



OFFICE OF
S. I. FOX

TRADING AS

The Lion Clothing Co.

CORNER FIFTH AND E STREETS

MEN'S AND BOYS' CLOTHING, SHOES, HATS AND FURNISHING GOODS
WHOLESALE AND RETAIL

PHONES { PACIFIC 827
HOME 1033

SAN DIEGO, CAL. June 11th, 1913.

Mr. Ed Fletcher, Manager,

C i t y.

My dear Sir:-

I am in receipt of your communication dated June 6th, 1913, a copy of which I read in the papers.

In looking over your statement as to the value of the water of The Cuyawaca Water Company, etc., in which you state that the chief engineer of the railway commission estimates the value of your holdings at \$352,000.00, which is less than \$1400.00 per miners inch of water. It seems strange that the old flume company, whose stock you have purchased, and whom you have succeeded, have sold us water by the inch and we paid for the same, I personally paid several times \$600.00 and \$300.00 per inch for the water before we were permitted to tap the system, and for which money we received a perpetual contract. Now it seems that the money we have paid in for the system you do not seem to recognize at all, but you simply state that you have paid \$150,000.00 for the system, and that you have spent \$150,000.00 for the improvement of the system.



OFFICE OF
S. I. FOX

TRADING AS

The Lion Clothing Co.

CORNER FIFTH AND E STREETS

MEN'S AND BOYS' CLOTHING, SHOES, HATS AND FURNISHING GOODS
WHOLESALE AND RETAIL

PHONES { PACIFIC 827
HOME 1033

SAN DIEGO, CAL.

EF-2-

I suppose you mean by this you have spent about \$10,000.00 for the improvements of the system and have spent \$140,000.00 for the building of the reservoir at Grosmond to enable you to sell the Murray land.

These figures you give in this letter to me I consider are very much out of proportion and unreasonable. They do not conform to facts, but are gotten up by some one for the purpose of influencing and to show how much you should tax the water consumers for the use of it. I am very much in favor of water development. I believe that any person with money can make good interest on his investment by developing water and selling it at a reasonable price to the people, providing all things are done in a business manner with the money spent for such development of water be closely guarded. I do not believe in confiscating anybody's property.

The old flume company that built the system at an enormous expense developed 500 inches of water, and they spent a million a doing it and unfortunately wasted a lot of money in building the system, and naturally had to go to the wall.



OFFICE OF
S. I. FOX

TRADING AS

The Lion Clothing Co.

CORNER FIFTH AND E STREETS

MEN'S AND BOYS' CLOTHING, SHOES, HATS AND FURNISHING GOODS
WHOLESALE AND RETAIL

PHONES { PACIFIC 887
HOME 1032

EF-3-

SAN DIEGO, CAL.

By their unfortunate investment we have profited in the respect of taking better care of the expenditures, so that the money instead of being wasted is applied ~~perfectly~~ *properly*.

I believe ~~as~~ *as* Br. Sampson does, that he can develop three thousand miners inches of water for \$1,000,000.00. These figures are very near to the figures that the flume company considered the cost of the miners inch of water, and their figures were correct but the money in putting in the plant was wasted foolishly, and instead of developing greater amounts of water, they lost most of it in transporting to the destination,

If the railway commission decided that the 256 miners inches of water that you have in your system is \$352,000.00, then you want to give us credit for each miners inch of water that we have paid for, and that we are the owners of, instead of taking the credit all to yourself.

We paid for each inch of water that we own in the flume at the rate of \$400.00, \$600.00, and \$800.00 per inch, and surely we are entitled to some credit of ownership which we supposed was sold to us outright perpetually, and we are entitled to the



OFFICE OF
S. I. FOX

TRADING AS

The Lion Clothing Co.

CORNER FIFTH AND E STREETS

MEN'S AND BOYS' CLOTHING, SHOES, HATS AND FURNISHING GOODS
WHOLESALE AND RETAIL

PHONES { PACIFIC 887
HOME 1032

EF-4-

SAN DIEGO, CAL.

consideration of being part owners in this flume system that you claim you are entitled to collect full rent, for each inch flowing.

I am satisfied that if you develop more water in question, or even at a reasonable rate to the people that you can make some money, in the same conduit that you are running 300 inches of water, you can run 600 inches, and ~~if you develop the water~~ without any additional cost, or 1000 inches with only a slight increase in the cost.

I, personally, will be glad to give all the assistance necessary to help develop more water on the flume system.

Respectfully yours,

June 12th, 1913.

Mr. S. I. Fox,

San Diego, Calif.

My dear Mr. Fox:

I am in receipt of yours of June 11th relative to the Cuyamaca Water system, and answering same will say, 1st: the Commission decided that the water right contracts to a certain extent are void, and put everybody on the same basis. Does this not appeal to you as being right? Before, some were paying for irrigation water at the rate of $1\frac{1}{2}\%$, and from that up to 10%.

The Flume Company put \$1,250,000 into the development of the system originally. The total amount received from the sale of water right contracts was approximately \$350,000; the stockholder, in other words, got from 25¢ to 30¢ on the dollar, which as I understand it, was put back into the system for further development ^{work} ~~propositions~~, and then they practically lost everything by assessment.

You say you paid \$600 per inch for your water, and I suppose you paid \$60 an inch annually as well. Spread your \$600 per inch initial payment over a period of twenty-five years and add it to your yearly rental of \$60 an inch, and it means that your total payment for water per miner's inch per year doesn't average \$100 an inch as rental, which is extremely cheap, and I know of no other place in Southern California where water can be purchased and delivered perpetually at this rate. However, you have not lost any-

Mr. S.I.Fox

-2-

thing for the reason that you still have a preferential right to water that cannot be taken away from you or your land so long as you use the water and pay the rental as established by the Commission.

If you people own, as you claim the Cuyamaca Water system, why have you not paid the losses the last twenty-five years instead of the Flume Company? You are well aware that the net loss has been between five and ten thousand dollars a year, to say nothing of depreciation of system.

The Murray Hill Reservoir did not cost \$140,000 as you say, but approximately \$40,000, and the engineers as well as the Commission agreed that the money had been well spent, and gave us full credit for it. The Murray Hill Reservoir was built to protect the domestic supply of the city of La Mesa; if any one of the wooden trestles for thirty-six miles along the wooden flume had burned, the city of La Mesa within less than a week would ^{have been} without a drop of water.

By reading the transcript of the evidence you will see that the Murray Hill reservoir was vital for the greatest good and protection to the greatest number. We have laid a main cast iron pipe line into Normal Heights, and spent \$50,000 in putting that ~~distributing~~ ^{dave} distributing system in good condition. The diverting ~~system~~, when we took the system over was leaking badly, and in danger of being undermined. We have put it in first-class condition and raised it ten feet at ~~total~~ cost of \$10,000, so that it holds nearly a week's supply for the flume and materially aids in filling La Mesa

Mr. S. I. Fox

-3-

dam in the winter by flood waters which otherwise would go to the ocean.

Neither Mr. Murray nor I have been paid a cent for our services for three years. The Commission allows us for every dollar we have spent and it shows that we have been running things on a business basis.

Mr. Sampson's figures regarding the cost of development of water are a joke among engineers. At a well attended meeting at La Mesa at the first hearing several hundred consumers of the Cuyamaca Water Company rose en masse and voted in favor of everybody being put on the same basis when the question was put to them by President Eshelman of the Commission. This the Court has now done and it paves the way for development of future water to the greater prosperity of the county.

Thanking you for your support and assuring you that I appreciate the friendly spirit in which the letter is written, I remain

Very sincerely yours,

F:K



July
Ninth,
Nineteen-Thirteen.

Mr. Samuel I. Fox,
San Diego, Calif.

Dear Sir:

On my return from a two weeks' vacation I find your letter of June 11th, which was published in the La Mesa Scout under date of June 20th, 1913.

Your attitude is that simply because the Commission reserves the right to raise the rates, that the so-called water right contracts have been knocked out, and you have nothing to show for your money. If this is your attitude, it should certainly be considered a joke, for we can no more take away from you your right to use water on your place than we can take possession of your store without paying for it. My understanding of the decision of the Commission is that the actual use of water is what constitutes the right, and this broad-gauge decision is just, and for the greatest good.

The whole question is: are you paying an equitable rate for the service rendered? My interpretation of the ruling of the Commission is that public policy demands that the rates be increased; otherwise it will be utterly impossible to get any individual or corporation to rebuild the flume unless they were going to get a reasonable return on their money, and we have asked that this matter be decided now before it becomes

Mr S. I. Fox

-2-

too late, and the flume gives away so we are absolutely without water.

We have invested in actual cash, including interest, between three hundred and three hundred and fifty thousand dollars in the system today; we have spent in improvements between a hundred and a hundred and fifty thousand dollars. I quote from your letter as follows: "I suppose by this you mean that you have spent \$10,000 for the improvement of the system and have spent \$140,000 for the building of a reservoir at Grossmont to enable you to sell the Murray Hill land."

Now Mr Fox, you do yourself an injustice in making such a statement, for if you will simply look up the records, you will find that the Railroad Commission have given us full credit showing that every dollar that we have spent has been put to a wise and beneficial use in the development of the system. Not one dollar of the Cuyamaca Water Company money has ever been spent for any reservoir at Grossmont, and I have built the entire Grossmont system from my own funds. If you refer to the Murray Hill Reservoir, then I will ~~add~~ add that it cost approximately \$40,000, and the Railroad Commission gave us full value for it, - that it was built purely to protect the domestic supply of the City of La Mesa, as it carries a month's supply in case of breaking down of the flume at any time; that not one drop of the Murray Hill Reservoir water is used on the subdivision known as "Murray Hill" belong^{ing} to Mr Murray, and that we have never sold but two lots in the Murray Hill tract. Murray Hill Reservoir is too low to irrigate any of the Murray Hill tract, - all the water would have to be pumped, and when we do sell the Murray Hill tract,

Mr. S. I. Fox

-3-

it will be supplied from the Grossmont distributing system which I own.

You are aware that we are not selling water for irrigating purposes to a human being, and have not since we purchased the system. You are aware that it is a big advantage to you to be able to get irrigating water at all, and when you do get irrigating water, you are buying it at $1\frac{1}{2}$ ¢ a thousand gallons, while every drop of the ^{water of the} city of San Diego costs $1\frac{1}{2}$ ¢ a thousand gallons.

Do you mean to say that this right to secure water and the rate that you now pay is not invaluable to your ranch? You know it is as compared to the poor case who has raw land and cannot buy water for irrigating purposes from us, and that right is cheap at \$2000. an inch instead of \$400 and \$600 an inch which is the price you paid.

In closing I ~~would~~ have this to add: that in all sincerity I am not opposed to any legitimate development of water; instead, I am anxious and will be glad to see the La Mesa Irrigation District develop all the water possible. All the Cuyamaca Water Company wants is not to be interfered with in the development of the Cuyamaca Water system when it constructs reservoirs in the mountains and in the rebuilding of our flume so as to increase its capacity.

In the meantime, friend Fox, you had better get busy and put down all the wells you can on your Lakeview farm, for there is plenty of water there on your ranch that can be developed at a much less cost per thousand gallons than the Cuyamaca Water Co. can ever develop water and ~~sell~~ sell to you at irrigation rates.

F:K

Very truly yours,

August First,
1 9 3 1

Mr. Sam. I. Fox,
c/o Lion Clothing Co.,
San Diego, California.

My dear Sam:

I am getting severe criticism and all kinds of influence is being brought to bear on me to stop fighting against No. 2, particularly from the Irrigation District.

I feel that I am entitled to and should have a letter from you as President of the El Capitan Water Committee that it is the sense of the Committee that the first step in the development of water of the San Diego River is to make a settlement with the district along some what the lines that was proposed a short time ago.

In that way you get possession of El Capitan Dam site and the second step is to build El Capitan later rather than condemn ending this endless litigation and misery to the district.

May I have a letter from you immediately expressing the opinion of the Committee?

For reasons I cannot tell you I must have this letter by Monday noon, if possible.

I have had the personal assurance from the members of the Committee individually including O'Rourke, Stewart, Colonel Jewell and others but I must have something in writing from you as chairman of the El Capitan Committee before I do another thing in this campaign.

Yours very truly,

EF:ASK

S. I. FOX, President
A. F. GAYNES, Vice-President
J. H. FOX, Secretary-Treasurer

ESTABLISHED 1896
LION CLOTHING CO.

BROADWAY AT SIXTH
SAN DIEGO, CALIFORNIA

August 1, 1931.

Mr. T. B. Cosgrove,
c/o Hunsaker & Cosgrove,
1030-45 Rowan Bldg.,
Fifth & Spring Sts.,
Los Angeles, Calif.

My dear Mr. Cosgrove:

Sometime ago I was asked by Councilman Mair to see if I could do anything in settling this controversy between City and District, and I have been thinking about the matter ever since. The District is now fighting the City with all their power and influence in the Election, they want to force this City to build at Mission No. 2, and go broke on it by buying all of 13,000 acres of land, etc. Then we surely would have two communities broke, or almost broke.

The El Capitan Committee is fighting against the building on No. 2, Mission, with their backs to the wall, and I believe we will beat the proposition on August 11th. The Directors and the Engineer of the district are mistaken on the stand they take, because if we start building at No. 2, their fight will not be over in ten years. While, if we beat this election we propose to build at El Capitan, and settle with the District in some way.

Here is where I want your advice. Could we legally propose to the District to let them put in ten or fifteen per cent of the cost of El Capitan in which they could store their two billion, or fifteen per cent of the water? While I know we could not convey any water to them, they would own an interest in the dam and reservoir by reason of their ownership of that part of the dam site, and the additional money they put in, it seems to me they would own a tangible asset in the dam and reservoir, with the assurance that they could draw a net safe yield up to four million gallons per day. They are only using now about three and one-quarter million gallons average.

We would insist that they pump as much as possible below the dam and keep the water in the dam

F O U R



S. I. FOX, President
A. F. GAYNES, Vice-President
J. H. FOX, Secretary-Treasurer

-2-

as a reserve, besides, if we built El Capitan high enough we may be able to let them use surplus water in addition, only restricting them to the four million gallons, or less, in case of an extreme dry year.

It seems to me that if such an arrangement was legal, they really would be helped, and their trouble would be over. If we build No. 2, their troubles will never be over because every new Council, and every new City Engineer would probably take a shot at them, etc. If such an arrangement would not be legal, could such an arrangement be approved by the next Legislature and made legal.

I want to thank you sincerely for any advice in this matter. There is no one more anxious than myself to clean up this mess, that the District got us into, and unfortunately burried themselves up to their necks in quicksand, and if we don't help them out, they will be eventually covered by their own mistakes.

Hoping for your kind favors, I am

Yours sincerely,

SIF:C

FOUR FLOORS OF CLOTHING



S. I. FOX, President
A. F. GAYNES, Vice-President
J. H. FOX, Secretary-Treasurer

August 3, 1931.

Col. Ed Fletcher,
1020-9th Street,
San Diego, Calif.

Dear Friend:

The El Capitan Committee was always in favor of settling with the District on fair and livable basis. We don't want to, neither is it to any advantage to the City to curtail or diminish their resources. We want them to have every advantage possible to give them and help them, since we must go hand in hand, city and surroundings, in the proper economical development of water.

Their proposition of January 25rd, 1931 to the City Council would receive our undivided endorsement. I want to thank you for the interest you have taken in settling this serious question, and remain

Sincerely yours,

SIF:C

FOUR FLOORS OF CLOTHING

This letter mailed August 30, 1931 by ASK
Also written on August 30, 1931

August Thirty-first,
1 9 3 1

Mr. Sam I. Fox, Chairman,
El Capitan Water Committee,
c/o Lion Clothing Company,
San Diego, California.

My dear Sam:

I tried to get you by 'phone yesterday and last evening to report to you that I have contacted Mr. F. R. Beatty, President of the La Mesa Irrigation District directors re a meeting between the directors and a citizens committee to settle the water question if possible.

I had a long personal talk with him and both he and the directors are in a receptive mood. They have set next Thursday night, September 3rd, at 7:30 P.M. at La Mesa.

The reason that the date could not be earlier is on account of two of the directors being absent from town but will return by that day.

I had calls from two councilmen yesterday. I am sure they are in a receptive mood. I am sure the directors of the district are also in a receptive mood.

I am convinced that it would be a mistake for me to go out to the La Mesa meeting. I can do more good on the side lines having contact with both the district directors and the city council.

I would like to discuss one or two more points with you and your committee before you go out Thursday night.

There are three ways to settle this question. First. Settle the amount of water the district is to have, acquire El Capitan and the lands below, including Murray dam, excepting the El Monte pumping plant.

Second. Acquire the whole system and furnish a certain amount of water to the district agreeing on the present rates, or,

Third. Take all the water of the San Diego river and furnish, at present costs from the Sutherland project. It makes no difference to me which is accepted.

There is a large water shed below El Capitan that will help the El Monte pumping plant. In addition to that a large portion of the SanVicente water bearing gravels will assist in furnishing underground water for El Monte so in case the district continues to operate those pumps they will get a large amount of cheap water and the plant will not necessarily be junked.

I am heartily in favor of building El Capitan 225 to 240 feet high. It is better to do that than to build San Vicente for the next ten or twenty years and cheaper.

The surveys have been made. I have the records in my office and for \$600,000 or \$700,000 just by building a \$5,000 diverting dam at Sutherland, with the money now available from the last Sutherland bond issue we can build a cement conduit that will bring five million gallons of water a day on the average from Santa Ysabel in to El Capitan with a thousand foot power drop.

I think it is a vital matter and the conduit will carry fifty or seventy-five second feet of water, will furnish tremendous amounts of water that will average at least five million gallons of water a day in to El Capitan.

The district must be paid well for El Capitan and Murray dam if you follow that plan, enough money to pay their debts and build a permanent flume line or pipe line to El Capitan. The money to pay for El Capitan dam site to the district is available but Murray dam can be bought on payments of \$25,000 or \$50,000 down on a lease over a period of years.

The city should pay the district the cost of the lands in Mission #2 as well. As far as our lands are concerned in El Capitan and Mission #3 I will have a price, I hope, for you in a short time,

but they must not be made public and I much prefer that their value be arbitrated. They can be bought on very easy terms so that the city will not have to make a bond issue. I am sure we can work this matter out in fairness to all parties in interest.

The first thing for your committee to do is to settle on some plan or plans with the district informally. If the city wont accept either plan I have already made arrangements with Judge Conkling to draw up a referendum which we will immediately circulate by petition calling an election and getting the expression of the people in relation thereto.

I feel sure the city is now right to vote a fair settlement with the district that is fair to both the district and the city. Let us not have 16 years more of litigation.

Telephone me when I can have a conference with your committee. How would a luncheon at the Athletic Club in one of the private rooms be either Monday, Tuesday or Wednesday, or we can meet in your office at any time.

Yours very truly,

BF:ASK

September 1st, 1931.

Mr. Sam Fox,
551 Broadway,
San Diego, California.

My dear Sam:-

As per your request, my suggestion of a settlement with the City and the District is as follows:

First: The City to immediately acquire by deed from the District the El Capitan Dam and the lands to the 160 foot contour which we deeded to the District.

Second: The 500 or 400 acres which would be flooded by the construction of either Mission No. 2 or Mission No. 3.

Third: Murray Dam reservoir lands and pipe lines to the city.

Fourth: If and when needed, the rights of way from El Capitan Dam East, the entire flume right of way and diverting dam. Whenever the dam is built high enough to interfere with the flume line, the District to salvage anything it can in relation thereto.

Fifth: The City to have a final decree with the paramount rights, subject to a settlement of the litigation now in the Federal Courts, by stipulation, as suggested by Judge Conkling, the Decree to include the division of water on the San Diego River as mutually agreed on.

In consideration of the above, the District to get an absolute right to the perpetual use of a minimum of 4,000,000 gallons daily meter measurement to the consumer for irrigation and whatever else is needed at the same price for domestic service, all within the present boundaries of the District. The cost not to exceed the present rate delivered to the consumer. The District to function as heretofore, to pump such water out of the El Monte sands as it can get, the rest of the water to come from El Capitan to be pumped by the District or the City, as mutually agreed on when it cannot be had by gravity.

Mr. San Fox

#2

Sept. 1, 1931.

It might be arranged to pay a price, say of 4¢ delivered into the flume or pipe line, per thousand gallons for all water the District uses, either at El Capitan or El Monte, the city to make the delivery, or, in lieu thereof, the District be allowed to go ahead and take water out of the sands and gravels of El Monte or out of El Capitan, all at its own cost of pumping. These are details that can be thrashed out.

As regards the holdings of the Guyanaca Water Company on the San Diego River at El Capitan, the following property stands in our name: Those lands lying above the 160 foot contour in the 80 acres described as the West half of the Southeast Quarter of Section 8. Then in our name is also that portion of the property above the 160 foot contour described as the South half of the Northwest Quarter of Section 8; also the Southeast Quarter of the Northeast Quarter of Section 7, all in Township 15 South, Range 42 East.

In addition to the above, I understand Mr. Savage wants 50 acres more in the West half of the Northeast Quarter of Section 7 below the dam, which we own, same being necessary for spillway purposes, etc.

When we find out just what the City does want, we will be glad to make a net figure or leave the question to arbitration for a reasonable length of time, if desired.

If this controversy between the City and the District cannot be settled, I still maintain that the City can have all the water of the San Diego River and let the District get what water it needs from the Sutherland Dam, Santa Isabel River water. There are enough Sutherland bonds unsold to build a small diverting dam at Sutherland, complete the conduit and carry the water to the La Mesa District system at the diverting dam. There is enough natural flow of the Santa Isabel Creek at Sutherland, probably 5,000,000 gallons daily, to take care of the needs of the District, supplemented at times by an exchange of water which the District might pump from the El Monte Pumping Plants, as needed.

Mr. Sam Fox
#3
Sept. 1, 1951.

In closing, it is my understanding between us that, whatever agreement your committee and the District may come to or whatever the District's minimum demands, if we cannot get the City Council to act quickly, we will join in a referendum to the people of San Diego and get a final expression from them in relation to a settlement with the District.

I want you to know that I will co-operate with your committee in every way at all times and am in close contact with two members of the City Council so that I can be of service, I believe, behind the firing line.

There is no use of talking of doing anything on the San Diego River in the nature of building major dams until this compromise is settled.

Yours very truly,

EF/RC

September 3rd, 1951.

Mr. San Fox, Chairman El Capitan Water Committee,
c/o Lion Clothing Company,
531 Broadway,
San Diego, California.

My dear Sam:-

Confirming our conference yesterday, re a settlement between the District and City, the plan tentatively is to be as follows:

First. The litigation re paramount right or ownership of the water to stop and favorable to the City.

Second. The District to continue to operate and own all distribution lines, including its small reservoirs such as Mt. Salix, Eucalyptos, Murray Hill, etc.

Third. The District to get up to 4,000,000 gallons of water daily delivered to the consumer, the price to be 4¢ a thousand gallons delivered into the pipe line. The price of domestic water to be 10¢ a thousand gallons, the above being the same prices paid by the Santa Fe and San Dieguito Districts. The District to have what domestic water is needed from time to time.

Fourth. The District to sell to the City everything else the District owns, subject to existing hunting, fishing and boating rights, including Guyanaca Lake, Fletcher Damite, diverting dam, flume lines to El Capitan Damite from the diverting dam, El Monte pumping plant and several hundred acres of water bearing gravels, the several hundred acres that will be flooded either by construction of No. 2 or No. 3 wh of the District owns, also Murray Dam and the pipe lines to the city. The City to take over the delivery of water East of Murray Dam under some suitable arrangement. The District to have the use of and maintain the flume line until El Capitan is built to at least 107 feet in height, and the District to salvage what it can out of the flume line above El Capitan Dam when same is abandoned.

Mr. San Fox.
#2
Sept. 5, 1951.

Fifth. The City and the District eventually to build a pipe line to take the place of the present flume, the City and the District each to pay its proportion, to be mutually agreed on. The City to finance its building and the District to pay off the interest and sinking fund on its proportion. The size, type of pipe line and when it is to be built, to be mutually agreed on between the City and the District. The City to have the free use of the present right of way owned by the District.

Sixth. Any settlement to be ratified by vote of the people and if necessary approved by the Legislature.

Seventh. The District to continue pumping from the El Monte pumping plants, not to be disturbed in relation thereto by the City, and the District to continue the operation of the present flume line and Guyanaca Lake until the El Capitan Dam is built and the storage of water in El Capitan Dam interferes with the operation of the flume.

Hoping that something along this line can be worked out between the city and the district, and assuring you of my co-operation,

Yours very truly,

RF/RC

September 3rd, 1931.

Mr. San Fox, Chairman El Capitan Water Committee,
c/o Lion Clothing Company,
551 Broadway,
San Diego, California.

My dear Sirs -

Confirming our conference yesterday,
re a settlement between the District and City, the
plan tentatively is to be as follows:

First. The litigation re paramount
right or ownership of the water to stop and favorable
to the City.

Second. The District to continue to
operate and own all distribution lines, including its
small reservoirs such as Mt. Salix, Eucalyptus, Murray
Hill, etc.

Third. The District to get up to
4,000,000 gallons of water daily delivered to the con-
sumer, the price to be 4¢ a thousand gallons delivered
into the pipe line. The price of domestic water to
be 10¢ a thousand gallons, the above being the same prices
paid by the Santa Fe and San Diego Districts. The
District to have what domestic water is needed from time
to time.

Fourth. The District to sell to the City
everything else the District owns, subject to existing
hunting, fishing and boating rights, including Capanaoa
Lake, Fletcher Dam site, diverting dam, flume line to
El Capitan Dam site from the diverting dam, El Monte
pumping plant and several hundred acres of water bearing
gravel, the several hundred acres that will be flooded
either by construction of No. 2 or No. 3 at the
District owns, also Murray Dam and the pipe lines to the
city. The City to take over the delivery of water East
of Murray Dam under some suitable arrangement. The
District to have the use of and maintain the flume line
until El Capitan is built to at least 107 feet in height,
and the District to salvage what it can out of the flume
line above El Capitan Dam when same is abandoned.

Mr. Sen Fox.
#2
Sept. 5, 1931.

Fifth. The City and the District eventually to build a pipe line to take the place of the present flume, the City and the District each to pay its proportion, to be mutually agreed on. The City to finance its building and the District to pay off the interest and sinking fund on its proportion. The size, type of pipe line and when it is to be built, to be mutually agreed on between the City and the District. The City to have the free use of the present right of way owned by the District.

Sixth. Any settlement to be ratified by vote of the people and if necessary approved by the Legislature.

Seventh. The District to continue pumping from the El Monte pumping plants, not to be disturbed in relation thereto by the City, and the District to continue the operation of the present flume line and Coyanaca Lake until the El Capitan Dam is built and the storage of water in El Capitan Dam interferes with the operation of the flume.

Hoping that something along this line can be worked out between the city and the district, and assuring you of my co-operation,

Yours very truly,

ET/RC

c.c to F. A. Rhodes,
Don Stewart
Col. Fred Jewell
T. H. King
Chas. F. Stern

El Capitan Option

9/4/31

[for signed copy of
option, see, ^{El Capitan} Water Papers]
esm

September 4, 1931.

Mr. Sam Fox, Chairman,
El Capitan Water Committee,
San Diego, California.

My dear Sam:

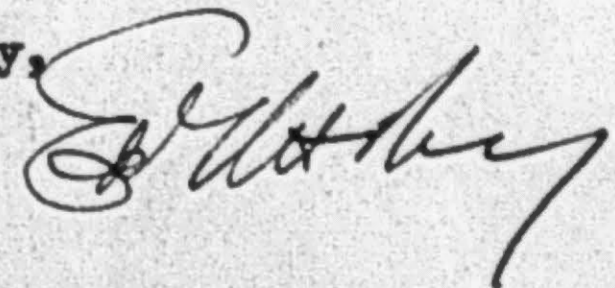
I am enclosing signed option for
you to hold in confidence, as agreed verbally this
day in the presence of Miss May.

You will notice I have included all
of the lands, not simply those to the 875 foot level.
The only reason I have changed it to read "all right,
title and interest" is on account of my option to
the district as I explained to you over the phone
today.

The property is in our name. The taxes
are all paid. The only thing - the district has until
October, 1934 to build a 200 foot dam in which case they
would get the additional lands, but as it is a physical
and legal impossibility for the district to do it, the
city is certainly secure, but we must protect ourselves
and can only give right, title and interest.

It is understood that in case the option
is not exercised all papers will be returned at the
expiration of the option.

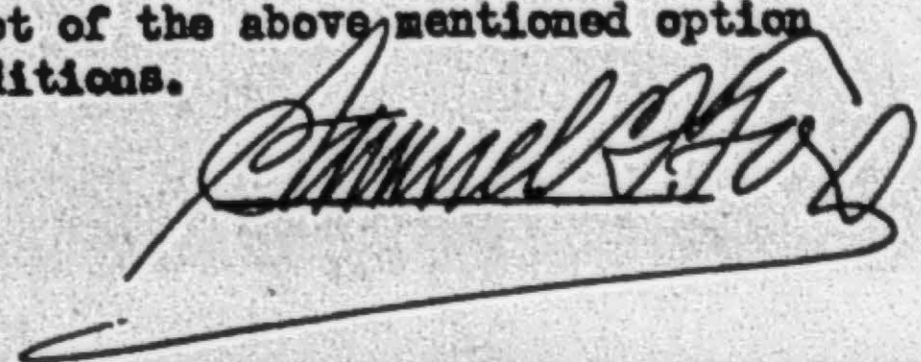
Yours truly,



EF:KLM

September 4th, 1931.

I acknowledge receipt of the above mentioned option
under the above conditions.



Water History

WOLFE, JOHNSON

ATTORNEYS

San Diego, California, September 4, 1931.

DEAR MR. FOX:

YOUR LETTER

Mr. San Fox, Chairman, El Capitan Water Committee,
c/o Lion Clothing Company,
331 Broadway,
San Diego, California.

My dear Sir:-

I call your attention to the decision of the Supreme Court re El Capitan condemnation. Our attorneys and Mr. Lee, the attorney for the District, recognize that the city has the right to condemn the land on which the dam is located and a portion of the reservoir site not used and useful. This is the Supreme Court decision, but, in the same decision, it is distinctly stated that the city has not the right to condemn any lands that are used or useful, now occupied by or owned by the Le Mane District. Therefore, Mr. Cosgrove is correct when he states that, by purchase or condemnation and putting up a bond in sufficient amount satisfactory to the district and the Court, you can get possession of El Capitan dam site and build a dam there any height that you want to. However, the minute you commence to store water the following is the situation:

As soon as the water is 30 feet high, it will be flooding land used and useful by the District. The Chocolate Siphon, when the water is 50 feet high, it will be flooding lands that are used and useful in South Fork owned by the District, the two steel siphons. When it reaches Sand Creek and the water is 150 feet deep, it will flood lands used and useful and which the District must have on account of the Sand Creek Siphon, and there are other lands as well that will be completely covered by the flooding of the dam even 10 feet high, such as 137 foot dam.

The opinion of the attorneys and the opinion of Mr. Lee is that under no condition can you flood their lands that are used and useful, the Supreme Court decision is the El Capitan Condemnation Suit.

Mr. Sam Fox

#2

September 4, 1931.

Of course, this can be avoided by the City putting up a 200 foot steel siphon 800 feet long at Chocolate Siphon and another a thousand feet long there at South Fork and another one 600 feet long at Sand Creek, but that's going to run into a lot of money, but it is questionable that even this can be done without the consent of the District.

My point in writing this is this: That, if there is any way on earth to agree with the District, it is absolutely necessary. Otherwise there will be another four or five years of litigation and another \$150,000 spent. Therefore, for the love of Heaven, let your committee come to some agreement with the District, so that we may, if the City refuses to act immediately, appeal to the people by a referendum.

I am sure that any arrangement you arrive at with the District directors will be ratified by the people. If the District directors don't come across and in a clear way try to make an agreement with you, I am ready to appeal to the voters in the Irrigation District to have the Board of Directors come through with something that's fair, or else recall them.

Yours very truly,

RF/RC

c.c. to F. A. Rhodes,
Don Stewart
Col. Fred Jewell
T. H. King
Pat O'Rourke
Hervey Johnson

September 4, 1931.

Mr. Sam Fox, Chairman,
El Capitan Water Committee,
San Diego, California

My dear Sam:

I am enclosing signed option for you to hold in confidence, as agreed verbally this day in the presence of Miss May.

You will notice I have included all of the lands, not simply those to the 875 foot level. The only reason I have changed it to read "all right, title and interest", is on account of my option to the district as I explained to you over the phone today.

The property is in our name. The taxes are all paid. The only thing - the district has until October, 1934 to build a 200 foot dam in which case they will get the additional lands, but as it is a physical and legal impossibility for the district to do it, the city is certainly secure, but we must protect ourselves and can only give right, title and interest.

It is understood that in case the option is not exercised all papers will be returned at the expiration of the option.

Yours truly,

ED FLETCHER

EF:KLM

September 4th, 1931

I acknowledge receipt of the above mentioned option under the above conditions.

(signed) SAMUEL I. FOX

1020 Ninth Street,

February 2, 1935.

City Water Commission,
San Diego, California.

Attention Mr. Samuel I. Fox, Chairman

Gentlemen:

Sometime ago you asked for an option to purchase the Mission Gorge holdings of the Cuyamaca Water Company, and we gave you an option on the basis of \$150,000, the same price which the La Mesa District at one time had when they were negotiating to develop water from the river at that point.

Recently I have seen by the papers, and heard that large sums of money may be available for development of water in this county thru government aid.

The report on the San Diego River flood control development, now being prepared by the State Engineer, will undoubtedly be made public in the near future. I have no knowledge as to its contents, but am in hopes that the point of view we have always maintained will be upheld, ie - the building of Mission No. 5.

My one desire is to see all of the water developed in this county at the earliest possible date, and as much of it as possible under control of the city. I did my part on the El Capitan project as evidenced by Resolution No. 58118 passed by the city council of San Diego thanking me for my services re the sale of El Capitan lands to the city and my assistance in Washington re the settling of the water problems between the city and the La Mesa Irrigation District.

If the price of \$150,000 for our dam site and several hundred acres of land that we control at Mission No. 5 is not satisfactory, we are perfectly willing to leave the question of value to arbitration in the usual manner as we offered to do re the sale of our El Capitan lands to the city and be bound by the decision of the board of arbitration.

We are writing this letter in a friendly spirit and desire to cooperate in helping the city settle its problems, and

17
MEMORANDUM
TO THE BOARD OF DIRECTORS
FROM THE GENERAL MANAGER

Subject: [Illegible]

[Illegible text]

[Illegible text]

[Illegible text]

[Illegible text]

[Illegible text]

[Illegible text]

...
I am writing this letter so as to have it as a matter of record
and when the matter comes up regarding the complete development of
the San Diego River you will know what our attitude is.

I will be glad to have a conference with you at
any time.
Yours sincerely,

CUYAMACA WATER COMPANY

By

...
Copy to Buck
to Councilman each one

[Illegible text]

[Illegible text]

[Illegible text]

[Illegible text]

[Illegible text]

Ed Fletcher Papers

1870-1955

MSS.81

Box: 8 Folder: 26

General Correspondence - Fox, Samuel



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.