland from the City. However, Treanor says "no". So there is nothing doing.

If the darn fools in the two irrigation districts want to go ahead and let the City own the system and be their masters, they are bigger fools than I ever thought them to be. They are much safer in the hands of Treanor and the state authorities. My friends in the two irrigation districts cannot criticize me if things go wrong later on, and as far as I am personally concerned, I am not going to make any active fight against the sale to the City from now on. The fact remains, however, that if the City buys the Lake Hodges system and we have two more dry years, there won't be a drop of water in the City's reservoirs to speak of, and the two irrigation districts

Water History

September 30, 1925.

Mr. E. J. Engel, Vice President,
Santa Fe Railway Company,
Kerckhoff Building,
Los Angeles, California.

My dear Mr. Engel:

Judge Sloane, formerly one of the Supreme Court Justices of the State of California, in his written opinion to the San Dieguito Irrigation District, gave as his opinion that under the terms of the new contract made with the Santa Fe District, the courts would grant in perpetuity a preferential right to 3 million gallons of water a day to go to the city first -- in preference to the Santa Fe District getting any water in case of drought, and it can be proven to the satisfaction of the court that there is only sufficient water to furnish the city with three million gallons a day.

Of course, this statement is in direct conflict with our original agreement where the city got 3 million gallons a day for ten years, and as we all remember, it was supposed to be surplus water that you could not sell and that would otherwise run to the ocean during the ten year contract with the city.

The San Elijo has been entirely eliminated and the city is not getting it. By the Santa Fe District having made a new contract with the new water company, the San Dieguito Water Company, the old contract that we made with the district is automatically abrogated, and the Santa Fe Railroad owning the stock of the water company is relieved from any obligation. This is fortunate for the Santa Fe Railroad, but my one concern is the feeling of resentment later on against the Santa Fe, if there comes a shortage of water, and the city politicians, being in control, take that extreme position which Judge Sloane says they can legally do. This would mean very little, if any water to the districts.

It is common knowledge that the attorney for the water company was also put in as attorney for the Santa Fe District, and with Sinnard, your man being there on the Board and the dominating factor in the district, sooner or later there is danger of the Santa Fe Railroad being misjudged and criticized. This is common talk in the District today.

will not get a drop of water for irrigation. The City
will take it for domestic needs no matter what contracts
may be signed up in the future.

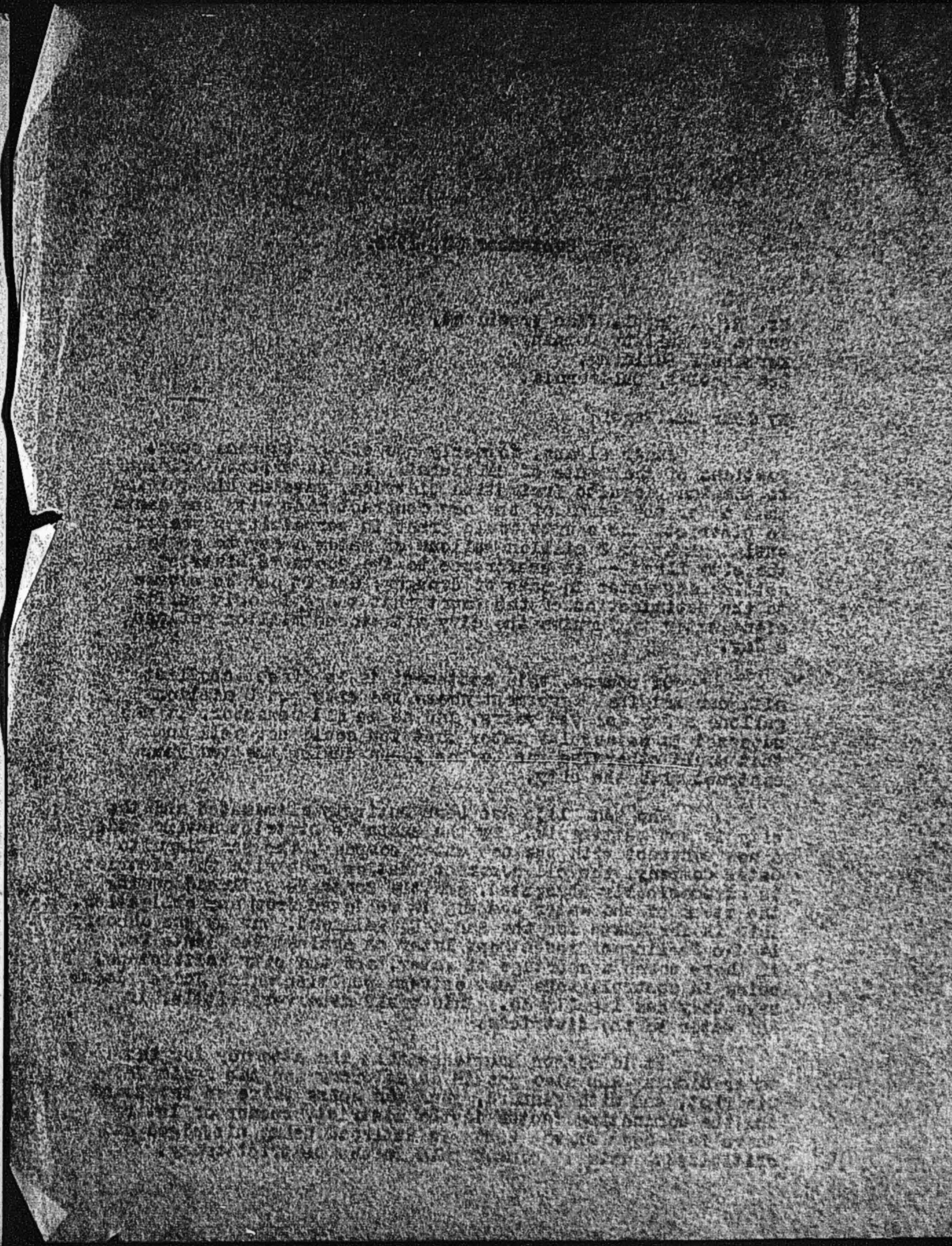
Mr. Hodges told me that my letter to the
Boards of Directors of the two districts was very fair,
and I hope that they both are convinced of my absolute
sincerity in the matter, for under no circumstances would
I be so mean as to allow the personal element to enter
into a public matter.

I will be more than pleased to take you on
that trip this fall.

Yours very truly,

EF:AH

cc - Mr. Hodges



I am sure neither Mr. Hodges nor you would be a party to this, and if anything has been put over on the Santa Fe District it has not been done intentionally by Mr. Hodges, or any Santa Fe official.

Judge Sloane may be wrong, but I have every confidence in his integrity and sincerity. He convinced the San Dieguito Irrigation District, with the result that they refused to give up the old contract for the new. Mr. Treaner appearing personally and alone before the San Dieguito Irrigation District Directors, handing them a contract and notifying them that they could have twenty-four hours in which to sign or reject it, and no more, certainly made a very bad impression, not only in the San Dieguito District but the Santa Fe District as well.

This letter is wholly personal. I want to be corrected if I am wrong. I would expect the same frank friendly letter from you under like conditions. I have made up my mind not to come out in the newspapers and oppose the sale. I have already stated my position, a couple of months ago, as you know.

With the city having the paramount right to three million gallons a day, and ahead of the Santa Fe District, it is probably the best thing for the city to buy, altho very expensive, but what I object to, as I see it now, is the unethical method that the city officials of San Diego used, in conjunction with the attorney for the water company, to achieve their end, if the city has the paramount right to 3 million gallons a day as Judge Sloane claims.

I do not want to hurt Mr. Hodges' feelings. I hope you will not show him this letter. I know he is one hundred percent square, but I am suspicious that unknowingly Senator Wright and Mr. Treaner have put one over on Mr. Hodges, with the result that there is a possibility of the good name of the Santa Fe Railroad being tarnished thru its development of the Rancho Santa Fe, by allowing this deal to go over the way it has. This letter is simply a word of caution and for your investigation as to the facts. That you may hear the other side of the question, I suggest that you let me forward to you to Chicago, Judge Sloane's report to the Directors of the San Dieguito District, he being their attorney, for I feel sure it will be interesting to you.

Yours very truly,

EF:KLM:H

P. S. I have just received in this morning's mail from Judge Sloane an opinion which is herewith inclosed. Kindly read and return.

September 30, 1925.

Mr. E. J. Engel, Vice President,
Santa Fe Railway Company,
Kerkhoff Building,
Los Angeles, California.

My dear Mr. Engel:

Judge Sloane, formerly one of the Supreme Court Justices of the State of California, in his written opinion to the San Dieguito Irrigation District, gave as his opinion that under the terms of the new contract made with the Santa Fe District, the courts would grant in perpetuity a preferential right to 3 million gallons of water a day to go to the city first -- in preference to the Santa Fe District getting any water in case of drought, and it can be proven to the satisfaction of the court that there is only sufficient water to furnish the city with three million gallons a day.

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Yours very truly,

KF:KLM:H

P. S. I have just received in this morning's mail from Judge Sloane an opinion which is herewith inclosed. Kindly read and return.

cc - Mr. White

September 30, 1935.

Mr. E. J. Engel, Vice-president,
Santa Fe Railway Company,
Los Angeles, California.

My dear Mr. Engel:

Enclosed find copy of letter, revised, with the objectionable features to which Treanor could take any offense cut out, all of which is explanatory.

I was under the impression until a few weeks ago, that this was wholly a matter between Mr. Treanor and myself, and that you were simply advancing a certain sum of money in the form of a loan to the water company. My recollection is that Mr. Hodges told me that Mr. Treanor was returning the amounts to you that he secured from Mr. Harbell and me. I don't know yet whether I was buying this property for you, thru Treanor, as your agent, or not, but it makes no difference, I wanted you to know the actual facts, and if it is a matter in which you were financially interested I ask the most careful investigation as to the accuracy of these statements, if there is any question in your mind in relation thereto.

Mr. Harbell will show all of his bank records, his income tax return, and I will be very glad to cooperate in every way possible.

Probably nothing can come up in the future where I can be of service to the Santa Fe Railroad again, but at least I hope at the proper time to receive from the Santa Fe a clean bill of health for services rendered.

I am sending a copy of this letter to Mr. Hodges.

Yours very truly,

EF:KLM

cc- Mr. Hodges

Mr. E. J. Engel, Vice-president,
Santa Fe Railway Company,
Los Angeles, California.

My dear Mr. Engel:

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I am sending a copy of this letter to Mr. Hodges.

Yours very truly,

EF:KLM

cc- Mr. Hodges

December Ninth,
1 9 2 9

Mr. E. J. Engel, V. Pres.,
Santa Fe Railroad,
80 E. Jackson Blvd.,
Chicago, Ill.

My dear Mr. Engel:

I thank you very much for the Santa Fe Magazine and the splendid San Diego article. On the front page is the Mt. Helix nature theatre which Mrs. White and I gave to the county. The whole article is perfectly splendid and is certainly appreciated.

I have turned it over to the President of the Chamber of Commerce.

On page 24 is photographs of the lands which Henshaw and I donated to the State where the battle of San Pasqual took place during the Mexican war. I also gave three acres to the Boy Scouts for a home in the mountains.

I don't know who Esther Bush is but tell her that while I have done my part in this development the article is famous for the absence of my name in the whole thing.

I am just joking about this, Mr. Engel because I don't care a whoop. I am tickled to death to see San Diego get the benefit of a splendid write-up.

I hope the good wife is well.

I am sorry about the situation at Rancho Santa Fe. We certainly picked a lemon in Mr. Gross. I have not attended a meeting of the Directors for six months, I have been so disgusted with them. I don't care a whoop what happens. If you have any suggestion to make and have anything you want me to work out for the benefit of the Santa Fe, don't fail to call on me.

With kind personal regards,

Sincerely yours,

EF:AK

March Fourteenth

Mr. E. J. Engel, V. Pres.
Santa Fe Railroad
80 E. Jackson, Blvd.
Chicago, Ill.

My dear Mr. Engel:

I assisted in settling the 10 years of litigation between the City and the La Mesa District over the waters of the San Diego River as well as the acquisition of El Capitan gas site, all as per resolution herewith attached. I worked quietly with city attorney Myers in the matter.

Now, city attorney Myers has taken the initiative and asked me to help settle the Lake Hodges matter. We have been working together on this thing for some little time. Enclosed find copy of suggestions in relation thereto.

It seems to me the whole thing can be settled if only your friend Treasurer would do one of two things. Get the bondholders' approval to the revision of the contracts whereby the districts only pay for such water as they take and probably increase the price a little and the city also pay for ~~the~~ three million gallons a day as a minimum in any event or \$109,000 per year at 10¢ a thousand gallons.

I have always understood that directly or indirectly you took the bonds in payment, although I may be wrong. In any event, there is going to be 10 years litigation if this thing is not settled. It is going to be even worse than on the San Diego River and the city is going to sue without question the water company and ask for refund of monies expended, an accounting, unless something can be done.

Now, there are one or two things that should be done without question. The Water company should make up the obligation and pay the interest on the bonds when necessary or they should secure some moratorium from the bondholders.

For the love of heaven I am appealing to you as a personal friend to let me know what the facts are and what you can do to help. Please let me hear from you by air mail.

I am calling a meeting of the representatives of the two districts and the attorney for the water company for tomorrow morning, a preliminary meeting. Mr. Myers will not be present. Will probably have a final meeting in the next ten days or so and the question will be decided one way or the other.

2 Mr. E. J. Engel

12-9-29

P. S. I also notice a big boost for the San Diego Athletic Club in your magazine which I organized and was its first President and am working my head off for today.

E.F.

The state engineer is not in the state, he is going to force the
state to take up to the responsibility of the dam in condition
maintaining to the state and it will cost the city in going
to fight in every direction. It will be a question of the districts for years
as far as any sales of real estate is concerned and a black eye to the whole
country.

You are interested whether you want to be or not. How please

With kind personal regards,

Sincerely yours,

The Atchison, Topeka and Santa Fe Railway System

Railway Exchange, 80 East Jackson Boulevard, Chicago

Office of Vice-President

March 18, 1933

AIR MAIL

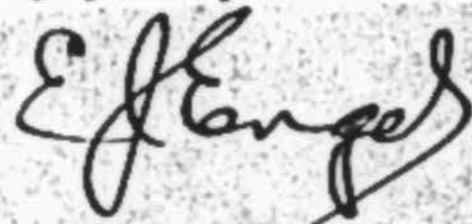
Col. Ed Fletcher,
1020 Ninth Avenue,
San Diego, California.

Dear Colonel Fletcher:

I received yesterday your letter of the 14th instant. I know so little about the irrigation situation at Rancho Santa Fe that I asked Mr. Keefe, who has just returned from California, to give me his views as he is directly in contact with it frequently. I think the best I can do is attach his memorandum of this morning, which I do. This probably will give you the information you need at once. The suggestion that you discuss the matter with Messrs. Clotfelter and Bishop seems pertinent.

With best regards, I am

Very truly yours,



252346

MEMORANDUM

March 18, 1933

Mr. Engel:

With reference to the attached letter and enclosures from Mr. Ed Fletcher, dated March 14, 1933:

While in Los Angeles about two weeks ago, discussed with Messrs. U. T. Clotfelter and A. R. Bishop (the latter our Rancho Santa Fe sales agent) and we gave earnest consideration to the dilemma of the San Dieguito Irrigation District because of its apparent inability to meet its interest charges on the bond issue due next July, and it was thought expedient on our part for the District to employ exclusively a competent person whose sole duty would be to contact the bond holders of the District to secure from them similar concessions to those obtained from the bond holders of the Vista area, and at the same time to negotiate to a conclusion with the City of San Diego a proper revision of its water charges, thus enabling the San Dieguito Irrigation District to adjust its affairs so as to continue solvent. It was stated that the District did not have available the funds for the employment of such person and agreed that the Santa Fe Land Improvement Company would advance the necessary funds as an advance payment for its own taxes for water, and it was the intention of Messrs. Clotfelter and Bishop to employ the same representative who was successful in adjusting the Vista Irrigation District problems.

Heretofore Director Ruhl of the San Dieguito Irrigation District had been negotiating on his own accord with the San Diego city authorities but, because of his serious illness, thought it advisable to furnish additional competent help to the District to procure necessary adjustments from both the bond holders and the City of San Diego.

Naturally the San Dieguito Irrigation District does not have any direct knowledge or interest in the arrangement between the City of San Diego and the San Diego Water Supply Company (which I infer is the company in which Mr. John Trainor is directly interested) but unquestionably the representative to be employed by the San Dieguito Irrigation District will confer with Mr. Trainor if the city authorities of San Diego consider it essential that such participation is necessary.

Mr. Fletcher has a mistaken impression that the Santa Fe Land Improvement Company or any of our other interests acquired or owned any of the San Dieguito Irrigation District bonds as, fortunately for us in this instance, we do not.

It is my suggestion that Mr. Fletcher immediately contact Messrs. Clotfelter and Bishop to determine just what is being done in the endeavors to bring about a readjustment of the bond interest charges and the charges for water by the City of San Diego, as no doubt he can render very favorable assistance in satisfactorily adjusting existing controversies.

I have taken the liberty of informing Mr. Clotfelter by air mail today of Mr. Fletcher's offer of co-operation in obtaining proper adjustments.

J. H. Keefe.

Enc.

March Twenty-first
1 9 5 8

Mr. E. J. Engel, V. Pres.
A. T. & S. F. Ry.
80 E. Jackson Blvd.
Chicago, Ill.

My dear Mr. Engels

I thank you for your letter of March 18th, also copy of memorandum to you from Mr. Keefe. It is just what I wanted. I will contact Mr. Clotfelter and Mr. Bishop immediately.

For over a year now the politicians of San Diego and the irrigation district have been making faces at each other and as I stated in my letter of the 14th city attorney Byers is a personal friend, I worked quietly with him at his request in settling the 10 year litigation on the San Diego River, and I am enclosing copy of resolution passed by the city council after the settlement was made. Mr. Byers has asked me to help straighten this matter out.

Enclosed find copy of the minutes of our first meeting. Mr. Treanor received a copy of these and immediately telephoned that under no conditions would he approve cutting down one dollar the amount which the city must pay under its contract. This is a terrible attitude for him to take and the city resents it when he has already decreased the payments of the Vista Irrigation District except as to their actual needs but will not be a party directly or indirectly to giving the same benefits to the San Dieguito and Santa Fe Districts. Dempster McKee informed me over the telephone of Mr. Treanor's attitude yesterday.

If there is anything on earth that you can do to help show Mr. Treanor the light it will be gratefully appreciated.

What the City of San Diego wants is to see that the Santa Fe and San Dieguito District get relief from the financial burden. The contract should have been spread over a period of 20 years instead of 7 in which to pay.

The Modesto District is the best district in the state and it is only using 7% of its water. The highest use it ever had any one year after 20 year's growth.

The two districts are willing to pay more for water but only take it as they need it and their maximum quantities cannot be changed as it would be a violation of the law and this amount of water was determined by the state of California as a minimum.

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If you have any suggestions they would be gratefully appreciated.

I have sent a copy to Mr. Keefe and Mr. Clotfelter and hope to see Mr. Clotfelter soon.

There is no use going to the bondholders to ask for a reduction in payment if Mr. Treanor will not agree to it. I hope Mr. Clotfelter will take the matter up with Mr. Treanor immediately and see if he will not change his point of view. At least Mr. Treanor can be satisfied with the reduction in payment, any settlement made with the bondholders, it would seem to me.

It goes without saying that everybody is broke including the city out here and I can only see endless litigation for the next 10 years similar to the San Diego River unless Mr. Treanor recedes from his position. Endless litigation will be the ruination of the two districts as well.

We had a sharp earthquake, the dam still stands with the water going over the spillway and the caretaker says everything is fine and dandy.

Yours very truly,

EF:ASK

P. S. In reading my letter to you of the 14th again I find I have already sent you a copy of the minutes of our preliminary meeting as well as the resolution so am not enclosing them in this letter.

E.F.

Ed Fletcher Papers

1870-1955

MSS.81

Box: 7 Folder: 6

General Correspondence - Engel, E.J.



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