524 Forum Building, Sacramento, California January 13th, 1926

The Honorable Phil D. Swing, M. C., Washington, D. C.

My dear Mr. Swing:

The Los Angeles Times of January 11th purported to give something of a report of a conference between President Coolidge and Secretaries Hoover, Work and Davis, and Attorney General Sargent concerning Colorado River matters. The dispatch indicated a suggestion by these gentlemen of a bond issue of \$110,000,000 for the construction of a high dam in Boulder or Black Canyon to create a reservoir of 26,000,000 acre feet capacity and the production of about one million electrical horse power, the Federal Government to operate and control the plant and sell the power output to highest bidders, and, in addition that the future of the All American Canal project be left with and to be determined by the owners of the lands to be served.

If the interpretation of the reporter proves to be true I trust the first suggestion may not be followed. In my judgment it will be a sad day for the American people when or if the Federal Government assumes the function of financing and operating hydro-electric plants. The excellency of public service we now enjoy in this line of endeavor is the fruit of private initiative. President coolidge in his last message in referring to Muscle Shoals is to my mind particularly pertinent in reference to the Federal Government engaging in any such enterprise. After referring to the long drawn out controversy concerning Muscle Shoals he states:

"If anything were needed to demonstrate the almost utter incapacity of the national government to deal directly with an industrial and commercial problem, it has been provided by our experience with this property. We have expended vast fortunes, we have taxed everybody, but we are unable to secure results which benefit anybody. This property ought to be transferred to private management under conditions which will dedicate it to the public purpose for which it was conceived."

Considering the All American Canal project I have held, as you know, the opinion all these years that it should be considered a local enterprise and should be left to

California and Californians to settle. The expense of construction of the canal should be met by the owners of the lands to be benefited.

Of course, as a Californian and as an officer closely identified with the use of water and this especially so as governed by our Irrigation District Act I would be pleased to have both the high dam and the canal financed by the Federal Government, but as a citizen of the United States I am unable to understand why we should be so favored. Such a paternal act by our Federal Government would, in my judgment, be inconsistent with our past National history and contrary to public policy.

Our first need in California concerning the Colorado River is protection from floods and in my judgment we are quite consistent in appealing to Congress for aid to finance a structure which will afford relief from floods. Such protection may be provided for by the construction of a dam on the Colorado River costing much less than half the amount called for in your bill.

As to providing means for the construction of works for irrigation and power, why should we resort to special legislation when general enactment applies? When some dam may be constructed on the Colorado River for purposes of domestic supply, irrigation, power production or navigation, the sources to look to for financing such construction should be those who are to be benefitted and the cost to each organization or person should be in proportion to the benefits to be received.

I would be pleased to have some expression concerning the above from your good self.

Very truly yours,

M.J. Mollura

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