

COLUMBIA
AND
THE MINERS' STRUGGLE FOR WATER

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James M. Young
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APPROVED FOR THE DEPARTMENT OF HISTORY

Laurence B. Lane

Benjamin F. Gilbert

Nelson Klose

APPROVED FOR THE COLLEGE GRADUATE COMMITTEE

Harold J. DeBevoise

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CHAPTER I

INTRODUCTION

Despite the sensational strides man has made throughout the centuries, perhaps no pursuit has been more exciting or intense as gold-mining, none so fascinating as the lure and discovery of gold.¹ The elated happiness, the beaming smile, and the joyous hullo of "Eureka, I've found it," has been one of man's all time thrills. When the precious metal was discovered in California in 1848, men rushed to the Mother Lode to uncover her yellow treasure. They came with one paramount desire and were attracted by one single magnet, gold.

Many of the early Forty-Niners panned fortunes from the clear California streams, which had collected gold for centuries. The first gold seekers in 1848 and 1849 concentrated their prospecting in the streams and river bars as long as the snow-capped Sierra Nevada Mountains supplied them with water. Gold was supposedly found only in rivers, creeks, canyons, and gulches. Since these watercourses were more easily worked, and since they paid well, the miners usually prospected them first. As the rivers dried up and the rainy season approached, many miners returned to Stockton or San Francisco, where the living was cheaper. Others stayed to work the ravines, gulches, and hollows of the rugged land high above the meandering river channels bending their way to the valley below. Rewarding discoveries whetted the miners' appetites, but when the rains ceased, high land mining ceased; for the miners needed water to pan their gold.

¹W. P. Morrell, The Gold Rushes (New York: The MacMillan Co., 1941) pp. 3, 415.

Most of the early discoveries were made in the rivers, but as the tide of Forty-Niners crowded the streams, the overflow of hopefuls soon learned valuable unearthings could be obtained in the tributaries and nearby proximities. Others correctly reckoned that over the years the tributaries and river beds had shifted from previous locations, where gold deposits had been made. These were called dry diggings. The richest dry diggings were the beds of ancient river channels, which might be found several hundred feet lateral to or above present streams.²

These dry diggings could only be worked with reasonable certainty of success during the wet season. California has two seasons, the wet and dry.³ The rainy season commences between Thanksgiving and Christmas, changing land depressions to puddles and ponds, arroyos to trinkling rills, creeks and rivulets, and dry gulches to streams. Until the intermittent rains ceased around Easter, dry diggings adjacent to water could be conveniently and profitably worked. By May, the high land dry cycle began again. The winter rains raised the river level, and as the mountain snows began melting in April and May, the rivers remained high. By the last of June, or early August at the latest, the waters began receding and the last five months of the year the rivers were very low - disastrously low for the later ditch companies.

²U.S., Department of the Interior, Bureau of Mines Bulletin No. 424 (Washington: U.S. Government Printing Office, 1940) p. 72.

³Henry M. Kendall, Robert M. Glendinning, and Clifford H. McFadden, Introduction to Geography (New York: Harcourt, Brace and Company, 1931) p. 150.

Columbia, the mining boom town and site of this thesis' concern, has been called the "Gem of the Southern Mines."⁴ It was located in the Sierra Nevada Mountains in a geological belt rich in gold known as the Mother Lode, twenty-one hundred feet above sea level. It was four miles from the South Fork of the Stanislaus, the nearest river, and nearly five hundred feet above it. Columbia occupied a lower elevation level than the northern Mother Lode towns, and because of its more southern location, it did not receive as much rain. Though miles from any convenient supply of water to enable the miners to work the diggings, Columbia was one of the richest of all gold placer locations.⁵ Probably "nowhere in the entire world has so much placer gold been derived from an equal area."⁶ All it needed was people and water. An assemblage of avid gold hunters would certainly unearth her splendid treasures shortly after the Forty-Miners began examining the dry diggings. Water would pose a more difficult problem. The winter rains could only provide the brooks and gulleys with enough seasonal water to enable a fraction of the miners to prospect the auriferous soils successfully. A permanent gravity supply of snow-fed mountain water would have to be diverted into the basin for maximum exploitation. This meant the South Fork of the Stanislaus River must be tapped higher in the mountains than the elevation of Columbia, or ten miles upstream. If the decline in the elevation were regular, the canal project would sound credible:

⁴Hero Eugene Rensch, "Columbia: A Gold Camp of Old Tuolumne " (Works Progress Administration History Project, Bancroft Library, University of California) p.1.

⁵U.S. Bureau of Mines Bulletin No. 424, p.69.

⁶Ibid.

but instead, it was one uninterrupted succession of immense ridges, lying in every imaginable direction and posture, with intervening canyons and gorges of breath-taking depth.

"Impossible" was not part of the miner's vocabulary, though. If canals or ditches had to be dug, he wielded his pick and shovel. Should ravines and canyons need to be bridged, he erected trestles or aqueducts. In case a ridge could not be flumed around, he tunneled through it. Gold was in "them, there grounds", and he was "gonna" get it.

The first gold discovered in Tuolumne County was by the James H. Carson party in the fall of 1848. His group was closely followed by the Reverend James Wood's party. In October, 1848, the reverend's party found "color" in Wood's Creek, just below Jamestown, where the first semi-permanent camp was established. Shortly thereafter, a group of Mexicans settled at Sonora. They wintered until the spring of 1849, being the sole occupants of the area that winter.⁷ Camp after camp was set up in 1849 as the gold rush was on. Thousands of miners swarmed the area in their quest for fortune. Wild excitement prevailed as a rapid succession of rich discoveries was made. Despite their searching scrutiny, Columbia's gold deposits remained undiscovered in 1849, even though gold had been found all around it.

Gold was discovered at the future site of Columbia on March 27, 1850 by a group of Mexicans from nearby Santiago Hill. They were seen

⁷William R. Kenny, "History of the Sonora Mining Region, 1848-1860" (unpublished Ph.D. dissertation, Dept. of History, University of California), pp. 52-62.

by a party of five Americans headed by Dr. Thaddeus Hildreth. Hildreth's party observed the Mexicans and seeing the diggings were rich stayed to try their luck. The results were beyond expectation; it is related they took out fifteen pounds daily each of the first three days.⁸ They decided to remain awhile at what they called Hildreth's Diggings.

Passing miners observed the diligence of their work and decided to locate adjoining claims. Foremost of those who came to Columbia was the name of Captain Avent. He dug out two and a half pounds of gold his first day and one and a half pounds the second. After that, his average was twelve to fifteen ounces daily until the water failed as summer began.⁹ Prospecting was so good for others that within a week after the discovery Major Alva Farnsworth opened a tent trading post, and Charlie Bassett began operating a butcher shop, restaurant, and dairy.¹⁰ In early April, one man washed sixteen ounces from a single pan. In May, 1850, a Mexican found a lump of gold close to the surface weighing four pounds and seven ounces. Many miners took out four or five pounds on a good day, although most were averaging one to eight ounces. One enterprising group dug a large hole sixty-two feet down through the red soil, finding gold all the way, and they still didn't hit bedrock, clearly indicating the rich potential of the area.¹¹

⁸Herbert O. Lang, A History of Tuolumne County, California (San Francisco: B.F. Alley Publishing Co., 1882) p.23.

⁹Ibid., p.24.

¹⁰Ibid.

¹¹Stockton Times, May 18, 1850.

Claims were hastily staked, the owners often sleeping on the bare ground beside their diggings, while others threw up tents and lean-tos. Men were reaping the golden harvest with such alacrity that in April and May, 1850, Columbia had a population of nearly six thousand people. "So large were the numbers of miners who went daily, that the campfires at night could be seen for miles along the main trail."¹²

The earliest influx of miners to Columbia had a variety of nicknames, occupations, and nationalities. Many were called by their appearance - Red, Sandy, or Big-boy; others were identified by where they came from -- Virginia, Texas, Pike, Aussie, Chinaman, "Chile-beans", or Pancho; some only answered to dignified titles -- Captain, General, Judge or Doctor. Early Columbia had a large number of Chileans and Mexicans. The first ditch company in Columbia had "lawyers, doctors, ministers, mechanics, sailors and laborers all working together with Frenchmen, Spainards, Germans, Norwegians, English, Scotch, Irish, and Americans."¹³ Most of them were generally hard-working, honest men, who liked to call themselves "practical miners" about to find a fortune.

The Columbia basin was the right place to come. The town is situated on an ancient river channel, the most cherished of the dry diggings. In addition, a belt of limestone deposits were laid down after the formation of the ancient river. Over the years they were

¹²Jubilee Executive Committee, Tuolumne Counties Mineral and Wealth (San Francisco: K. C. Kellogg and Thomas E. Pierce, 1898) p. 3.

¹³Letter from John Wallace to his mother in England, December 28, 1851. Wallace was at times assistant engineer, superintendent, and president of the Tuolumne County Water Co., Tuolumne County, Calif., during most of the 1850's. Wallace's letters are found in the Barbara Eastman collection, "Notes on Tuolumne County, California", Bancroft Library, Univ. of California. Cited hereafter as Wallace Letters.

worn away by the water, leaving deep depressions, small ridges, and rounded buttes. These limestone ridges served as effective riffles, and caught the gold swirled down the river, where it lay undisturbed throughout geological changes until March 1850. "It is an undisputed fact that the placer ground of Tuolumne was the richest ever found...the limestone belt far exceeding any other locality in the yield of gold."¹⁴ The white limestone boulders, the red clay soil, and the hidden gold placers of the basin would soon be worked and reworked until the golden treasures were gone.

Many who came to the limestone belt found their fortune, while others were not so fortunate. For the first two years, Columbia was essentially a wet-weather camp. While the rains supplied the miners with water to work their gold in the winters of 1850-51 and 1851-52; claims were hastily staked, the owners often sleeping on the bare ground beside their diggings. With news of the discovery, the merchants followed the miners. The latter would think of nothing except digging for gold, while the merchants would touch a pick and shovel only to hand it over the counter to a prospector. The businessmen and miners desired a steady flow of gold into their pockets. Both realized their desire could be achieved only by supplying the industrious miner with water. It was for this purpose they formed a company to bring water in quantity from the South Fork of the Stanislaus River. The water was successfully introduced in May, 1852, enabling Columbia to transform itself from a mining town to a city of several thousand.

¹⁴E. B. Benjamin, California Mines and Minerals (San Francisco: California Miners Association, 1899) p.338.

As gold yields increased or decreased in Columbia, population followed a similar pattern. There were extreme fluctuations from 1850 to 1852. The completion of the water ditch in 1852 gave an impetus to placer mining because it became nearly a year round business. With the introduction of the canal, the long tom and sluice quickly assumed importance, helping to account also for the great increase in placer mining in the early fifties. From 1853 to 1857, Columbia shipped \$100,000 weekly from her mines,¹⁵ while the population reached its peak of six or seven thousand. Before the decade of the fifties was over, the mines began showing signs of depletion; gold production and population declined seventy-five per cent by 1860. In 1861, it was obvious the "Gem of the Southern Mines", which produced over ten per cent of California's gold in the booming 1850's,¹⁶ was dying out.

The times had been exciting, however. Rich discoveries brought forth the adventurers, and the completion of the water company in 1852 attracted the multitude. Because water was nearly as precious as gold, important struggles for power developed between the owners of the water companies and the miners who bought from them. The completion of the ditch company did not solve the water problem, but only intensified it. The greedy owners of the canal desired returns as high as

¹⁵J. Ross Browne, Resources of the Pacific States and Territories (San Francisco: H. H. Bancroft and Co., 1869) p.35.

¹⁶Louis Garnett, San Francisco mining statistician had the premise that gold production in California was best figured by mint statistics and custom house figures on exports of bullion. Garnett's figures, in the appendix of A. J. Bowie's Practical Treatise (San Francisco: B. F. Alley Publishing Co., 1877) on page 288 show California produced \$583,000,000 from 1850 through 1859. Dr. William R. Kenny's "History of the Sonora Mining Region, 1848-1860", a Ph.D. dissertation at the University of California, states on page 473 that the Columbia basin produced \$125,000,000 in gold from 1850 through 1860.

two or three percent per month on their money; while the greedy miners demanded enlargement of the main canal to insure a year round supply of water; extension of ditches to open up new grounds, and reduction of water rates so their net gold production would be increased.

When the Tuolumne County Water Company, founded in 1851, refused to accede to the previously mentioned demands of the miners in 1855, they effectively executed a one hundred percent boycott of the old company,¹⁷ and formed their own Columbia and Stanislaus River Water Company. Naturally the old company could not stand idly by, and soon feverish competition developed between the two firms that lasted for the remainder of the decade. As the new concern commenced operations, the old company was placed in a precarious position. Water was their only saleable commodity, and the miners preferred to buy it from the new company, since they were the shareholders. The new company promised lower rates, competitive ditch lines, and a year round supply of water, even in the late summer and fall months. The old company feared a loss of income, accompanied by a decline in dividends, because the competitive ditch lines would cause the miners to switch water purchases to the new company; and a year round supply of water would give the Columbia and Stanislaus River Water Company a constant volume advantage. Late summer and fall unemployment periods would be eliminated. Successful consumation of these programs might cripple or ruin the old

¹⁷The miners' action was technically a boycott, because they refused to buy the company's water. The miners and most accounts called it a miners' strike: see Herbert O. Lang's History of Tuolumne County, pages 270 to 280. The term miners' boycott or miners' strike will be used interchangeably in this thesis.

company.

A succession of occurrences played against the miners' ditch company though. In a colossal effort to procure year round water, the Columbia and Stanislaus River Water Company became the most expensive ditch outfit in the state during the 1850's. It cost over one million dollars.¹⁸ Final construction was not finished until the fall of 1858, and by that time, the gold placers were greatly reduced. This caused a corresponding drop in water rates and the new company could not meet its interest payments. Subsequent mortgage foreclosures, that speculator friends of the old company had acquired, led to a sheriff's sale -- the purchaser being the miners antagonist, the Tuolumne Water Company.

The story of the conflict between the miner and the businessman during the gold rush in the dry diggings is best illustrated by the operations of the ditch company. Ninety-nine per cent of the gold mined in the 1850's was placer.¹⁹ To work the dry placers, a ditch company often had to be organized to supply the miners with water. These companies generally started as a cooperative venture between local merchants and miners; but they generally ended up in the hands of capitalists. The ensuing water struggle between the city owners and the mountain miners often produced struggles as exciting as any in the West, yet the story of water companies in the gold rush has been badly

¹⁸Rodman W. Paul, California Gold (Cambridge: Harvard University Press, 1947 p.164.

¹⁹Ibid., p.145.

neglected. By 1859, nearly six thousand miles of canals valued at thirteen and a half million dollars were supplying the placer miners with water in the dry diggings.²⁰ Columbia epitomized this struggle. It is the purpose of this thesis to narrate the local water history which will reveal the crucial importance of water for placer mining in Columbia from 1850 to 1861 and the resulting struggle for its control between miners and businessmen.

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²⁰ Ibid., p. 164.

CHAPTER II

ORGANIZING THE TUOLUMNE COUNTY WATER COMPANY

Rumor spread of Columbia's richness during the winter and spring of 1850. Discovered in late March, Columbia had approximately six thousand miners searching for the cherished metal within a month. It had been a rainy, wet season and the waters of tributary ravines of the Columbia hillsides flowed into the Matelet Gulch and Morman Creek, supplying ample water for adjacent claim holders. Some rain water collected in surface depressions or hollows, and prospectors worked their area to financial advantage. Many others had to carry their pay dirt in cowhide sacks to the streams, where they washed it in pans or wooden rockers, but the results were worth it, for they often realized "six or eight ounces of dust a day."¹

Man's exploitation of the splendid gold deposits, accompanied by an adequate wet season supply of water, account for the rapid growth of Columbia. Amazing as its sudden growth, however, was its sudden temporary decline. As the wet season ended and the gulches, streams and accidental pools dried up or evaporated, it became impossible to pan the dirt. They dried up completely in summer. This led

¹Edna Bryan Buckbee Papers. Collection of notes, papers, and works of Edna Bryan Buckbee (California Historical Society, San Francisco, California). Cited hereafter as Buckbee Papers.

Mark Twain once to remark "that if a man fell into a California creek, he was liable to come up dusty."² With the effective working combination of gold and water half gone, the miners headed for the rivers.

Many Chileans and Mexicans were in Columbia during the initial boom. The Foreign Miners' Tax Law of the state became effective June 1, 1850. It imposed a tax of twenty dollars a month on the mining operations of each foreign miner. The Chileans and Mexicans found that it applied to them especially and left the Columbia diggings in disgust. They hauled down their tents, rolled up their blankets and headed for wet diggings where they hoped the law would not be enforced. Conditions were so bad the population of Columbia in June, 1850, dropped from six thousand to six.³ Without water, three months after her discovery, the "Gem of the Southern Mines" was dead.

In anticipation of the coming winter and expected wet season of 1850 and 1851, the prospectors began arriving (shedding forth an aura of optimism. They chose to come to the area from as far as San Francisco, where one intelligent young man informed a Daily Alta California reporter he was getting ready to return to Columbia because the winter gulches "can be worked to advantage, during the rainy season, and in Spring, after the rains have passed, but before the rivulets become dry."⁴ The first log store was built in September, 1850,

²Raymond Early, Columbia (Los Angeles: Fearon Publishers, 1937), p.45.

³Heckendorn and Wilson, Miners & Business Men's Directory (Columbia: Printed at the Clipper Office, 1856), p.25.

⁴Daily Alta California, November 2, 1850.

anticipating the return of the prospectors. Both miners and businessmen were disappointed though, for the winter of 1850-51 was unusually dry.

Without adequate rainfall, the miners were unable to exploit the auriferous soil properly. Some "made wages" by carrying the dirt to available water. About fifty industrious men used burros, barrels, and wagons to bring nearby spring water to the diggings. Others left for better working conditions. As a consequence, miners came and went all winter, and the small cluster of businesses failed to thrive under such circumstances.

Despite the poor winter and the normal summer exodus by the gold-seekers, men continued to have confidence in Columbia's future. They felt that Columbia had an abundance of gold; this was indisputable. The miners needed a constant supply of water to reap the golden harvest. Columbia had an unreliable supply of water; this was obvious. The businessmen needed a permanent number of miners to develop a lucrative trade.

For these reasons a meeting was held at Tuttle town, on June 21, 1851, to discuss the possibility of constructing a canal to convey the waters of the South Fork of the Stanislaus River into Columbia and adjacent camps. Many mountain ridges would have to be tunneled or circumvented, deep canyons crossed, and mountain spurs rounded. The imagination of the miners was colossal and their enthusiasm was Herculean, but since water was indispensable, the project was a necessity. A large and spirited group of miners and merchants from the nearby area attended. Joseph Dance, an Alabaman, was elected chairman, and J. D. Patterson, secretary. A committee of three was formed to make a

preliminary survey of the canal route. These three men were General Bernard, a civil engineer, J. D. Patterson, and Judge W. H. Carlton.⁵ The miners in attendance, who favored construction of the ditch to Columbia, suggested another meeting three days later in Columbia to see how many people were interested in the project. To prove the sincerity of their intentions to organize a water company, twenty-one persons levied an assessment against themselves of five dollars each.

On Monday, June 24, 1851, the miners met as planned in Columbia near the general merchandise store and the saddle and harness shop. They decided at this lively and dedicated meeting to organize a ditch company called the Tuolumne County Water Company. The preamble to the constitution was drawn up declaring the new organization was "for the purpose of conveying water, by ditching or otherwise, from the South Fork of the Stanislaus River to various points in the Southern mines."⁶

The constitution listed the officers and their duties and made clear the cooperative nature of the company. There were to be a maximum of two hundred shares; however, each member owned only one share and had only one vote, with no proxy votes allowed. This was common with ditch companies elsewhere in the area. The miners contributed their labor instead of capital to give themselves title to one share of stock each. A president, vice-president, secretary, treasurer, five man board of directors, and superintendent were to be elected

⁵Heckendorn and Wilson, p.25.

⁶Constitution and By-Laws of the Tuolumne County Water Company, June 24, 1851, in "E. A. Wiltsee Scrapbook" (California Historical Society, San Francisco, California). Cited hereafter as Constitution and By-Laws of TCWCo., 1851.

at the monthly meeting held at 2 P.M., the first Saturday of each month.⁷ The superintendent, also titled the chief engineer, had "general direction and control of the labor of...[the] company."⁸ Duties of the other officers were set forth in one short sentence of a routine nature. The president would "preside"; the secretary, keep records; and the treasurer, collect any fines or money. Article seven declared the fines and money collected would be used to defray the necessary expenses of the company, "but when such fines and other moneys are insufficient to defray said expenses, there shall be levied upon each share a proportionable tax for that purpose."⁹

Significant by-laws declared each shareholder would pay five dollars a day penalty fee, if the shareholder was not working on the ditch, unless a satisfactory substitute toiled for him. Should he become too sick to work, the Board of Directors would determine proper leniency. If he did not labor or pay the five dollar fine, he forfeited all his rights in the company fifteen days after failing to do so. The ditch diggers and construction workers, in addition to the one share they each owned, were to be paid five dollars a day in scrip for their labor, redeemable for water upon completion of the canal.

⁷Either Judge Carlton or Joseph Dance was elected the first president, General Bernard, engineer, and J. D. Patterson, secretary. The Columbia Gazette, on August 15, 1855, reporting Carlton's obituary said, "He was...the first President of the Tuolumne County Water Company." The Sonora Herald, on July 2, 1851, reported, "W. H. Carlton was appointed president" of the ditch company. Heckendorn, a mid-1850's contemporary Columbian and editor of the Columbia Gazette, said Joseph Dance was the first president.

⁸Constitution and By-Laws of TCMCo., 1851.

⁹Ibid.

At the third meeting held on June 25, in Columbia, it was decided the original survey committee, appointed at Tuttle town, should examine the proposed canal grounds and hills. John Wallace, an adventuresome Englishman, who joined the company at this time, was appointed assistant engineer to General Bernard. For the next three days the survey committee and Wallace examined the proposed ditch route. They reported favorably at a June 29 meeting, and agreed to go to work.¹⁰

By July 1, 1851, the new Tuolumne County Water Company consisted of approximately one hundred and sixty spirited and venturesome members. The ditch crew attended to their jobs with energy and vigor; but the new officers had a more difficult task. They endeavored to build the longest canal in the state, and the first year they experienced many alterations in plans. Several reasons probably accounted for the oft revamped plans of the company. The magnitude of the job was extraordinarily ambitious for a group of miners with little engineering skill, and the cost of the canal was enormous for men with limited capital. They figured one hundred and fifty men would complete the canal in three months.¹¹ Instead, it took nearly

¹⁰In a letter to his mother on December 20, 1851, Wallace wrote, "None of us were aware of the magnitude of the work we had undertaken. Things of this kind are managed differently here to what they are in England. Instead of accurate surveys being taken and calculations being made as to expense, etc. a superficial examination was made of the probable route to be taken and a meeting called of the miners and inhabitants of the neighborhood, speeches were made by different persons who had examined the route...and it was at once determined to go ahead about the work the following week."

¹¹Wallace Letters, December 20, 1851.

eleven months to get any water at all and thirteen to complete the job. They figured "wrong" on water power for a sawmill, "wrong" on water availability from the South Fork, "wrong" on the canal route, and "wrong" on finances. They figured wrongly so many times that on Christmas week, of 1851, Wallace wrote, "this company never would have been formed if the full difficulties and expense of the undertaking could have been discovered and explained at the first meeting."¹²

The directional leadership of the company had organizational flaws, for the officers of the company were elected monthly, and had little chance to function properly. General Bernard, chief engineer and superintendent, was given most of the operational control. He was assisted by the Board of Directors, which might be composed of a different group each month, on the executive front, and by the Englishman John Wallace, on the construction front.

Wallace proved to be a valuable man. The Englishman had come around "the Horn" to San Francisco in 1849, where he entered the building business. The gold fever overtook him, though, and he soon went to the mines around Sonora. He served as assistant engineer until March, 1852, when he was elected president. He held this position until the company incorporated in September, 1852, at which time he became ineligible for the post because he was a foreigner.¹³

Just why the company decided to incorporate is not exactly clear. It is known the complications and difficulties of the enterprise proved to be immensely greater than the optimistic miners had anticipated. The laboring force of approximately one hundred and fifty

¹²Ibid.

¹³Ibid., p. 1.

men (the original shareholders) were performing their tasks according to plan; so, their main problem must have been a need for more money. Selling shares was preferable to incurring a debt and paying an outrageous three to six per cent interest a month. Until they procured the water, they were unable to mine enough dust to even pay the interest.

The compelling need for capital seems to be the reason why many of the early ditch companies incorporated. Very few businessmen would invest in a block of shares which entitled them to only one vote. In the earliest companies, each man, by virtue of his labor, owned one share. The miners were a cozy group of ordinary working men engaged in the enterprise as a means to an end, not as a business investment itself. If he wanted to own a second share, considered a non-laboring share, he would have to pay the company five dollars a day until the ditch was completed in order to retain the non-laboring share. Hardly any miners could afford this, and most businessmen would only invest if they had an interest in the operation proportionable to their investment. Thus, the Tuolumne Water Company followed the pattern of numerous other ditch companies in the state throughout the Fifties. The company was formed by a group of local miners and merchants. They underestimated the scope of their job, needed financial assistance, and apparently were compelled to incorporate for this reason. As the decade gradually progressed, the local merchants and outside investors assumed a greater control; until, by the end of the Fifties, most of the water company shares

were in the possession of San Francisco, Stockton, and Sacramento businessmen.¹⁴

The Tuolumne County Water Company was officially incorporated on September 4, 1852. The new preamble showed it was a corporation engaged in business

for the purpose of conveying the waters of the Stanislaus River and its tributaries to the various ravines, gulches, flats, and other localities, in the County of Tuolumne, to be used for mining, mechanical, manufacturing and other purposes....¹⁵

A new constitution and set of by-laws was drawn up. The constitution consisted of four articles containing twenty-eight sections. The capital stock of the corporation was set at \$275,000 divided into 275 shares, valued at one thousand dollars a share. Section five stated all elections were to be by ballot, with each share allowed one vote. The organization under the new constitution began assuming the qualities of a permanent corporation, instead of a temporary frontier enterprise.

Seven trustees were elected by the company to "manage the property and concerns, and exercise the corporate powers of the company."¹⁶ They were to be shareholders, and a majority of them were to be citizens of the United States and residents of California. Their terms were for one year - from September to September, with weekly

¹⁴Paul, p.166.

¹⁵Constitution and By-Laws of the Tuolumne County Water Company (San Francisco: Towne & Bacon Book and Job Printers, 1864), preamble. This book is in Bancroft Library, University of California.

evening meetings. It was also their duty to declare dividends at the end of each month, whenever possible. One of the seven was elected president by a majority of the trustees.

A secretary was elected at each annual meeting in September to keep a "correct record of the proceedings of the Company and Board of Trustees."¹⁷ Included in his duties were that he keep an accurate record of all shareholders - keep records of how much the company owed shareholders and creditors - and keep an accurate account of how much the company's water agents collected from the gold miners using the company's water. The treasurer collected the money or gold dust from the water agents and prepared financial statements when requested by the trustees. The water agents, appointed by the trustees, collected the gold dust from each person using the water. They kept a book in which were entered the names of the miners who used the water, the number of long ton or sluice streams supplied, and the daily receipts. The superintendent, or chief engineer, maintained general control of the labor. He made all the surveys, measurements, and plans; and he exercised a general supervision of the ditches, flumes, and reservoirs.¹⁸

With the corporate administrative organization established, greater financial security was afforded potential investors, and the canal company was ready for a decade of power and prosperity. The story of the richest dry diggings placer valley of the gold rush - the Columbia basin - and its struggle for water, truly opened with the formation of the Tuolumne County Water Company.

¹⁷Ibid., p.7.

¹⁸Ibid., pp.9-10

CHAPTER III

BUILDING THE CANAL

The formation of the Tuolumne County Water Company was the most significant factor in the stabilizing of Columbia and its transformation from a seasonal mining camp to a city of several thousand population throughout the 1850's. The summer of 1850 found Columbia nearly a totally deserted camp. When the water company was organized on June 24, 1851, numerous tent store merchants laid goods on plank boards serving as counters and resting at each end on the flat of an up-turned barrel. Upon completion of the canal to the Stanislaus in August, 1852, the town could boast one hundred and fifty business establishments, including fifty saloons, groceries, or restaurants; eleven hotels or boarding houses; four banking and exchange offices; three blacksmith shops; five doctors' offices; five law offices; and one Mexican fandango house. Columbia grew from a camp to a city in one year on the strength of the Tuolumne County Water Company promises, and the ground of confidence that "the dirt has the color of gold in [it] for miles."¹

A survey committee, consisting of General Bernard, the chief engineer -- John Wallace, the assistant engineer -- J. D. Patterson, the secretary -- and Judge R. H. Carlton, the president, examined the

¹Rodney P. Odell Letters, February 13, 1853 (California Historical Society, San Francisco, California). Cited hereafter as Odell Letters.

proposed route of the water company's canal on June 26th, 27th and 28th, 1851. They agreed that the water of the South Fork of the Stanislaus River could be diverted into the Columbia basin by ditch.² Some fluming would be required, but there was an ample supply of fir and pine to construct them. The investigation was very superficial; no accurate surveys were made, but the impatient miners were in a hurry and optimistic.

The engineering plan was to bring the waters of the South Fork of the Stanislaus River to the Columbia area. Nearly twenty miles of canal would have to be built along steep mountain sides, around precipitous rocks, over yawning chasms, and through a pine forest. The difficulties presented by the various geological formations made a regular ditch impossible. It was determined that approximately fifteen miles of wooden canal, called a flume, would be necessary along the mountain sides. Because they were so steep and rocky, with very little loose earth on them, no permanent banks could be established. The flume was to be about four feet wide and two feet deep, made of boards two inches thick. The other five miles could be ditched in reasonably easy fashion. A gradient at the rate of ten feet to the mile would assure a gravity flow of water. Wood for the flume would be cut at a water powered sawmill at Five Mile Creek.³ It would take one hundred and fifty men three months to complete the canal and open up four thousand acres of the richest placer diggings in the world to

²Wallace Letters, December 28, 1851.

³Ibid., August, 1851.

the miners of Columbia, Yankee Hill, Shaw's Flat, and surrounding areas.⁴

General Bernard, the chief engineer, was in charge of the construction from the organization of the company, until March, 1853, when he resigned. Thus, he directed the gigantic project from the inception, until the successful flow of water from the river to the gold-filled fields was achieved. He and Wallace surveyed the mountains and drew up the plans.⁵

The most important construction figure associated with the company during the decade was John Wallace, who joined the company at the second or third meeting in June, 1851, at Columbia. Wallace said that he was "the only practical surveyor of the company"⁶ and was immediately made assistant engineer. His masterly proficiency stood him in such esteem he was elected president of the company in March, 1852, until he became ineligible, when the company incorporated in September, because he was a foreigner. When General Bernard resigned, Wallace was elected superintendent and chief engineer, the position he held continuously until 1858, and from 1860 to 1861.

The ditch work began at Summit Pass, a mile and a half northwest of Columbia, at 11 P.M., Monday evening, July 1, 1851.⁷ Within five days, one hundred and fifty men had excavated one and a half miles of the trench from Summit Pass towards the river - nearly fifteen

⁴Sonora Herald, October 25, 1851.

⁵Wallace Letters, March 7, 1852.

⁶Ibid., August, 1851.

⁷Heckendorn and Wilson, p.23.

hundred feet a day!⁸ It was four feet wide at the bottom, two feet deep, and six feet wide at the top, and would carry one hundred and fifty, nine inch tom streams when completed.⁹ Summit Pass was more of a ridge than a pass, and though it was above Columbia, it was below the elevation where the ditch would top Five Mile Creek or the South Fork of the Stanislaus River. Wallace and his crew of three or four kept ahead of the ditch diggers. They graded the route by putting down pegs a rod (16½ feet) apart. Wallace supervised this work with his theodolite, a surveying instrument for measuring horizontal and vertical angles and levelling.¹⁰ It took two months to complete the grade to Five Mile Creek, a distance of five and a half miles.

The company had planned to put a water powered sawmill where the ditch met Five Mile Creek, but the water was so low, no power was available. Such enterprising men were undaunted. A job had to be done; therefore a company representative journeyed to San Francisco to purchase a steam engine that could provide steam power for the mill. On September 6, 1851, the agent bought the New Star steamboat, including her engine and boilers, for five thousand dollars.¹¹

⁸Sonora Herald, July 5, 1851.

⁹Tuolumne County Water Company v. Columbia & Stanislaus River Water Company. Tuolumne County Archives, County Recorder, Sonora, California (1859). Cited hereafter as TCWCo. v. CASRCo. A "miners' inch" was a quantity of water at a certain amount of pressure through a three inch square wooden hole to wash the "pay dirt" down the long tom or sluice. The first long toms required a six inch stream, but by 1853 and 1854, most long toms used a nine inch stream. Sluices required a twelve or more inch tom stream.

¹⁰Wallace Letters, December 28, 1851.

¹¹New Star bill of sale found in the Barbera Eastman collection, "Notes on Tuolumne County, California," Bancroft Library, University of California.

The residents of Columbia were so happy over the purchase of the New Star and its implications of water company progress that they decided to lay out the streets of the town in anticipation of future growth. Many lots were purchased about this time. Two hundred and fifty sturdy log cabins were built in anticipation of the canal's completion. Buying the steamer in San Francisco, and using it as a mill in the mountains outside Columbia were two different things. The New Star navigated under its own power to Stockton; however, from there-on transportation of the vital parts, the engine and boilers, was slow and laborious, for the two boilers weighed three tons each. From Stockton the parts were carried by horse and wagon across the valley and over the foothills. For the last part of the journey, five miles of road had to be cleared up the rugged mountains to Sonora. After nearly two months of toilsome labor, the steam engine was taken to a thickly wooded mountain near Five Mile Creek to become a sawmill. It was situated about one quarter of a mile from the ditch and nearly four hundred feet above it.¹²

The mill worked for about a week the last part of November, and then broke down. A local millwright was hired to examine the works; he discovered the foundations weren't deep enough, and that several parts of the machinery would have to be made over. Operations were postponed a month, then in January, 1852, one of the main cranks broke, and a man had to be sent to San Francisco to get another, causing another weeks' delay. Needless to say, future sawmill work

¹²Wallace Letters, March 7, 1852.

had to be contracted out by the company.

The steam mill cut the pine logs into boards at the rate of nearly ten thousand board feet a twenty-four hour day. The boards were used in constructing trestles over gulches and ravines, laying the supports for the flumes, and for the flumes themselves. A large chute was constructed down the slope of the mountain to slide the planks with great velocity into the canal grade leading to the placer mines. The canal had been completed since the end of October, 1851.¹³

The first phase of the original plan had been to construct seven miles of ditches and flumes from Five Mile Creek to Columbia. Water could then be supplied the miners, while work was continued to the South Fork of the Stanislaus, where the enterprise would be finished in time to receive the summer waters. Since the water at Five Mile Creek had been too low to power a sawmill, boards for the flume could not be made, and a several months' delay ensued.

During the delay caused by the steam powered mill, Wallace and Bernard had an opportunity to engage in a more thorough examination of the mountains. In February, 1852, they decided to change the course ten miles further up the river and a thousand to fifteen hundred feet higher; yet it was considered better because of the nature of the ground. Three miles would have to be flumed or trestled and a five hundred foot tunnel would have to be dug, but the other seven miles could be ditched easily. This was preferable to fluming around sheer mountains as proposed by the old plan; so the new plan was approved, and work proceeded exceptionally well, except for a few rain and snow storms.

¹³San Jose Herald, October 25, 1851.

While work progressed smoothly on the new course, or upper line, to the South Fork, ditches were dug around Columbia, and the flumes were finished to carry the waters of Five Mile Creek to the mining area around town. Just when it was thought that the artificial channel would be ready to carry the waters of Five Mile Creek into Columbia, some green timber in the flumes had warped and shrunk, causing a two week postponement in the delivery of water.¹⁴

The miners who had staked off every foot of ground along the canal, were growing anxious. The expected abundant supply of water would soon race through their long toms and sluices, yielding the golden treasure to them in enormous quantities. Nor were they wrong. Approximately three or four million dollars in gold dust and nuggets had been extracted from Columbia's ground prior to the Tuolumne County Water Company's introduction of water;¹⁵ while over one hundred million dollars worth of the precious ore was mined in the next nine years.

The awaited water finally arrived May 22, 1852.¹⁶ The volume of water in Five Mile Creek was so low at this time though, only a disappointingly small stream flowed through the rich placer fields' network of ditches. The supply was so scanty, "it never carried more than a twenty-tom stream,"¹⁷ hardly an eighth of its capacity. The fortunate few who had water labored with abounding enthusiasm. They set up their long toms and let the steady stream carry

¹⁴Daily Alta California, May 6, 1852.

¹⁵Ibid., October 25, 1851. ¹⁶TCN Co. v. COSR Co.

¹⁷Daily Alta California, October 3, 1852.

the auriferous soil along the bottom, where cleats, or riffle bars, caught the shining metal. They were happy, indeed!

Despite the unfulfilled hopes of most of the miners who didn't get water, the Daily Alta reported three weeks later that:

Columbia is improving rapidly; business and population increasing rapidly. The only difficulty against which we have to contend is a scarcity of water to work the diggings. But we are expecting a speedy completion of the Tuolumne Co. Ditch, which will in great measure alleviate our troubles.¹⁸

Construction was now speeded up on the upper line, to tap the waters of the South Fork, where a more plenteous stream flowed. The last main obstacles were a lengthy tunnel and some difficult trestlework. The tunnel was an arduous undertaking, which took nearly four months to complete. A lofty ridge of soft granite had to be shoveled, picked, and blasted through. When finished it was five hundred feet long, four feet high, and six feet wide.¹⁹ A short distance up the line a succession of deep canyons had to be bridged. An eight hundred foot trestle, consisting of huge 12" x 12" 's, supported the flume which spanned the gorges. Wallace labored overtime. Besides being in charge of the trestling, serving in the capacity of surveyor and president, Wallace reported "the distance from one end of the works to the other is now about 25 miles, and as I am required at both ends, you can imagine I have enough to attend to."²⁰ Finally on August 20, 1852, after thirteen months of

¹⁸Ibid., June 17, 1852.

¹⁹Ibid., August 23, 1852.

²⁰Wallace Letters, May 25, 1852.

construction, the immense project was completed.²¹ The whole community was cheerful and excited. Their joy quickly waned though, for

just as we were ready to turn the water into the race, the water decreased so in the river that a very small stream indeed remained for our use, and that running through the flumed canal for upwards of 20 miles, so evaporated...that scarcely any water now reaches the diggings.²²

The miners were so disappointed that they left for the rivers, and by early October, Columbia was "as dull a place as can well be."²³

Wallace did not become dispirited though. He kept his crew busy, so he could report before the late October rains came that the company had eighteen miles of flumes, thirty miles of ditches, and four reservoirs. This latter work was done around the Columbia flat to make water available to new claims.

The marvelous canal started at a dam built on the South Fork of the Stanislaus River, where the water could be garnered on its downward course from the mountains six thousand feet high. It twisted its way downward for twenty miles to the lower mining world at Columbia. Flumes drew off the water at its source and carried it the first three miles on the sides of precipitous mountains where a single mis-step would have sent the builders a thousand feet into the ravine below. The next seven miles were easily dug ditches that gently twisted and coiled their way through the forest with only two interruptions. About six miles from the dam, a succession of deep canyons required

²¹TCMCo. v. CASRCo.

²²Wallace Letters, September, 1852.

²³Daily Alta California, October 5, 1852.

eight hundred feet of high trestlework. Flumes, supported by timber work from beneath, leaped to jutting crags and cliffs in their tortuous course over adjacent gorges to the safety of the ridge. A quarter of a mile further, a vast eminence necessitated a five hundred foot tunnel. From here, the ditch proceeded on its sinuous journey to Five Mile Creek, where it joined the creek in its path down the natural ravine. Five Mile Creek was tapped by another flume that was hung by iron girders from the face of a bald rock. Dangling suspended by ropes, men drove the girders into the granite wall, and then they fastened the flumes to them. From here, flumes and ditches alternately carried the precious water to the miners of the Columbia flat.

As the early rains came pouring down, the miners returned to Columbia in droves. Long toms were hastily built and "gold dirt" was dug in a never-ending, energetic succession of arm movements. The water flowing through the ditches increased to a one hundred and fifty ton capacity. Three thousand miners within a one mile radius of town were actively engaged in the stirring and washing of the "pay dirt" to the exclusion of everything else.²⁴ Their work was vigorous, however their "finds" were rewarding. Most were averaging better than an ounce a day (twenty dollars); while quite a few lucky claimholders in the richest sections of the limestone belt were making small fortunes. Three Frenchmen found a two hundred and forty-nine ounce nugget worth thirty-six hundred dollars.

While the energetic miners gathered the gold dust, the clever

²⁴Lang, p.127.

businessmen imposed upon them to extract as much of the gold as possible for their wares, whether the wares be food, clothes, shovels, women, or whiskey. The water company was collecting its share of the gatherings. In one early December week in 1852, its proceeds were nine thousand dollars. The whole community seemed to be rich.

The highest praises were bestowed upon the Tuolumne County Water Company for their initiative and aid to the community. Columbia would boom -- merchants prosper -- miners get rich; and the shareholders would receive rewarding dividends. This notable company could truthfully boast that the longest canal in the state was supplying water to the most valuable placer diggings in California.²⁵

²⁵Paul, p.162.

CHAPTER IV

FINANCING THE CANAL

The Tuolumne County Water Company set the pattern for many California ditch companies to follow in the 1850's. It was the first ditch company to employ the use of an artificial race in the county, and Tuolumne County led the state in number of ditch concerns and canal mileage in the 1850's. It had the longest and third most expensive ditch of the early ditch companies in the state by 1853.¹ Its construction problems, as explained in the preceding chapter, were shared by many other canal companies, and its financial problems were typical of many others in the state.

The miners and businessmen of the Columbia basin wanted Columbia to be more than just a wet weather camp. For this reason they met at Tuttletown, undoubtedly at Judge Tuttle's log store where there was shade, on June 21, 1851, to discuss the situation. It was decided that day to bring the waters of the South Fork of the Stanislaus River to Columbia, the richest location, and adjoining camps. They would dig the ditches themselves, because they could not afford to pay for help. Twenty-one "charter members" proved their sincerity to proceed with the project by assessing themselves five dollars each. Though these men were probably all miners at the time, some were miners and merchants, choosing whichever was the most

¹Paul, p. 162.

profitable at a moment's notice. Only four names were known to this writer out of the first twenty-one members and they were primarily businessmen thereafter and not miners.² They used their organizing ability to bring water to their claims hopeful of becoming rich. If those didn't yield them enough golden rewards, the water income or the stores they would set up might.

News of the enterprise spread quickly, and at the second meeting on June 24th in Columbia, a large crowd gathered to digest all the particulars. It was estimated that one hundred and fifty to two hundred men could complete the ditch to the South Fork in three months at a very small cost, and the water rents would be two thousand dollars a day when they were finished.³ The only expense would be shovels for digging the ditches, and saws, hatchets, hammers, and nails for cutting the trees and making a few flumes. They would pay themselves five dollars a day, or a total of sixty thousand dollars, in scrip redeemable in water. To approximately one hundred and forty-nine miners this plan sounded reasonable. They could not work the dry diggings for four or five months, anyhow, so they joined the company and paid their five dollars assessment.⁴ It is evident the canal was not built primarily as a business investment but as a means to supply their claims with water, so the gold could be extracted. This was

²The four men were General Bernard, Judge Carlton, Joseph Dance, and J. D. Patterson. Heckendorn, p. 27.

³San Francisco Evening Picayune, August 8, 1851.

⁴Wallace Letters, August, 1851.

clearly indicated by the constitution drawn up that day. Each member had only one vote; this was a cooperative venture. No members could vote by proxy; this was a local effort, and outsiders or "slackers" weren't welcome.

Construction commenced July 1, 1851, but within a week the Sonora Herald reported the company needed financial assistance, and that businessmen and merchants who would profit by the new canal should help.⁵ Tools and food were especially welcome. Many miners supplied their own tools and the company purchased equipment with the initial eight hundred dollars in assessments. But, this was not enough. By September, each member had been assessed twenty-five more dollars to help pay for more saw machinery and tools. A theodolite was purchased for Wallace and Bernard in San Francisco for one hundred and seventy dollars.⁶ Work continued, but expenses increased.

By September it was obvious their construction progress and expenditure estimation was wrong. Five Mile Creek was so low no water could be brought to town. This meant no income as had been expected. A water powered sawmill could not be made operable, so it was decided to purchase a steam powered mill. They planned to pay for the steam engine from future water sales. The steam engine cost five thousand dollars, plus five thousand more dollars for men, wagons, and oxen to get it to its mountain site.⁷ This was the first big capital outlay of cash, and to get the money, the miners had to borrow from outside

⁵Sonora Herald, July 5, 1851.

⁶Wallace Letters, August, 1851.

⁷Ibid., December 28, 1851.

sources. It was at this time that Darius Odgen Mills, a Sacramento banker, came to the miners' assistance and lent them six or eight thousand dollars, payable at six per cent per month.⁸ Additional assessments were made on the shareholders to meet the transportation costs and more had to be made for setting up, repairing, and getting the mill to work. Some members, such as J. D. Patterson, had become discouraged and had quit by this time.⁹ Others, without an income, had run out of assessment money, had exhausted their credit from merchants and were finally forced to exchange their share in the company's ownership. The merchants who accepted the shares in payment for debts had confidence in the undertaking, and were willing to pay the company five dollars a day instead of laboring.¹⁰ Successful installation of the power mill rejuvenated the miners' spirits, and the value of each share climbed to over four hundred dollars.¹¹

By the end of 1851, each of the one hundred and fifty remaining members had been assessed one hundred dollars, or fifteen thousand total which had been paid out in hard cash.¹² Another one hundred thousand was owed for labor to which should be added the Mills' loan; so the first six months cost the Tuolumne County Water Company approximately one hundred and twenty-three thousand dollars, of which eighty per cent was carried on the books as a credit transaction. According to Wallace,

⁸San Joaquin Republican, July 3, 1852.

⁹TCRCo. v. CCSRCo.

¹⁰Wallace Letters, December 28, 1851.

¹¹Sonora Herald, October, 1851.

¹²Wallace Letters, December 28, 1851.

the structure of the company had not changed by the end of the year. It was still a miners' company with no outside investors, for "each member of our company contributes his labor to be employed in the most advantageous manner, and we are consequently all on the same footing."¹³

1852 was an expensive, but satisfying year for the water company. Nearly a quarter of a million dollars was expended; however, the canal was completed and some revenue was received from water sales. From May 22 to the end of July, water sales ran as high as five hundred dollars a day, or roughly thirty thousand dollars for the three months. The rainy season arrived early in the winter of 1851-1852 and in one week in early December, the water proceeds were nine thousand dollars.¹⁴ Since the company had two months of water sales, it's safe to conclude they received at least thirty thousand dollars in November and December, or sixty thousand dollars for the year.

Construction costs and building overhead was much greater than the miners had planned. The steam mill proved to be more expense and headaches after it reached the mountains. The next mill was contracted for four thousand dollars. Tools and equipment for the ditches and flumes, horses, oxen, wagons, cash payments for work contracted and principle and interest payment to Mills were only a part of the reasons for the growing bills. By March, 1852, the company was spending one thousand dollars in cash weekly and three thousand in water scrip.¹⁵ These expenses continued at the same rate until August, when the canal was finished to the South Fork. Using Wallace's figures,

¹³Ibid.

¹⁴Ibid.

¹⁵Ibid., March 7, 1852.

and he was president of the company much of the year, it seems reasonable to estimate that twenty-five thousand dollars in cash and seventy-five thousand dollars in scrip were spent in building the canal in 1852.

The enterprising miners did their best to keep from borrowing. They had to borrow six or eight thousand dollars at six per cent a month from D. O. Mills in August or September, 1851, for the steam engine, but they paid it off by the end of 1852.¹⁶ Wallace discusses company finances frequently in his letters. He writes about the previous loan at the stipulated rate of interest, but he mentions no other loans, and in March, 1853, he says "the money we owe now is not interest bearing, as it is principally for labor."¹⁷ Since the company was not out of debt for seven more months, and since Wallace had written about company finances and interest in every letter, it seems proper to judge that the company borrowed no other money. The cash used to pay the one thousand dollars' construction costs early in the year was extended by approximately thirty members who paid the company five dollars a day instead of fulfilling the labor requirement set up in the constitution of the company.¹⁸ These people paid around seventeen thousand dollars to the company until August, when the canal was completed.

A little over a hundred new shares were purchased during the first eight months of 1852, and on September 4, 1852, the day the water company was incorporated, D. O. Mills and his bank partners,

¹⁶Ibid., March, 1853.

¹⁷Ibid.

¹⁸Ibid., March 7, 1852.

James Mills, Edgar Mills, and Peter Townsend, opened the Mills, Townsend & Co. Bank in Columbia.¹⁹ They had bought a block of shares in the Tuolumne County Water Company prior to September. At the incorporation meeting in September, 1852, Edgar Mills was elected president.²⁰ Exactly how many shares the Mills brothers bought is not certain, but on February 10, 1854, after Townsend had left the company and returned East, he sent D. O. Mills power of attorney to sell his seven shares.²¹ They sold for eight thousand five hundred dollars. The total cost of the canal, including cash, labor, and material, at the end of 1852 was three hundred and fifty thousand dollars.²² Each of approximately two hundred and fifty shares, according to the new constitution in September, was worth one thousand dollars. Allowing for lower priced purchases earlier in the year, and even if sales averaged only five hundred dollars a share until September, 1852, the company would have realized fifty thousand dollars from their sale.

It will be seen by adding the totals in the last sentence of the preceding four paragraphs, plus the total amount expended for 1851, that the total construction costs of three hundred and fifty thousand dollars, with costs usually under-estimated, have been

¹⁹Barbara Eastman, "Notes on Tuolumne County, California," Collection of notes about Columbia, Bancroft Library, University of California. Cited hereafter as Eastman Notes.

²⁰T. W. Norris Collection MSS, fol. SG-203. Manuscripts of Tuolumne County Water Company, Bancroft Library, University of California. Cited hereafter as Norris Collection.

²¹*Ibid.*, fol. SG-207.

²²Wallace Letters, December 24, 1852.

accounted for. Half was credit, half was cash. It is true that D. O. Mills did favorably assist in maintaining the solvency of the company; but it is not true, as many distinguished Tuolumne County historians have written, that he conceived the plan to organize the company, or that he financed the plan to organize the company, or that he financed a quarter of a million dollars for its early development. By the end of 1852, local and outside investment interested parties owned a good number of shares and held a strong position, but the original miners still had a majority control.²³

Though the main line was completed in August, 1852, the company continued to have a variety of expenses in 1853. Reservoirs and ditches had to be excavated around the diggings, and ditches and flumes had to be repaired after heavy rain storms caused slides. These slides would clog up the ditch, break the ditch embankments causing a leak, or carry the flumes down the mountain. Damages might be one thousand dollars or more per storm.²⁴ In May, the Matelot Gulch reservoir, a half mile above town, burst carrying nearly ten million gallons of water through Columbia and causing eight thousand dollars damage for which the company had to pay.²⁵ The Daily Alta California carried an interesting account of the calamity.

²³Columbia Gazette, February 12, 1853.

²⁴Wallace Letters, December 24, 1852.

²⁵Ibid., July 18, 1853.

The reservoir bursted and down came a rush of water and "slugmullien" of about three feet breast, bearing before it toms, sluices, barrels, carts, and what not, filling stores, saloons, and houses of various kinds with any amount of mud, which had required in some instances nearly the whole day to remove.... Many laughable incidents occurred. Many a man in getting out of bed to see what was the matter, found he had "got his foot in it." One of the merchants sleeping in a high berth thought he heard running water, and getting out to see what was the matter suddenly found himself up to his arms in mud and water. One French lady, "two months and two weeks from Paris", came flying out of the house in her night clothes, exclaiming, as the thick current was staining her snowy garments and bathing her delicate limbs, "Two hundred dollars to the man that will take me out of this." She was taken out.²⁶

The company was finally able to start paying its officers and a few important employees in 1853. Fourteen men on the staff began receiving wages of \$5.75 a day. This amounted to just a little under two thousand dollars a month.²⁷

The Tuolumne County Water Company's future was bright in early 1853. Water receipts were about ten thousand dollars weekly, and the value of the stock was rising rapidly.²⁸ Conditions were so favorable for the water company that in early August the company paid off the last of its three hundred and fifty thousand dollars of debt. They still had assets of twenty-five thousand dollars, five hundred thousand board feet of lumber, several sawmills and twenty miles of ditches and flumes.²⁹ The Daily Alta California reported the company would

²⁶Daily Alta California, May 26, 1853.

²⁷Columbia Gazette, February 12, 1853.

²⁸"Bancroft Scraps", Vol. 3, February, 1853. Collection of pictures, manuscripts, and newspaper clippings about California, Bancroft Library, University of California. Cited hereafter as "Bancroft Scraps."

²⁹Daily Alta California, August 2, 1853.

have year round water in any ordinary year, that it covered a mining section that could not be worked out for years, and that "there is reason to believe that theirs will be the best paying stock in the country."³⁰

In September, 1853, the company paid its first dividend of eighty dollars per share. At that time the constitution allowed two hundred and seventy-five shares, so the total dividend was twenty-two thousand dollars. John Wallace owned two shares.³¹ At the annual stockholders meeting in September, it was decided to double the shares. Now the shrewd businessmen with capital could assume majority control over the miners. The authorized number of shares was increased from two hundred and seventy-five to five hundred and fifty, and the capitalization was increased from two hundred and seventy-five thousand to five hundred and fifty thousand dollars.

The year 1854 was a good year for the shareholders. In March, an original share sold for fourteen hundred dollars, and in April one sold for eighteen hundred dollars. Dividends were four per cent a month that spring and summer. No shares were found in any stock markets; every share was immediately bought up in the Columbia vicinity when known to be for sale.³² For the rest of the decade dividends varying from two to five per cent per month were paid at Mills' bank when water was in the ditches, and from nothing to two per cent when the ditches were dry.

The Mills Bank in Columbia was generally a very busy place.

³⁰Ibid.

³¹Wallace Letters, October 10, 1853.

³²Columbia Gazette, March 18, 1854.

When the water company shareholders weren't collecting their dividends over the Honduras mahogany counter, dusty and dirty miners were tramping over the marble steps to deposit anywhere from twelve to seventy-five thousand dollars of gold dust a day.³³ Until 1854 the bank was open on Sundays. After that it stayed open until 10 P.M. on Saturday evenings, and as many as forty miners lined up for a block waiting to deposit their poke-ful of gold in the largest and safest fire-proof safe in town.³⁴

As a result of the miners' strike in 1855, the businessmen shareholders had achieved a majority control, and before the decade was over, D. O. Mills was the leading shareholder in the company.³⁵ At one time or another from 1853 to 1860 either D. O. Mills or Edgar Mills held the offices of president, treasurer, or trustee. During the period of vigorous competition between the two companies from 1855 to 1858, the Tuolumne County Water Company spent so much on improvements and dividends that it was necessary to borrow fifteen thousand dollars from D. O. Mills, despite a monthly revenue from water sales of twelve to thirteen thousand dollars a month.³⁶ By late 1858, though his brother Niles was selling seven shares, D. O. Mills was still buying them.³⁷ John Wallace sold his eight shares in February, 1858. In this year shares were only worth one hundred dollars each, but after the Columbia and Stanislaus River Water

³³Buckbee Papers.

³⁴Columbia Gazette, December 17, 1853.

³⁵Union Democrat, July 21, 1949.

³⁶Ibid.

³⁷Norris Collection, fol. CG-207.

Company was foreclosed in early 1859, they rose to a value of two hundred and seventy-five dollars a share.³⁸ By this time the company was in the grips of D. O. Mills and his block, and a San Francisco group, headed by John Bensley, who owned one hundred and fifty-two shares, and his cousin L. B. Benchley, who owned nearly half as many as Bensley.

The Tuolumne County Water Company began the decade when one hundred and sixty miners decided they would bring ditch water to their claims. They all thought their claims would yield them a golden fortune. Some few also anticipated setting up business establishments to accommodate the ten thousand miners who would swarm to the rich placer fields. Some realized their sanguine expectations, others became discouraged or broke and quit, and others were soon reduced to insignificant members of the most powerful and important corporation in the area during the 1850's when the Mills and San Francisco groups assumed control.

³⁸Ibid.

CHAPTER V

STRUGGLES OVER THE HIGH COST OF WATER

The first decade of Columbia's existence was one of a constant struggle for water -- a struggle filled with storms of protest by the miners because of high water rates charged them by the Tuolumne County Water Company. The Company was determined to maintain the high prices. At first it contested the demands with the plea that it must reduce its indebtedness. Later, expensive upkeep, repairs, and dividends were used as arguments. It seemed to the miners, after repeated failures to achieve their goal of securing lower water rates, that they must take energetic action against the company.¹ Thus it was decided in one tumultuous meeting to effect a one hundred per cent crippling boycott against the Tuolumne County Water Company. The ensuing struggle between the two warring camps was one of the most notable in the history of the southern mines.

When water was first supplied the miners in May and June, 1852 from Five Mile Creek the paltry supply was barely enough

¹The Columbia Gazette, April 9, 1853, listed the water rates of the Tuolumne County ditch companies. Sullivan Creek Water Company, Tuolumne Hydraulic Association, and Woods Diggins Water Company each charged four dollars a tom head. The Tuolumne County Water Company charged six dollars for a nine inch tom stream head. These were the only water companies in the county at the time.

to accommodate a twenty tom stream. Generally speaking, a tom stream was ditch water diverted into a wooden channeled long tom for twelve hours, the water being essential for separating the gold from the dirt. General Bernard, the first Tuolumne County Water Company superintendent, defined a tom stream as "a body of water coming from a hole three inches square with a four inch pressure, which meant the velocity was not less than 12 to 20 miles per hour."² Long toms were generally made for nine (three square) inches, called miners' inches, of water; and the users were charged by the tom head - six dollars a twelve hour day.

A long tom was a twelve to fifteen foot long wooden gutter, usually six or eight inches deep, one or two feet wide at the upper end, and double that width from the middle to the lower end. The upper end contained a perforated plate of sheet iron onto which the "pay dirt" was tossed. Directly below the plate was a riffle box. The floor of the riffle box was laid with strips of wood two inches square and two inches apart, laid transverse to the direction of the water current. Water was necessary to break the placer gold away from its embedded condition within the earth. The steady stream would force the dirt down the long tom in a swirling motion allowing the finer particles to pass through the perforated bottom to the riffle box. Gold, being one of the heaviest metals known to man, would drop through the bottom of the sieved iron plate and become trapped behind a wooden riffle.

Generally, four men would decide to work as partners, stake four claims, build their long tom, and commence operations, if water was available. Four men was the most workable and most economic unit when ditch companies first introduced water to Columbia. Two men would shovel the rich, red soil into the upper end of the pine trough; and the cold mountain water in the ditch would rush and gush through a three inch square hole at fifteen to twenty miles an hour, forcing the "pay dirt" to be swirled and twisted in countless gyrations down the tom. Another miner would prod the earth at the widened section with a rusty iron fork, as the rippling waters kept the black gold-carrying sands on the bottom of the riffle box stirred up and free, so the heavier gold could easily sink to the bottom, and be retained by the riffle bars. The last man would be at the lower end to toss out the rattling stones and pebbles to the "tailings" pile, so as to permit the muddy, gold-free dirt easy access down the drainage ditch.³

The twenty tom stream offered only eighty miners an opportunity to reap any rewards from the auriferous soil. Some streams in the upper levels of the basin were used a second time by claims at lower elevations, so a little over one hundred miners used the first water to Columbia. A great many requests for water had to be refused. Probably the original shareholders had priority use of the water. Many of the miners, fortunate enough to have the use of the ditch water, felt the price of six dollars a tom stream was too high.

³Rodman W. Paul, The Miners Own Book (San Francisco: The Book Club of California, 1949) p.5.

The Tuolumne County Water Company knew they were charging a high rate; but after-all, they had a monopoly, they had a big debt to pay off, and water was scarce.⁴ The California miners displayed a generally independent disposition, however they were in the habit of making their own rules and regulations and enforcing them. The Columbia miners were of the same temperament as the water company managers, and shortly after water was supplied them, they desired a reduction in water prices. They called a public meeting, listened to pungent speeches and threatened the water company if it would "not come to their terms and reduce the price."⁵ A deputation was sent to talk to John Wallace, president of the company and state their case. Wallace listened politely, then, according to him, he informed the group that their threats were futile, "that if any gentlemen could not afford to pay the price he was not compelled to use it, that there were plenty others who would," and that the company would fix the water rates, not the miners.⁶

A second public meeting was held in Columbia to hear the committee's report, and more speeches were made. Wallace's firm and direct answer knocked the ardor out of them, though. They realized their plight was hopeless, and despite the vociferous clamors of a few of the speakers, the meeting was adjourned. The water company singled out the most vociferous leaders for special treatment and refused to sell them water at any price. This ended the first struggle between the miners and the controlling interests of the canal company. No other

⁴Wallace Letters, January 10, 1853.

⁵Ibid.

⁶Ibid.

miners dared to gripe, for they wanted water to work their claim when more was available; their holdings might be the richest in the valley.

It should be mentioned that despite the majority opinion that water prices were too high some groups were satisfied with the rates. These local businessmen and miners were speculators, who owned claims adjacent to, or nearby the ditch. Though the earliest mining laws of Columbia stated a miner could own only a single one hundred foot square claim, local citizens often staked three or more along the canal route of the upland dry diggings that had been heretofore neglected.⁷ They were able to hold them without a squabble, because the mining law specified they could be held without work until three days after water could be procured. These speculators who led the miners in their battle for a reduction of rates wished resolutions passed "that no claim would be jumpable for not using the company's water, and to enable them to hold some of these mining claims sacred, whilst they [were] working out others."⁸ These same speculators were the first to apply for water at any rate.⁹

It was difficult to prove definitely that six dollars a ton was too much for water. Some claim-holders were unfortunate and went broke paying for water; some managed barely to pay expenses and make a few dollars a day; while others were reaping a golden harvest. A determination of fair water rates depended upon a survey of the

⁷Columbia Gazette, November 24, 1853.

⁸Ibid., February 12, 1853.

⁹Ibid.

productivity of the Columbia basin and this, of course, had not been done.

The wet season of 1852-53, beginning in October, came early and provided an ample supply of water. The miners took advantage of this free water, and worked in the rain as hard as they could while they had plenty of water.¹⁰ When the rain stopped they again made use of the newly filled ditch that sent a steady and powerful stream through their toms. Others, who were fortunate enough to own claims adjacent to Norman Creek or Matelot Gulch, continued to use the free water with their long toms or rockers.

By mid-January, 1853 four conditions prevailed among the claim holders. Many were doing abundantly well, despite high water rates. Others were working the free water creeks in the heart of the limestone belt to advantage. Some, after paying the ditch company six dollars a day, were only making enough to "pay for water and board."¹¹ Still others were going broke fast. The latter two groups became increasingly angered at the Tuolumne County Water Company, while the former two groups either agreed or were sympathetic with them. A mass meeting was called at Columbia on a Sunday, the miners' day off, in late January, 1853 in order to discuss a reduction in water prices. A hastily assembled committee proceeded to the water company's office to relate their purpose. They were informed by Edgar Mills that the company would not reduce its rates until it was out of debt. The company undoubtedly felt water was the magnetic attraction that made

¹⁰Odell Letters, January 9, 1853.

¹¹Columbia Gazette, January 22, 1853.

Columbia more prosperous than other towns, and if some resentful miners chose to leave, others would quickly take their place.¹²

The miners were grossly irritated at the water company's response. They circulated a statement which declared that the largest shareholders of the company lived in the cities below the foothills; that their interests were not identified with those of the miners; and that a large number of the stockholders were laboring men who were so well convinced of the exorbitant prices "that they [were] in favor of a reduction, but [were] over-ruled by the capitalists."¹³

If the company trustees would not lower the rates, many of the miners decided they would look for another company to buy water from. Another meeting was called in late January, or early February. Captain John A. Palmer was elected chairman of the spirited group. Many at the meeting pledged not to buy water from the Tuolumne Company. They passed a resolution to petition the Tuolumne Hydraulic Association, a competing ditch company under construction from the mountains above Sonora, to extend their ditch to the Columbia flat. They offered to do the extra ditch work for this company at the rate of five dollars a day, taking their pay in water when it was finished in February. A resolution was also passed saying their claims would not be forfeited for failing to work them while they labored for the competitive company.

¹²Ibid., February 12, 1853.

¹³Ibid., January 22, 1853.

Thus, the sovereign-minded miners left their toms and sluices on the ground to work for the Tuolumne Hydraulic Association. ¹⁴

Fortune was still on the side of the old company. The rebellious miners were active and earnest in their secessionist-like movement and they had the sympathy of their fellow neighbors. However, these same neighbors were finding the red dirt was yielding their claims a half ounce or more of golden rewards, and many thought tomorrow might be the day a rich lead would be discovered, ending in a square foot pocket jammed with fifty ounces of yellow dust. ¹⁵ The spring of 1853 was one of the richest in Columbia's history; so as their discoveries and optimism persisted, their interest waned in seeking corrective price reductions. Then, the competitive company found a gravity flow route to Columbia was impractical because of the nature of the ground's slope. Thus, the Tuolumne County Water Company survived its second conflict with the miners.

The Tuolumne County Water Company's ditches; an abundance of placer gold; eager prospectors with shovels to extract it and improved long toms and sluices to work it; and the wet winter of 1852-1853 accounted for Columbia's sudden mushrooming of population. The \$100,000 a week mined by Columbia's fields proved to be an irresistible lure for thousands of seekers of the precious metal. Though John Wallace was probably not an accurate estimator of population, his contemporary account of the situation in January, 1853

¹⁴Ibid., February 12, 1853.

¹⁵Sonora Herald, February 12, 1853.

was relevant to the above mentioned circumstances.

The town of Columbia is a large place considering the short time it has been in existence. It has about fifteen thousand inhabitants in the town and immediately around it, and in fine weather business is very lively. About a year and a half ago when we started work, there were only two log cabins, and two or three tents to be seen, the diggings around here having been deserted on account of the lack of water. As soon as our company was organized and commenced work, the town began to grow and has been increasing ever since entirely on the credit of our company, as it is well-known that the locality was rich and only wanted water for its development. The whole country for miles around Columbia is exceedingly rich, and will afford work for several years.¹⁶

1853 was a lucrative year for the miners, merchants and water company. The claims averaged yields at close to an ounce a day. Prosperous miners meant prosperity for the merchant, for why should one save today's earnings when tomorrow might bring a fortune. Business was so good for the ditch company that they were out of debt in August, only two years after the formation of the company and fourteen months after starting water collections.

A renewal of agitation against the company developed when it officially announced it was out of debt. Prospectors conferring with one another again broached the subject of lowering water rates. The Miners' Committee, a council of miners elected to enforce the mining laws of Columbia, decided they should take the leadership. Andrew Fletcher, president of the committee and a very influential miner, called a Saturday evening meeting, December 17, at the Columbia Theatre "to take into consideration the best means to be adopted

¹⁶Wallace Letters, January 10, 1853.

to secure a reduction in the price now being paid for the use of water."¹⁷ No results were accomplished, though, and when the committee dissolved itself in February, 1854, the only organized vestige of resistance disintegrated.

A new type of mining apparatus, the sluice came into vogue in the Columbia basin shortly after the completion of the ditch company's works. It had been introduced and successfully used by river miners. The sluice was a long, one level, shallow box, like the bottom level of the long tom riffle; however, the normal two foot width was uniform the entire fifty to one hundred feet. The miners realized the longer the sluice was, the less the probability any gold particles would escape one of its numerous riffles before passing out the distant end. Most sluices required twelve miner's inches of pressure. It was placed in the side bank of the ditch, "and when the descent was sufficient, the whole mass of dirt, from the finest particles, to stones...of four or five inches in diameter, went rattling down by their own gravity and the force of the water, the entire length of the sluice,"¹⁸ the gold being caught in the riffles. Sluicing was the most popular type of mining method in the Columbia area from 1853 to 1861.

Besides providing the greatest impetus to placer mining in the decade, the sluice introduced some notable social changes. The early long tom companies realized the benefits of the sluice, con-

¹⁷Columbia Gazette, December 17, 1853.

¹⁸Paul, p.6.

verted to them, and hired a half dozen to a dozen wage earners; thus a large number of men were concentrated in the area as cooperating companies, rather than as individual pan and rocker miners. The sluices required large water purchases. This stimulated the Tuolumne County Water Company to build larger flumes and bigger ditches to supply more water. The projects gave employment to many men and created a momentum for business expansion. In 1853, Columbia grew to a population of six thousand. The sluice also made mining a large-scale operation. The long ton companies using four men now became employers of twice their number or merged with several other companies. It is very easy to see why the organized voice of the miners would soon be powerful. There were so many more miners.

Columbia continued to prosper in 1853 and 1854, possibly more than any other mining town in California. In March, 1854, a Daily Alta reporter wrote that "If a person had fallen asleep in Columbia in '51 and woke last Sunday, he would have more cause for astonishment than Rip Van Winkle after his long sleep."¹⁹ The town had so progressed.

It was only natural, as with all placer mining camps, that the claims would eventually yield less dividends. Granting the fact that some claims were still paying in ounces, or even pounds, many more were only paying a third to a half an ounce, five to ten dollars a day by November, 1854.²⁰ Still, the water company would not reduce

¹⁹Daily Alta California, March 19, 1854.

²⁰Union Democrat, November 11, 1854.

its six dollars a day rate. By spring, 1855, the miners decided the Tuolumne Water Company would not lower its prices unless they cooperatively took harsh action against the company to satisfy their interests.

The Tuolumne County Water Company's trustees' false sense of security was about to receive a rude shock. On March 3, 1855, the miners of the area held a meeting at Major Alva Farnsworth's saloon in Columbia. Their principal grievance was the high water rates charged them. They felt the "paying earth as compared with former times"²¹ was giving out. The majority of miners using the company's water, "do not realize for their labor an average of two dollars per day."²² The company had long ago been out of debt and the price of water should be reduced from six to four dollars a day per tom stream. They also griped because the company would sell water at a high level claim, from whence the water would run down the tailrace ditch into the company's ditch at the next lower level enabling the company to collect over and over again all the way down the slope. A committee was selected to go to the canal company's office to request the price reduction at the conclusion of the meeting. Having aired their grievances, the meeting was adjourned for one week. The water company officers told the committee they needed one week to contemplate their answer. During this time, a petition, mentioning most of the grievances stated above, was circulated and signed by approximately a thousand miners, and presented to the board of trustees.

²¹Columbia Gazette, March 10, 1855.

²²Ibid.

The miners received their answer on March 10th. R. A. Robinson, secretary of the company, presented them the trustee's reply. "It has been, and still is, the intention of the Company, to reduce the rates of water from time to time, when it can be done without too great a sacrifice of their own interest."²³ The reply also informed the petitioners that upkeep expenses were the greatest they had ever been, they were expanding operations to afford a year round supply of water, and furthermore dividends had been only two per cent per month. The request for a reduction in rates was refused.

The miners didn't feel too sorry for the water company, though. A mass meeting was called for Tuesday noon, March 13th, in front of the Methodist Church. While the town's cannon boomed and church bells merrily rang, a procession of thirteen hundred, preceded by the American flag, a band, and sign-carrying enthusiasts, marched around town and back to the church, where three thousand people gathered to attend the momentous meeting. It was called to order by J. A. Palmer, and I. A. Stevens was elected chairman.

The Honorable James A. Coffroth, Columbia's Assemblyman to the state legislature, was the keynote speaker. He opened his speech with a bitter attack against the water company by asserting:

Miners of this community, you have for a long time been oppressed by the all-devouring monopoly, the Tuolumne County Water Company, whose controlling interests have been fattened by the sweat of the brow of the careworn working man.²⁴

Coffroth said he had heard a rumor the company might be forced

²³Ibid., March 17, 1855.

²⁴Ibid.

by this meeting to reduce the price to their demands, but he added, even that wouldn't end their troubles. The company was not run in the interests of the miners. It was a monopoly, controlled by monopolists, bankers, and capital. A competing water company was their only salvation. Coffroth said he and a few other reputable men had organized one for them -- the Columbia and Stanislaus River Water Company. It didn't have any ditch or any money, but if it had the miners' support, that would be worth more than banker's money. If the miners would be willing to take their pay in stock, "they would have a ditch built by the miners, for the miners, and owned by miners,"²⁵ with its main purpose being cheap water. He then urged:

that all miners, and others friendly to the cause, withdraw all money that they have in that bank and invest what they can spare in the new water company. But whether you put it in the new company or not, draw it out anyway, so that at least it can't be used against you by the controlling corporation of this monster monopoly with which we are now at war!²⁶

His talk was followed by a most extended applause. Coffroth had put into words what the miners wanted to hear.

The miners' meeting that followed was one of the most extraordinary in the annals of the southern mines.²⁷ Joseph Creary was appointed secretary and was instructed to draw up the resolutions as adopted by the meeting. They decided to insert in the preamble that the Tuolumne County Water Company was a "monster monopoly,"²⁸

²⁵Ibid.

²⁶Ibid.

²⁷Columbia Times, October 12, 1861.

²⁸Columbia Gazette, March 17, 1855.

which refused to reduce the price of water. It was then resolved that the miners should boycott the company until a full sluice stream was supplied them for four dollars a day. It was agreed they would never pay more, nor allow others to pay more. Any miner who did pay more would have his name entered in a little black book. The officers of the Columbia and Stanislaus River Water Company were requested to commence immediate construction of their ditch, so as to give employment to the miners thrown out of work by the boycott. Local citizens were urged to withdraw their money from the banks, as Coffroth suggested, and invest all they could afford in the new company. Claims of miners would be protected against jumpers until, at least, January 1, 1856, for a one dollar recording fee. They were also to put a sign or notice on their claim to that effect. Thereafter, throughout the whole basin, each miner put a sign on his claim reading: "Four dollars for water and no more"²⁹ as a marker to show the claim was buried during the boycott.

The miners' strike, as it was commonly called, was a one hundred per cent success. The following day the workers unanimously quit mining.³⁰ That night the frantic trustees of the old company called a board meeting. They had not anticipated such an effective boycott. Since they had lost all their consumers, they were forced to address a note to the revolting miners, stating that if they would help enlarge their ditch, receiving water scrip at the rate of four

²⁹Ezra Dene, Ghost Town (New York: Alfred A. Knoph, 1941) p. 62.

³⁰Columbia Gazette, March 17, 1855.

dollars a day as pay, they would accede to the miners' demands. The miners had once again demonstrated their independent spirit. This was the biggest battle they had fought with the water company, and they jubilantly claimed a victory. After three days of striking, they went back to work; but Monday, March 20, 1855, was to be set aside as celebration day in honor of their achievement. Tables were set outside running nearly the whole length of Washington Street. Free food and drinks were offered all day in honor of their triumph. It was a victory celebration unparalleled in the southern mines. Never before had a group of California miners been able to challenge so successfully any water company.³¹

³¹Tuolumne Courier, December 4, 1859.

CHAPTER VI

COLUMBIA AND STANISLAUS RIVER

WATER COMPANY

The columbia miners had labored earnestly to bring water to town, they quarreled and sparred with the Tuolumne County Water Company for nearly three years to reduce its price. Intense opposition against the canal company was moderated because the miners were sluicing rewarding discoveries of gold. Gradually the rich grounds yielded less "yellow dust" to the claimholders, and by 1854 many were realizing only ten or twelve dollars a day, while rendering six dollars for water. After paying for food and board, a few occasional clothes, supplies, entertainment on Saturday evenings, and water, the prospector had slim chance of returning triumphantly home with his golden fortune. Agitation by mass meetings, including keynote speeches against the Tuolumne County Water Company in 1852 and 1853 failed to achieve the desired goal of the miners. When the Miners' Committee that was organized to pressure the company into reducing water rates came to an end in February, 1854, hope for a reduction in water rates reached its lowest ebb.

The failure of the Tuolumne County Water Company to lower its water rates was the basis for discontent with the company. By mid-1854, local gold seekers, like former Miners' Committee president Andrew Fletcher, desired lower rates to increase their working margin.

These miners also wanted an extension of the checkerboard maze of ditches in the basin supplying the claims with water. There was still a vast amount of rich land that had never been properly exploited; and intelligent men, such as Fletcher or A. F. Windler, local merchant and owner of one of the richest claims in the area, could make a few extra dollars buying and selling claims. Miners and merchants pleaded with the company to extend their lines to the Main Fork of the Stanislaus, build mountain reservoirs, and enlarge their flumes and ditches to bring a year round supply of water to the area. Local businessmen were also envious of the company's enormous profits and generous distribution of monthly dividends. Many alert businessmen knew the ditch company had grossed as much as nine thousand dollars in a single week, had paid off one third of a million dollars of debt in fifteen months and had paid nearly fifty per cent in dividends from mid 1852-to mid-1854, including four per cent a month for the last two springs and summers.

Whatever the reason for dislike or envy of the ditch company, the Tuolumne County Water Company's failure to lower its rates was the most important issue that led to the formation of a rival concern, the Columbia and Stanislaus River Water Company. On August 20, 1854, a group of townsmen met at Colonel Thomas Cazneau's house on Main Street to discuss a new ditch route to the diggings. Among those in attendance were Andrew Fletcher, A. F. Windler, J. D. Patterson, the County Assessor and Tuolumne County Water Company charter secretary, water speculator John Jolly, businessmen Joseph Spears and William McKinty, and two miners named Armstrong and Ross. Cazneau, who was editor of the Columbia Gazette, agreed to finance a survey. It

was decided they would call themselves the Miners Independent Water Company. Their objective was to bring water from the Main and South Forks of the Stanislaus River to Columbia and vicinity. Cazneau was elected secretary.¹

The new company held secret meetings during the next few weeks at Cazneau's house.² Why these meetings were secret is not clear, but it was not until the first week of September, 1854, that the Columbia Clipper could report, "It is rumored that a new water company has been formed."³ While rumors were circulating, William Trask was hired by the group to survey the new route. He was assisted by Spears and Fletcher. On September 26th the new company held its first public meeting. A committee of ten was chosen to draft a constitution and by-laws. This committee consisted of James Coffroth, James McLean, S. Knapp, C. J. Brown, Dr. Gibbs, Trask, Fletcher, Cazneau, McKinty, and Mindler.⁴

The feature reports of the evening were given by Trask and Fletcher relating the results of the survey and the proposed ditch. The new route would start at the Main Fork of the Stanislaus, wind down the south side of the slope, cut across a low pass between the summit ridge of the Main Fork and South Fork, and then down a craggy canyon to near the South Fork, a distance of twenty-one and a half miles.

¹TCWCo. v. CCSRWCo.

²Columbia Gazette, November 30, 1858.

³Columbia Clipper, September 3, 1854.

The first eight miles would be through a dense growth of pine and cedar, over a deep, heavy loam that would be easy to ditch. Three of the next four miles to Rocky Bluff required fluming, while some ground could be excavated. The last nine or ten miles to the South Fork had three, high bluffs to pass around, otherwise it was a fairly easy section to flume. There was an abundance of usable fir along this upper section, and each mile could supply its own requirement for timber.

The new canal would cross by flume fifteen feet over the rushing South Fork at a point six miles above the beginning point of the old company's dam. The ditch would then wind its way along the north slope of the mountain to the headwaters of Woods Creek, from where it could be diverted to anywhere in the mines. This section would be twenty-five miles long. Trask estimated the whole canal would be forty-six miles long, supply four to five hundred ton streams, and cost three hundred and fifty thousand dollars. The Main Fork would supply plenty of water, even in the dryest times. He felt the project would be worth doing, even if it cost a half million dollars, because "the summer is the time that water is needed in the mines more than any other, and a ditch that can supply the mines the whole year, must pay."⁵

The new canal company was officially organized in Columbia on October 21, 1854. The ditch line had been surveyed, the constitution and by-laws committee had met and was ready to present

⁵Ibid.

its proposals, and the Miners Independent Water Company members were present. It was decided to change the name of the organization to Columbia and Stanislaus River Water Company. James Coffroth was elected president and Andrew Fletcher, superintendent.⁶ Coffroth said the purpose of the new company was to supply the miners with "cheep, abundant and constant water."⁷ Four hundred and fifty tom streams, at three or four dollars a tom-head, were to provide the miners year round water. There would be an ample amount of water to supply the numerous dry diggings in the flat that the Tuolumne County Water Company was unable to serve. The capital stock was established at three hundred thousand dollars, divided into fifteen hundred shares worth two hundred dollars each. It was estimated the sale of water would pay for the entire cost of the company in one year.

The historical writings and contemporary conception of the Columbia and Stanislaus River Water Company is that it was a company organized, built, and owned by the miners. The romantic notion was that the miners, becoming tired of the oppressive actions of the Tuolumne County Water Company against them, organized their own miners' company. This is only partially true. Of the men previously mentioned as leaders of the Miners Independent Water Company, approximately half were miners and half were merchants or businessmen.⁸

⁶The complete list of officers was as follows: President, James W. Coffroth; Secretary, Thomas Cazneau; Superintendent, Andrew Fletcher; Engineer, William Trask; Trustees, John Jolly, Dr. A. F. Windler, S. Knapp, James McLean, G. W. Whitman, and S. Ingersoll. Columbia Gazette, October 24, 1854.

⁷Tuolumne Courier, December 4, 1858.

⁸Heckendorn and Wilson, p.2-43.

Fletcher, as former president of the Miners' Committee, and Windler, owner of the rich Windler claim, were outstanding mining leaders. Thomas Cazneau, Columbia Gazette newspaper editor, and James Coffroth, state assemblyman, were outstanding businessmen leading the company's development.

James Coffroth, "known as Columbia's Favorite Son,"⁹ arrived in San Francisco in 1850 when he was twenty-one years old. He came to Sonora in May, 1851, where he was employed by L. C. Gunn on the Sonora Herald as a writer. He left the Herald to study law, but was elected to the state assembly in 1851. He was speaker of the assembly in 1852 and 1853, and was a candidate for governor in 1855. When he wasn't in Sacramento, Coffroth was studying law or working on his gold claim at Columbia.¹⁰ He was the first president of the new company, and gave the famous celebration speech when the ditch was completed in late 1858.

The Columbia and Stanislaus River Water Company was officially organized on October 21, 1854, but construction on the ditch line did not begin until March 19, 1855. For five months, operations were obstructed for a number of reasons. First of all, the new company had the miners' blessing because it pledged to lower the water rates, but it didn't have sufficient miner backing. The miners wished a four dollars tom stream-price all right, but they would rather shovel

⁹Edward F. O'Day, An Appreciation of James Coffroth (San Francisco: John Naish, Printer, 1926) p.17.

¹⁰Wallace Letters, February 11, 1854.

"pay dirt" into their sluices than dig ditches for the new company for water scrip. Their zeal for revenge against the old company was not so strong as it had been in early 1853, when they resolved at a public meeting to boycott the old company, and dig ditches for the Tuolumne Hydraulic Association for scrip. Most ditch companies were started by local miners or businessmen, and it would have been almost impossible to construct one unless much of the work was done by miners working for scrip. An insufficient concentration of capital and excessive interest rates of five or six per cent a month compelled most companies to pay the workers in shares or in scrip redeemable for water. Lack of popular miner support and finances were the main problems confronting the new Columbia and Stanislaus River Water Company.

Lack of sufficient finances and scrip workers became the immediate concern of the new company. Realizing these were their main problems, A. F. Windler and L. C. Gunn, who had been editor of the Sonora Herald since 1851, prepared a pamphlet entitled "Facts for the People,"¹¹ to urge the miners to help in construction of the new ditch, and to urge the local citizenry to purchase shares. One or two thousand copies were published and Fletcher, Windler, and Gunn spent much of November and December, 1854, traveling through the mines and towns distributing copies and talking to the people.¹²

Another tactic the Columbia and Stanislaus River Water Company

¹¹TC Co. v. CSSR Co.

¹²Ibid.

employed was for its officers to visit citizens of surrounding towns to create good feeling and to get solicitations for the undertaking. The old company was accused of spreading unfavorable rumors about the new ditch line, and they wished to suppress them. In order to make the shares as attractive as possible, they were offered on reasonable terms for a ten per cent down payment.¹³ Many of the citizens of Sonora were duly impressed, and a committee of Sonoran citizens, headed by Captain Millan, was appointed to meet with the new company's directors and follow the line of the proposed canal to the starting point to satisfy its possible citizenry investors.

Captain Millan spoke very favorably of the enterprise after his investigation and stated that there were no obstacles on the route which could not be overcome."¹⁴ He found sixty cubic feet of water in the main branch of the Stanislaus, but discounted one-third because of the recent rains and snows. He thought there would still be an ample supply even with a loss by half from leakage, absorption, or evaporation.¹⁵

Despite a lack of community fervor for the new project, the aggressive policies of the company persuaded the county citizenry to buy a good portion of the stock before the year was out, and all that remained to push the work to a rapid completion was "for the businessmen of Stockton and San Francisco to come up and give us a

¹³ Columbia Gazette, November 18, 1854.

¹⁴ Sacramento Daily Union, November 7, 1854.

¹⁵ Ibid.

helping hand."¹⁶ A company built by the miners, for the miners, and owned by the miners, would not seek outside capital, especially one consisting of men acquainted with the water rate policies of the old company. The Miners Independent Water Company at this point consisted of many influential merchant-organizers, such as Coffroth, Cazneau, or Jolly, who were in complete sympathy with the miners because of political or business reasons. They were also interested in dividends - returns as high as four per cent a month, the amount the old company was paying. These dividends wouldn't be paid unless the company could finance the canal, or unless miners would work for scrip. "Facts for the People" was beginning to arouse the emotions of the "oppressed" gold seekers, but the miners' strike was the event that made construction possible.

The miners' strike of March 1855 was effected mainly because of the high price of water. The strike involved the interests of the miners, the two water companies, and much of the county. At the March 10th, Columbia meeting attended by three thousand miners, it was resolved that no more water would be purchased by any miners until the Tuolumne County Water Company reduced its rates from six dollars a nine inch tom stream a day to four dollars. It was further resolved to request the Columbia and Stanislaus River Water Company to begin construction immediately so as to provide employment to the striking miners. This resolution followed upon the promise of Mr. Coffroth to finance the canal's construction to the South Fork and the pledge

¹⁶Daily Alta California, December 13, 1854.

of the company not to charge more than four dollars a ton-head.

It was the dawn of a new and more prosperous era in the minds of thousands of the miners when the new company begged to acquiesce to their demands. Construction commenced Monday, March 19, 1855, when three hundred men began laboring for four dollars a day payable in stock. Enthusiastic shareholding miners felt this was their company and they willingly traded digging gold for digging ditches. Sage old-timers were determined this company would be operated in their interests. Though started as a competitive concern, the miners' strike transformed the new company to a "miners' ditch", the majority of them becoming small shareholding owners.¹⁷

James Coffroth, president of the new company, speaker of the state Assembly in Sacramento, and called "Columbia's Favorite Son," initiated the ground-breaking on Monday, March 19, 1855, and dug ditches right along with the other men.¹⁸ A competent corps of engineers directed three hundred sturdy miners. They were willing to toil fifty days for one share of ownership. Work was performed with the feeling they were laboring for their company to reduce water rates to their demanded price. Some groups formed companies and contracted their labor on half mile or mile sections in exchange for stock.¹⁹ Such enthusiasm prevailed, that most supplied their own blankets, shovels, picks and provisions. Merchants supplied others with food and pro-

¹⁷Columbia Times, November 15, 1860.

¹⁸Day, p. 20.

¹⁹Columbia Times, March 22, 1855.

visions. Everyone was so happy the project was under way that another celebration was held. The Columbia Times told the men to "stick to your work, you brave miners, and when you have finished, it is yours, and you will have a voice in its management."²⁰

Sacrifices, contributions, labor, and encouragement were offered to the new company. So zealous were the workers that by early June twenty miles of the big ditch were completed between the South Fork and Columbia. The first twelve miles of ditch from the river towards town were three feet deep and six feet wide at the bottom with a fall of sixteen feet per mile. The last twelve miles to Columbia were two and a half feet deep, four and a half feet wide at the bottom with a descent of fifteen feet per mile.²¹ The last four miles to the river were soon finished, but the 1855 summer was so dry there was no water.

The first section cost one hundred and fifty thousand dollars, but without a year round supply of water, the canal would be no more effective than the old company's, so it was decided at once to continue operations to the Main or Middle Fork or the Stanislaus River.²² Engineers had been working between the two forks, or upper line, since the beginning, and a considerable amount of timber for fluming purposes had already been cut. There were some contradictory reports about the water supply in the Main Fork, where the canal would tap the river. Mr. Wilson, one of the engineers, placed a test flume in the river and safely calculated the availability of water at eight hundred tom streams per twenty-four hours, enough to supply ten

²⁰Ibid.

²¹Heckendorn and Wilson, p.25.

²²Ibid., p.25.

thousand miners.²³ More ditches were dug and flume construction commenced because the upper line consisted of very rugged terrain. By the end of 1855 the company had expended a quarter of a million dollars.²⁴ The canal was finished to the South Fork, but the upper line would take nearly three more years to finish.

The Columbia and Stanislaus Canal Company had managed to achieve construction at a rapid rate spurred on by a large expenditure in 1855. The next three years witnessed a continued outflow of funds, and though the lower lines' network of canals were extended, the upper miners' ditch work progress proceeded very slowly. Seven hundred and fifty thousand dollars were spent from 1855 through 1858 by the new company. Much of this money was derived from water sales following completion of the ditch to the South Fork. In the Columbia basin, new diggings were opened up by the branching of tom stream ditches, and by early April, 1856, the canal was completed to Bald Mountain, Yankee Hill, and Gold Hill. The Gold Hill completion called for a grand celebration. Bands, parades, speeches, ringing of church bells, a one hundred gun salute, and free drinks highlighted the occasion.²⁵

Engineers were encountering more difficult tasks on the upper line, however. By early 1856, five different surveys had been made in an effort to find a gradual gravity flow line from the Middle Fork to the South Fork. Trask's original survey routed the ditch through

²³San Francisco Daily Herald, October 21, 1855.

²⁴California Chronicle, January 21, 1856.

²⁵Daily Alta California, April 4, 1856.

a low pass between the rugged ridge separating the two river branches. This was shown to be unworkable and it was decided in April to dig a tunnel three thousand feet through the dividing ridge. This Herculean chore began June 18, 1856, and was not finished until May 27, 1857. Many had doubted the execution of it, and "others shook their heads and argued it would take from two to three years to finish it."²⁶ When completed it was 3,162 feet long, six feet high, seven feet wide with a fall of seventy-two feet per mile. It was flumed the entire length.

Most of the ditch excavating was finished on the upper line by the middle of 1857 when the tunnel was finished. The ditch was three feet deep and fifteen feet wide on the bottom, the largest in the state and capable of running five hundred sluice streams.²⁷ Seven miles of trestle work were finished at this time and ready for planking, so as to carry the immense nine feet wide and four feet high flume across it. A San Francisco newspaper reporter wrote that the "fluming connected with this ditch is the best I have seen in the state."²⁸ It was estimated the upper line would be finished by September 20, and since the South Fork would give out by August 1st, the Columbia and Stanislaus would have a year round supply of water and the Tuolumne County Water Company wouldn't

The completion date was merely an optimistic hope, for difficulties held up the celebration date for a year. The fluming proved

²⁶Sacramento Daily Union, June 2, 1857.

²⁷Ibid., June 10, 1857.

²⁸Daily Alta California, March 10, 1856.

to be more difficult than estimated. One section had to be hung by chains fastened to iron staples driven into the granite rock. Workers had to be dropped over the edge of the cliff by ropes, where they hung until the work was done. It was reported: "the works of this company are the most gigantic of any of the kind before attempted in the state."²⁹

Wicked winter rains and the worst snows in six years delayed construction for four months until February, 1858, and Indian troubles the same month caused alarm when one worker was killed in an Indian attack on the upper line.³⁰ The winter winds blew down the high aqueducts causing fifty to seventy-five thousand dollars damage, and requiring much additional repair work. When it was thought the upper line was nearly finished, the overflowing stream from the Main Fork was delayed because of shrinking timbers and leaking flumes, which required caulking. Finally, on November 29, 1858, after three and a half years of enterprising effort, the second largest and most expensive water ditch in the state was finished. It had been "constructed almost entirely by the unaided exertions of the laboring portion of the community...without the assistance of monied capital."³¹ Now after a million dollars in expenditures, sixty miles of ditches could supply a year round quantity of five hundred sluice streams for ten thousand miners.

The greatest celebration in the history of Columbia was held on November 29, 1858, when the blue waters from the Main Fork of the

²⁹Sacramento Daily Union, April 25, 1856.

³⁰Daily Alta California, February 17, 1858.

³¹Sacramento Daily Union, April 25, 1856.

Stanislaus River fell in three beautiful cascades in Columbia. A huge and colorful parade started the day's festivities. The Columbia and Stanislaus Company's trustees and officers led the parade in a magnificent carriage. They were followed by the Saw Mill Flat infantry, the Sonora Band and fire department, the Columbia city trustees and Brass Band, and the Springfield Artillery Company with their big cannon. Following these groups were the jubilant miners and men who built the ditches and flumes on the canal, the Miners' Committee, one thousand strong headed by their president, Colonel I. A. Stevens, came next, followed by a long column of elated, some inebriated, miners, four abreast.

The parade was followed by a stirring speech by James Coffroth. He gave a brief history of the new company and stressed the significance of the day. The sixty miles of ditches and flumes plus twenty miles of ditches through the various mining districts, at a cost of over a million dollars, were emphasized in relation to the task performed and the importance to the community. Coffroth scoffed at the "Pacific Railroad" worrying about extravagant costs. "Why, here are a few mountain towns expending over a million on a work of merely local importance. Here is an example to the world of what a small portion of the American people can do when they work in earnest!"³² The skillful speaker then elaborated about the hardships of the miners who ate company supplied provisions.

It might be interesting to know what our bill of fare generally contained. First, we had beans - just plain beans; next came

³²Columbia Gazette, November 30, 1859.

bean soup, then boiled beans; then, by way of change, baked beans; for entremets, we had beans also. Then we had 'beans a la mode.' For dessert we had cold beans! in fact, beans were the alpha and omega of our cuisine.³³

Coffroth received a cheering ovation from the celebrants. Then the whole mob marched back to State Street, where free supper was served to over ten thousand cheerful citizens. After supper, wild parties ensued, the sheriff was murdered, and an unprecedented display of fireworks entertained the miners and people.³⁴

The exultant happiness of the miners and the new water company was short lived, however. The gradual decadence of the rich, red placer fields brought the eventual decline of precious gold dust payments to the company. Financial difficulties were to be a pressing problem. The Columbia and Stanislaus River Water Company was organized as a competing company against the capitalist Tuolumne County Water Company. It was built by local miners, and in large part owned by local small shareholding miners. Its purpose was generally equitable and democratic, but nature and capital were against it from the beginning.

³³Ibid.

³⁴The Columbia Gazette, November 30, 1859, reported the murderer was drunk. He was immediately arrested and taken to the Sonora jail. He was convicted in January, 1860 (Columbia Gazette, January 24, 1860) and sentenced to die.

CHAPTER VII

TUOLUMNE COUNTY WATER COMPANY

versus

COLUMBIA AND STANISLAUS RIVER WATER COMPANY

Columbia reached its zenith in 1855. Population was stabilized at six to seven thousand people, over half of whom were miners, gold production averaged one hundred thousand dollars a week, and business flourished. The year 1855 was important to Columbia for other reasons, too. The miners' strike led to the construction of the Columbia and Stanislaus River Water Company, forcing the Tuolumne County Water Company to lower its rates, giving rise to a feverish competition between the ditch concerns for the rest of the decade. It also prompted the claim holders to intensify their mining efforts, resulting in the richest harvest of the decade. Business expansion, increased building construction, and the peak of Columbia's social and cultural developments followed. While 1855 through 1858 were certainly boom years for Columbia, these hectic years were followed by a permanent succession of diminishing gold returns by 1859.

The Tuolumne County Water Company was in an excellent position to control the water business until 1855. When water was available in their ditches, this company sold from seven to ten thousand dollars worth a week. When no water was available the miners waited until it was. The formation of a new concern that proposed to tap

the always plentiful Main Fork of the Stanislaus River presented a new problem to the old company. This outfit had the miners' support. Most miners preferred to purchase their water from the new company, since they were the principal shareholders. If the Columbia and Stanislaus Company would run competing ditch lines full of water all year parallel to the old ditch line, the Tuolumne Water Company might be run out of business. It was thus decided they must enter the struggle to procure a year round supply of water.

The summer of 1855 was unusually dry, and both companies wanted to safeguard against future water famines. In the next three years "they outdid each other in enlarging their ditches and in extending them still higher into the mountains in order to tap additional sources of supply."¹

While the new company chose to tap the Middle Fork to insure their supply, the old outfit decided to build bigger dams and reservoirs to store water for use when the rivers gave out. D. O. Mills supplied the Tuolumne County Water Company with a few generous loans enabling them to spend one hundred and twenty-five thousand dollars on reservoirs, dams, and bigger flumes and ditches, while their competitor was spending twice that amount in getting their line started in 1855. Progress was so rapid the San Francisco Herald reported: "This is the last season in all probability we shall want for a supply of water."² This hope for an increasing

¹Rensch, p.80.

²San Francisco Herald, October 8, 1855.

and undiminishing flow of water was never fully realized, despite annual predictions to the contrary; yet, this prospect was incentive for the two companies to work even harder for year round water.

The Tuolumne County Water Company began construction of three huge dams in 1855 and 1856. One, called Big Dam, was nearly sixty miles from Columbia on the South Fork. The biggest was built at Strawberry, fifteen miles below Big Dam, at a cost of \$135,000. It was one mile long, a half mile wide, and thirty feet deep when full. It was built of strong, stout timbers crossing at right angles eight feet apart, like the four sides of a log cabin. The compartments were filled with rocks and boulders. The completed dam furnished a reserve of water for fifty or sixty days when the rivers gave out.³ Many reservoirs were built on the old company's upper line for the same purpose. The Columbia and Stanislaus Company erected a huge dam where it tapped the Main Fork above Donnell's Flat. Lyon's Dam, as it was named, was built entirely of logs, and was one of the "most skillful engineering feats of the early mining days."⁴

The construction of reservoirs was important in the Columbia area, as well as in the higher mountains. The upper line reservoirs held water for use in the late summer when water was scarce. Those built around the diggings held the water that ran through the flumes

³"Hittell's Scraps," Vol. III, p. 50, Collection of pictures, manuscripts, and newspaper clippings about California, Bancroft Library, University of California.

⁴Edna Bryan Buckbee, The Saga of Old Tuolumne (New York: Press of the Pioneers, 1935) p.276.

and ditches at night and on Sunday, when the miners weren't working.⁵ This supply of water was then released the next day to other ditches. In this manner, twice as many toms could be supplied as the normal twelve hour day amount could provide.

Ditches and flumes were enlarged to carry more water. The late 1850 ditches were three and four times as wide as the first ones dug. More water was needed to supply the newer and deeper diggings. Both companies competed to extend their ditch lines to previously unsupplied tom stream claims. They also realized greater quantities of water would be needed in the dry season for deep claims. As early as September, 1854, the Columbia Gazette reported the surface plocers were fairly well worked over.⁶ After the Columbia and Stanislaus River Company's line was begun and miners felt an assurance that plentiful water would be provided them, they began sinking shafts to bedrock, sometimes as deep as one hundred feet.⁷ Men arduously hauled the red dirt to the top in buckets tied to long ropes. They tasted the gold all the way down, making sure it would pay. The problem with deep "claiming" was that the winter rains, either by direct fall or the subsequent rising of the water table, filled up the holes; so when the ditch company offered saleable water, their claims were not workable. After the water was pumped out in March,

⁵ Wallace Letters, July 18, 1853.

⁶ Columbia Gazette, September 30, 1854.

⁷ Union Democrat, November 11, 1854.

they only had three or four months' use of ditch water before the rivers gave out. This deep claim dilemma could only be solved by a copious supply of summer and fall water, and the ditch companies were spending vast sums to oblige all hands.

Beginning with 1856 Columbia witnessed its most prosperous spring up to that date. These good times were caused by deep "claiming" operations, the greater quantity of water made available by the two companies and a reduction of rates to a level of two dollars a ton where the companies were competitive. Money was abundant and general prosperity existed in all places and all spheres of commerce and industry. Business thrived, water was plentiful and cheap, gold was abundant, and general optimism abounded. Gold production grew to an average of seventeen thousand dollars a day from March through June.⁸ Prosperity was soon curtailed, though. An early, dry summer set in before the Tuolumne County Water Company could finish its great dams and reservoirs. Since the new company's line was only completed to the South Fork, another water famine sent the miners on their usual summer departures to the river bars that July.

Some miners did not leave for the rivers. These were the claim owners themselves, and not their hired sluice laborers. They started piling their dirt up near the sluices making preparations for the immense harvest of gold when the winter rains would set in upon them. The rains did not come til late December, and the

⁸California Chronicle, April 21, 1856, and San Francisco Daily Herald, June 11, 1856.

Sacramento Daily Union reported, "We never saw such dull times as at present in Columbia"⁹ without water or money. When the rains came, the spirit of depression left. Every available miner threw himself into the work of washing to the exclusion of every other thought. Long lines of men on both sides of the sluice toiled with vigorous energy anticipating rewarding discoveries.

Gold production in the spring of 1857 was the best it had ever been. Wet season rains were the biggest since 1852. Rains and floods often washed down flumes or broke ditches, but when running, the old company's enlarged ditches were carrying over four hundred ton streams of water. Four thousand five hundred miners within a two mile radius of Columbia were using water from the ditches of both companies. They were averaging four dollars a day or \$108,000 dollars weekly.¹⁰ The Tuolumne County Water Company's proceeds were as high as thirteen thousand dollars a week, and they were building a new main flume from the South Fork to Columbia four times the capacity of the old one.¹¹ Several of the huge dams and reservoirs in the mountains were finished, and it was anticipated water would be available all year.

The wheel of fortune was still not favoring the miners, though. The new company was still working on its long tunnel and was encountering trestle construction problems not fully anticipated beforehand. They

⁹Sacramento Daily Times, December 17, 1856.

¹⁰Daily Alta California, April 26, 1857.

¹¹San Francisco Daily Herald, January 26, 1857.

would not be finished until late the next year. The old company was more hopeful. In the middle of July, 1857, the South Fork was still supplying the ditches with an adequate supply of water, and they had several dams and reservoirs to tap when the river supply was exhausted. Bad luck occurred at this time, however. Their reservoir, situated in the mountains four miles above Pine Log, burst, causing the death of four people and considerable property and ditch damage. The upper line reservoirs supplied a small trickle of water until early September, but the new company's ditch supply had failed the last week of July. It was the best summer for the miners and businessmen since 1853, but when the new ditch line gave out, the old company raised their tom stream prices a dollar, and most miners left for the rivers again. The Sonora Herald aptly described the perennial situation.

The supplies afforded by the ditches are either entirely stopped or have dwindled down to pitiful streams insufficient for the population generally employed at mining, and as a consequence the camps are extremely dull, business languishes and but little money changes hands. This is the season when our hard times generally commence, which last until the spring fairly opens [revealing] the universally dried up appearance of mining camps at this season.¹²

1858 was the last boom year for Columbia. Water held out until August in the South Fork, but the old company's reservoirs were all finished by this time, supplying its customers with a two hundred and fifty tom stream supply. Business was generally brisk and many lots increased in value from four hundred to nine hundred dollars a lot.¹³

¹²Sonora Herald, September 10, 1857.

¹³Daily Alta California, February 17, 1856.

The new company's line would definitely be finished in 1858, and the old company had finished most of its expansion and improvements. Optimism was based on good gold profits, past riches of the placer fields that caused many to believe the mines were inexhaustless, the near completion of the Columbia and Stanislaus Water Company, and the assurance of an unceasing flow of water. Despite this atmosphere of good feeling, developments transpired to demonstrate this would be the last big year for Columbia. Rich, deep mines were becoming worked out causing gold production to decrease by half down to fifty thousand dollars a week. When news of the Fraser River excitement reached the miners, several hundred men headed north with hopes of finding newer and more valuable treasures. Another factor was the shaky solvency status of the new miners' company.

In 1859 these developments became more acute. Gold production decreased, miners left for Virginia City and the "Washoe diggings", and the Columbia and Stanislaus River Company was foreclosed. After this, gold production diminished every year. Some quartz and hydraulic mining was tried on the hillsides of the Columbia basin, but generally it proved to be unprofitable. The confident toil of the sluicers was pursued less energetically, banks closed at six on Saturday evenings, and merchants generally became discouraged. The hectic competition of the two water companies from 1855 to 1858 spurred the miners on to an intensive working of the placers so that they were soon exhausted.

The feverish struggle to supply the miners with a year round supply of water was only one of the battles between the two companies. Almost as intense was the legal fight over who had the right to use the waters of the South Fork to supply the claim holders. When the new company organized in late 1854, the directors believed they had the legal right to use all the water in the South Fork that the Tuolumne Water Company was not using. The old company had decided it was going to enlarge its ditches and flumes in late 1854 and was entitled to all the water of the South Fork because it was there first, and because it decided to expand operations before the new company was organized. For these reasons, a prolonged court battle was fought between the two companies during the last half of the 1850's for the water rights of the South Fork of the Stanislaus River.

The case was extremely perplexing because of the vagueness of customs and laws relative to the situation. To fully understand the complexity, a brief sketch of water rights history should be explained, insofar as it is pertinent to the case. Americans had adopted the English doctrine of common law by which a farmer or miner could use the "water running in a definite stream...but he [could] not prevent the natural flow of the stream."¹⁴ As the Americans moved west to the frontiers where water was scarce, they modified the doctrine of riparian rights. A riparian owner was one who owned the bank or banks of a stream, and by virtue of position he had the right to use

¹⁴Gregory Yale, Legal Titles to Mining Claims and Water Rights (San Francisco: A. Roman and Company, 1867), p.141.

and divert the water as long as nobody up or down stream was injured. The Forty-Niners were the first to modify the riparian rights doctrine. A miner would find gold and stake a claim. He was on public domain and didn't care to own the grounds, so he had no riparian ownership rights; however, by virtue of being the first finder, he exercised exclusive use of his mining claim. The earliest claims were to river bars or land adjacent to the streams. In either case water was necessary to pan the gold, so the first claim finder exercised first, or prior, rights to the water. He really didn't care about the land or water, except as they pertained to gold. By 1850 many dry diggings were found to be rich, and water was diverted to them so the ground could be worked. These dry diggings were nonriparian. Soon disputes arose about who had the right to the water. It was only natural that democratic miners would apply to water the same rule they applied to gold - priority rights. This system of law was an entirely new rule unknown in the history of the world.¹⁵

As far as the courts were concerned, further legal issues complicated the case. In 1851 California passed two contradictory laws that remained in effect the rest of the decade. The first one was a simple statute stating the common law was the rule of the state.¹⁶ Ditch companies could not use river water under this law, for they sought to divert the water. The second statute recognized the miners'

¹⁵Clesson S. Kinney, A Treatise on the Law of Irrigation (Washington, D.C.: Lowdermilk & Co., 1912), p.1044.

¹⁶California, Statutes (1850), c. XCV.

prior appropriation modification of riparian rights, stating, "customs, usages, or regulations established, or in force, at the bar or diggings embracing such claims...shall govern the decision of the action."¹⁷ Behind the first was the precedent and prestige of common law. Behind the other was the powerful argument of necessity backed by the customs of the miners. The federal laws didn't help any. The federal government had granted water appropriation privileges for mining purposes to ditch and canal companies, but there was no legislation concerning conflicting usage. The federal supreme court upheld the principle of prior appropriation, but no legislation was enacted until July 26, 1866.¹⁸ California, having two conflicting laws, left the disputes for the local courts to solve.

The ditch companies grew very powerful in certain sections of the Mother Lode by 1852, yet the contradictory legislation legalizing their diversion of the rivers for the miners' usage in the dry diggings was ambiguous. They didn't have the common law state rights, but they did have the support of the miners, and the miners usually got their way. It was thus found expedient by the ditch companies to claim appropriation rights because they had the miners' backing and these appropriation rights came to be legally acceptable by the courts.¹⁹

¹⁷Ibid.

¹⁸Yale, p.138.

¹⁹Ibid., p.196.

The Tuolumne County Water Company sued the Columbia and Stanislaus River Water Company because the former claimed priority rights.²⁰ They stated the new company took their water from the South Fork of the Stanislaus causing the Tuolumne Company's supply to be lessened in the summer months. The new company, or defendants, agreed the plaintiffs had the right to the first one hundred tom streams by prior rights, because this was the capacity of the old company's ditch and flume from 1852 to 1855. The new company posted notices in "August or September, 1854,"²¹ at the point where they intended to tap the South Fork saying it was "their intention to appropriate and use all the water of said river at that time unappropriated."²² The plaintiffs countered that the new company wasn't even organized until October 21, 1854, and construction didn't begin until March 19, 1855. R. A. Robinson, secretary of the old company in 1854, showed the regular book of trustee minutes in which he had written that a motion was passed to enlarge the ditch September 1, 1854, and he was appointed head of the preliminary crew to enlarge the ditch's capacity; therefore, his company maintained prior rights. The defendants countered that their company started in August, 1854, as the Miners Independent Water Company, that they changed their name October 21, 1854, but it was the same company consisting of the same members, plus additions, and they called to the stand a long list of

²⁰ TCM Co. v. CSR Co.

²¹ Ibid.

²² Ibid.

distinguished men to verify it. A number of outstanding Columbia area people testified, including General Bernard, William McKinty, Andrew Fletcher, J. D. Patterson, Joseph Pownall, L. C. Gunn, R. A. Robinson, Armstrong, Ross, and others.

Judge G. T. Martin, District Court Judge, instructed the jury to consider "whether the plaintiffs in good faith commenced the enlargement of their ditch prior to the time when defendants in good faith commenced operation of their ditch."²³ The case dragged on for years before the jury upheld the old company's claim. Finally, on February 19, 1859, Judge Martin awarded the Tuolumne County Water Company the prior rights to a three hundred tom stream.²⁴ By this time the decision had little meaning, because the new company had completed their line to the Main Fork of the Stanislaus, and was about to lose its line to creditors, and eventually to be purchased by the old company.

The last struggle between the two water companies involved an intriguing financial development that forced the sale of the miners' ditch to the Tuolumne County Water Company. It will be recalled that the new company's officers figured three hundred and fifty thousand dollars would be required to build their ditch. They authorized three hundred thousand dollars worth of capital stock, fifteen hundred shares worth two hundred dollars each. Some revenue would be earned when the ditch reached the South Fork. It was thought a years'

²³Ibid.

²⁴Ibid.

construction would complete the canal to the Main Fork, and it was estimated the ditch would be more than paid off one year after that. In May, 1855, two months after work commenced on the ditch, a mass miners' meeting was held to exhibit to the public the solvent financial condition of the company.²⁵ Everyone was satisfied and work merrily continued on the miners' ditch.

After five surveys, company engineers decided a ditch, as originally planned, could not feasibly carry the waters of the Main Fork by gravity to Columbia. A tunnel would have to be constructed instead. This meant a longer delay before capacity revenue could be effectuated and it meant greater expenses. The trustees were forced to increase the capital stock by one hundred and fifty thousand dollars in June, 1856, one month after construction began on the tunnel.²⁶ It was at this time the trustees made their first grave financial mistake. They mortgaged sections of their line that ran through company owned property. Some merchants and businessmen were still supplying provisions to the workers on the upper line, but now they wanted mortgages instead of shares.²⁷ These businessmen wanted a tangible claim against the company in case financial difficulties would occur.

Many miners grew impatient with the company after two years

²⁵San Francisco News, May 22, 1855.

²⁶Union Democrat, July 19, 1856.

²⁷Columbia Times, November 22, 1860.

of construction difficulties. Spirits were low and mining rewards were the best they had ever been in the spring of 1857. Why dig ditches for paper shares when deep diggings were yielding their precious yellow treasures? The company had to advertise in May for one hundred and fifty men to work on their ditch for shares or water scrip.²⁸ Shortly thereafter, the tunnel was completed and shares advanced twenty-five per cent.²⁹ Most of the gain merely was an adjustment of a previous depreciation though.

Those conditions of heavy indebtedness, increasing mortgage attachment, and delayed ditch completion could not continue much longer. In October, 1858, one month before the line was finally finished, the company was forced to announce foreclosure threats were "Not Sol [and had] no foundation in fact."³⁰ Within seven months foreclosure would be effected.

In December, 1858, the directors of the Columbia and Stanislaus Company decided on a grandiose financial scheme to alleviate their money problems. They would negotiate a loan of four hundred thousand dollars in New York or Europe at ten per cent a year to pay off all its indebtedness. This would be preferable to paying the current three per cent a month and should be attractive. They reasoned the ditch was capable of running five hundred ton streams daily at two dollars per ton head, or one thousand dollars a day. They should

²⁸ Union Democrat, May 25, 1857.

²⁹ Sacramento Daily Union, June 1, 1857.

³⁰ Inclusive Courier, October 30, 1858.

safely gross three hundred thousand dollars a year. Expenses would not exceed one hundred and fifty thousand dollars, interest would be forty thousand dollars, and the net profit to the company would be one hundred and ten thousand dollars a year.³¹ Months passed, nobody offered to lead the company four hundred thousand dollars. The sum of \$277,839.60 in notes and mortgages was due along with \$96,801 in interest,³² and foreclosures were threatened more vociferously, especially by a San Francisco speculator named Erwin Davis.

Over two thousand people assembled on Columbia's Main Street on Wednesday, April 27, to answer to a call of the officers of the miners' ditch detailing the financial embarrassments of the company. Colonel I. A. Stevens, president of the miners' association, and Captain J. A. Palmer gave the main addresses. They said Erwin Davis had planned to go ahead with foreclosure proceedings, and since he held so many mortgages, members of the present assemblage should "canvass the county for funds to be applied towards paying Mr. Davis' judgments against the New Ditch."³³ If that failed they should offer Davis the ditch for three months, let him appoint his own receiver, and apply the whole of the receipts during that time toward the payment of the mortgages. Seeing it was hopeless to raise the money, a committee went to Sonora on Friday, April 29, to confer with Davis. After a lengthy conference with him, they offered him ~~the ditch for three months, while they tried to raise his money.~~

³¹Daily Alta California, December 20, 1858.

³²Columbia Times, November 15, 1860.

³³Polonne Courier, April 30, 1859.

Davis answered them, "I cannot postpone the sale at all."³⁴

Davis' foreclosure was set for Monday, May 2, 1859, in front of the Sonora courthouse. A mob of Columbians marched to Sonora in the rain that day to try to talk Davis into a postponement. Three thousand men stood in the pouring rain to show Davis their earnest interest in the affair. All they wanted was forty-five days to raise his money. Colonel Stevens addressed the throng and appointed a committee to confer with Davis. The mob was more for hanging than talking though, and when Davis appeared, the mob screamed, "Hang him!", and he was forced to leave the courthouse by a back window, from where he raced to the safety of the jail "with so much speed, that even Gildersleeve himself, would have gazed on him with wonder and admiration".³⁵ In jail Davis refused to see anyone. Though the sheriff's sale was put off one week -- five days after Davis left town -- on May 9th, the foreclosure was effected, and the ditch company was sold to Davis for seventy-three thousand dollars.³⁶

An effort was made to redeem the miners' ditch from Davis by local citizens. Ninety-five thousand dollars were raised in Columbia, Springfield, and Sonora to pay off the judgment creditor from San Francisco.³⁷ The citizens called their group the Tuolumne Redemption Company. By this time Davis had purchased more mortgages

³⁴Ibid.

³⁵Ibid., May 7, 1859.

³⁶Sonora County Recorder, Book of Deeds, Vol. 9, p.322.

³⁷San Francisco Daily Bulletin, November 16, 1859.

than the Tuolumne Redemption Company could pay him, so the redemption failed and on July 7, 1860, he sold the Columbia and Stanislaus River Water Company to the Tuolumne County Water Company for \$149,307.18.³⁸

From the miners' viewpoint, Erwin Davis fitted the role of villain perfectly. He was a San Francisco speculator, who by his own admission was employed as a "money lender".³⁹ He had been buying up mortgages since January, 1857.⁴⁰ More than one influential Columbia citizen went on record as saying Davis' plan to foreclose on the miners' ditch was a "premeditated and well matured plan."⁴¹ It was later disclosed that Davis was a close friend and trustee on the same water company in San Francisco with John Bensley, influential San Francisco shareholder and trustee of the Tuolumne County Water Company. The two were friends and business partners of D.O. Mills, leading shareholder of the Tuolumne County Water Company most of the 1850's, and its president in 1860.⁴² After Davis foreclosed and sold the company, Bensley handled much of Davis' correspondence and business with the Tuolumne County Water Company.⁴³ Though it would probably be impossible to prove, the perceptive miners felt they had enough circumstantial evidence to prove that Davis was a pawn of the old company to extort the miners' ditch from them.⁴⁴

³⁸Book of Deeds, Vol. 9, p.387. ³⁹Ibid., Vol. 6, p. 164.

⁴⁰Ibid., Vol. 4, p.120

⁴¹Tuolumne Courier, May 7, 1859.

⁴²Letter from John Bensley to Joseph Pownall, March 9, 1861, in Tuolumne County Water Company folder (Columbia Museum, Columbia, California). Bensley was an important San Francisco shareholder in the Tuolumne County Water Company and Pownall was secretary of the same water company. Cited hereafter as Bensley Letters.

The last half of the decade witnessed three dynamic struggles between the two companies. The old company, made solvent during the plush days of Columbia and backed by important financial men, was able to claim all three victories. They were able to supply the miners with a nine months' supply of water, while the miners' ditch never achieved their year round annual supply of water as the Columbia and Stanislaus River Water Company. The old company won the court battle to appropriate the South Fork. Lastly, whether it was by scheme or circumstance, the miners' ditch fell into the hands of the old company. The year 1860 ended as had the year 1852 for Columbia; the Tuolumne County Water Company was the only ditch outfit supplying the miners with water.

CHAPTER VIII

DITCH BREAKERS

The miners realized in early 1855 that the Tuolumne County Water Company was not going to reduce its rates of six dollars a nine inch tom stream to four dollars, unless drastic action was taken. For this reason they held a mass meeting in Columbia in March, 1855, and agreed to boycott the company until the rates were reduced. They also agreed to help build a new ditch line, the Columbia and Stanislaus River Water Company, in which they would take shares for their labor. By taking shares instead of water scrip they would be assured of a strong voice in the new company's management. This line was often referred to as the miners' ditch, because it was in large part owned by many, small shareholding miners. The company experienced so many construction and financial difficulties that it took three and a half years, to November, 1858, to finish the line, at a cost of over one million dollars. Much of the line was built on credit. By the time the ditch was finished, the company was not able to meet its monthly interest payments, much less pay the creditors.

The new company had been forced to issue mortgages to various local citizens, and Erwin Davis, a San Francisco money lender and speculator, bought many of them. He then announced he would foreclose in May, 1859. The mortgages would be sold by the sheriff at the

county court house, and the small shareholding miners would lose their ditch. Hoping to delay the execution of the sale, the miners threatened that if the ditch was sold under a sheriff's sale, they would cut both ditches.¹ The small share holding miners felt Davis and the old company were scheming to destroy their canal and by threatening to break the ditch, neither company could realize a profit; hence, the sale would be delayed or cancelled. Davis wasn't frightened though, and the ditch was foreclosed and sold to him on May 9, 1859. The miners' bluff didn't work.

For the next year the miners tried to raise money to redeem the company, while still threatening to break the ditch line if Davis sold to the old company. Davis, living comfortably in San Francisco and caring little for the mountaineers, sold the miners' ditch to the Tuolumne County Water Company on July 7, 1860, for \$149,307.18. That same week the main flume was broken, diverting the water from its route to Columbia to a craggy canyon and back to the Stanislaus.² Water rates were lowered to three dollars a twelve inch tom stream in an effort to please the miners.³

¹Daily Alta California, May 6, 1859.

²Columbia Gazette, July 10, 1860.

³Beginning Monday, July 16, 1860, water rates as announced in the July 10, 1860, Columbia Gazette were to be as follows:

1 stream of 12 inches	\$3.00 per day
1 stream of 15 inches	\$3.50 per day
1 stream of 18 inches	\$4.00 per day
1 stream of 21 inches	\$4.50 per day
1 stream of 24 inches	\$5.00 per day
up to 48 inches	20¢ per inch.
48-100 inches	18¢ per inch.

In September, 1860, D. O. Mills and John Bensley, two of the miners' hated representatives of absentee big city owners, were elected trustees of the huge and powerful new line. Mills was elected president.

A group of former small shareholders decided their rants and threats had done nothing for their cause. Davis had foreclosed the ditch, sold it to the spiteful old company, and D. O. Mills was going to manage the company's affairs from Sacramento and San Francisco. Their attempt at redemption had failed, and their years of labor were fruitless. A small group of mining desperadoes decided to direct their fury at the "monster monopoly". A couple of weeks after Mills was elected president, a small band of revengers placed a wide board in the ditch causing the water to overflow. An alert company night watchman came upon the situation, removed the board, and took footprint specimens to company officers.⁴

The new secret group of former small shareholders, now known as the "Ditch Breakers", struck every evening as October commenced. One night they drilled a half dozen holes with a two inch auger into the flume supports of the old company's high flume near Lyon's Ranch. The holes were plugged with gun powder, a twenty inch fuse was lighted, and the lofty flume was blown to smithereens. It had bridged a wide chasm and had been very difficult to erect. Another night they broke the new company's main ditch, ending the water supply

⁴Columbia Times, September 27, 1860.

to Columbia for several weeks.⁵ The nightly depredations reached serious proportions, but the authorities couldn't catch the culprits because of the wild character of the country "and the secrecy of the movements of the outlaws."⁶

With the ditch company's water supply cut off and income temporarily halted, the ditch breakers held a meeting. They decided their harsh actions were justified -- the company deserved it -- but, the miners and business portion of the community were suffering. The best policy now seemed to demand of the company a cash settlement that was "justly their due."⁷ The ditch breakers sent the company the following letter:

To the President and Board of Trustees of the Tuolumne Water Company.

You have at last succeeded after years of infamous scheming, deception and fraud, in robbing the members of the Columbia & Stanislaus River Water Co. of the fruits of their hard labor for five years.

Your plans for the accomplishment of this object were formed as early as 1855; and the secrecy necessary for the consummation of the villainous plot you have been able to maintain.

For this purpose an agent was indispensable. You found a willing tool in Erwin Davis of San Francisco -- a striking example of the depth of infamy of which the human mind is capable.

That the law attaches no penalty to robberies of this class, does not in the least palliate the crime which you have committed. These are crimes of such an inhuman nature as not to be conceived or thought of by the makers of the law or by the people, and therefore are not mentioned in the statutes.

The highway robber is visited with the extreme penalty of the

⁵Ibid., October 8, 1860.

⁶Ibid.

⁷San Francisco Evening Bulletin, October 17, 1860.

law. How insignificant his crime compared with yours. He may take but a few dollars from his victim; you have robbed hundreds of industrious, hard working men -- many of them, not only of the proceeds of five years toil but their all -- leaving them penniless. The highway man may have want to plead in extenuation; your only incentive was avaricious greediness of your own Sordid minds....

Besides the injury you have done to those immediately interested in the New Ditch, you have done great injury to the whole community. Business is brought almost to a dead stop. Property is of no available value, and there is a general feeling of insecurity and dread.

Should the worse come, and this beautiful garden of Tuolumne be made a desert, on you alone would rest the fearful responsibility. It is our desire to avert this impending calamity. We believe it can only be done your placing at our disposal the sum of \$66,000.⁸

The letter was signed by twenty-nine miners. Only James McLean and Ferdinand Fiedler were included among the group, who were prominent members of the new ditch since its earliest days in 1854. Needless to say, the Tuolumne County Water Company would have no part of this extortion threat. They answered the ditch breakers that the request could not be "complied with."⁹

The water company's refusal to comply with the demands of the "mountain engineers," as they now liked to call themselves, resulted in a new rash of destruction. Ditches were broken and clogged up, flumes were jammed with big rocks, hoping to clog them up,¹⁰ and a thunderous wave of destruction was effected by the blowing up of the high flumes. At Smith and Morse's Mill, eight miles from Columbia, a thirty foot high flume, four or five rods long, was blown up.¹¹ Sixty feet of aqueduct

⁸Ibid.

⁹Ibid.

¹⁰Tuolumne Courier, October 27, 1860.

¹¹Ibid., October 13, 1860.

were destroyed by gunpowder explosions at Middle Camp.¹² In early December the most important flume bringing water from the Main Fork was demolished "effectively cutting off every hope of supply of water during the present winter."¹³ It was two hundred feet of flume and trestle work, sixty feet high crossing Summit Creek. An anonymous letter was sent to the board of trustees, threatening to assassinate them unless the ditch difficulties were settled.¹⁴

The Tuolumne Water Company attempted to stop the ravage. They threatened to stop the water supply if the destruction didn't cease. They hoped this would anger the working miners so much, they would run the "mountain engineers" out of the county. A one thousand dollar reward was offered for the apprehension and conviction of any of the culprits; detectives were brought to the mines from San Francisco and a ditch guard was hired. Tough Bill Carder commanded the ditch guard, but he and his crew were completely ineffective. The "mountain engineers" made it rough on anyone who came to the upper line to oppose them. Carder, for all his boasted bravery, did nothing. He either stayed in town delegating duty or merely approached the upper line limits. One day he supposedly set up his hat as a target, fired three or four pistol shots through it, and returned to town with his hat as evidence of his fight with the ditch breakers. He announced it would

¹²Ibid., October 27, 1860.

¹³Ibid., December 10, 1860.

¹⁴Daily Alta California, November 29, 1860.

be useless to guard the ditch with a force of less than one thousand armed men.¹⁵

The local citizens were caught in the middle of the whole calamity. Some sympathized with the ditch breakers, for many traditionally disliked the old company. The miners and citizens were hurt economically though. The express and banking offices in November estimated community losses at \$150,000 a month. Wells Fargo was only shipping a tenth as much gold as in August.¹⁶ Business was exceedingly dull. "There are more unoccupied stores in our city at present, than there have been for the past seven years."¹⁷ Real Estate was down fifty per cent. After the main flume and trestle from the Main Fork was blown up, gold receipts of fifty to sixty thousand a week dropped to two or three hundred dollars a week, a decrease of ninety-nine per cent.¹⁸

In January, 1861, the situation became more complicated than ever. A group of the old Columbia and Stanislaus River Water Company shareholders met and held an election of trustees and officers.¹⁹ Some of these men were members of the ditch breakers, while some were respectable and responsible town citizens. The trustees in February

¹⁵Tuolumne Independent, April 26, 1864.

¹⁶Daily Alta California, November 21, 1860.

¹⁷Columbia Times, December 20, 1860.

¹⁸San Francisco Evening Bulletin, December 27, 1860.

¹⁹The Columbia Times on January 24, 1861, announced the results of the election of Columbia & Stanislaus River Water Co. officers and trustees. The name of the president was not given. Trustees were A. G. White, Patrick Mallan, W. Fletcher, F. Hildreth, Dr. Windler, Dr. Schmidt, John Jolly, I. J. Potter, and J. E. Wilder. Treasurer was M. Alberdine; Secretary, F. Fiedler; and Superintendent, A. Kingsbury.

announced that the only way of effecting a settlement was to surrender the miners' ditch to them at the cost Davis had bought it for at the sheriff's sale.²⁰ This announcement was made a couple of weeks after a group of local citizens called the Committee of Conference was negotiating with the old company and the new trustees to effect a settlement by reducing the price of water from three dollars a twelve inch stream to two dollars, or 16-2/3 cents an inch.²¹ The new trustees announced no water rate reduction would end the settlement. They didn't know how much the ditch breakers would take in extortion money to end their war of retaliation, but they would consider a percentage paid on their Columbia and Stanislaus Company stock "as a possible way of ending the trouble,"²² if they couldn't buy it back for approximately ninety thousand dollars.

The Tuolumne County Water Company refused to negotiate with the ditch breakers or new trustees during this time. All their replies were made in letters to the newspaper or the Committee of Conference. They did offer to sell both ditch lines for \$475,000.²³ Company feelings were well illustrated in letters written by John Bensley, leading San Francisco shareholder and member of the board of trustees, to Joseph Pomall, secretary of the old company. In February Bensley wrote, "The only effective remedy is to shut the water off if they cut or break the Ditch and let it remain until the miners themselves repair it...even should it take Six Months."²⁴ He felt the diggings

²⁰Columbia Times, February 21, 1861. ²¹Ibid.

²²Ibid., February 21, 1861. ²³Ibid., March 7, 1861.

²⁴Bensley Letters, February 8, 1861.

would not be worked out in the meantime and they'd eventually get the rates the company wanted to charge. Bensley refused to consider a compromise with either group of trouble makers, even though "every Man, Woman, and Child in the Co. [county] is dependent on the water."²⁵ He said D. O. Mills concurred with him on all views.²⁶

By March, 1861, the ditch breakers realized they were getting nowhere by negotiating; so thirty rods of Five Mile Creek flume were totally destroyed by picks and crowbars, and one hundred more rods were damaged by knocking off the cross pieces which supported the sides.²⁷ The water company now realized they were against a more determined and powerful group of obstructionists than they had reckoned with. Pownall, who had been with the company since 1852 and who remained in Columbia as secretary of the company until he died, was more considerate of the company's community position than Bensley or Mills. He was in favor of paying the extortion money to the "breakers". Pownall sent J. D. Patterson, as a mediator, to San Francisco and Sacramento to see Bensley and Mills. Patterson said twenty thousand dollars was the least the ditch breakers would take for settlement.²⁸

Bensley was finally willing to compromise and pay a maximum of five or six thousand dollars extortion money, "provided Mr. D. O. Mills should assent to it."²⁹ He felt the ringleaders should

²⁵Ibid., February 23, 1861.

²⁶Ibid., March 9, 1861.

²⁷Columbia Times, March 7, 1861.

²⁸Bensley Letters, April 18, 1861.

²⁹Ibid.

be paid from two to five hundred dollars each and be sent to "Washoe" or "the Atlantic States."³⁰ D. O. Mills did not want to pay more than five thousand dollars' extortion money, but brother Edgar, who had been closer to the situation, convinced him to settle for ten thousand dollars.³¹ At this time Patterson convinced Bensley and Mills that the most responsible citizens of the county would become responsible and bind themselves to make good any breaks that might occur by paying all damages.³²

In May, 1861, the ditch breakers were paid ten thousand dollars,³³ and the Tuolumne County Water Company had no more lawless frontier disturbances. The company fixed its broken ditches and flumes, and an abundant supply of water was again distributed to the claims. Many old miners' faces were gone though. Some left because of the water squabbles and the uncertainty of an available supply of water; others left for Virginia City or the Civil War; and others left because they felt the mines were played out.³⁴ The ditch breaking problems were over, but so were the days of big gold yields. The amazingly rich little gold basin of Columbia, as early as 1861, felt "the chilling touch of that paralysis which turns booming towns into crumbling ghost towns."³⁵ Water, the miners' white gold was plentiful, but nature's precious yellow gold was almost gone.

³⁰Ibid., April 8, 1861.

³¹Ibid., April 22, 1861.

³²Ibid., April 18, 1861.

³³Ibid., June 1, 1861.

³⁴Columbia Times, May 15, 1861.

³⁵Paul, California Gold, p.245.

CHAPTER IX

CONCLUSION

Columbia's main attraction during the 1850's was its exceedingly rich, gold placer fields. The precious metal had been deposited in the limestone basin and was embedded in the red soil. When the Forty-Niners swarmed over the Columbia basin their paramount desire was to get gold, but to separate it from the "pay dirt," the miners had to have water; so the quest for that precious fluid played a role equally as important as the search for the treasured gold.

The first gold seekers at the Columbia dry diggings in the spring of 1850 worked adjacent to Matelot Gulch and Mormon Creek where water was plentiful. When these claims were all occupied miners sought ground bordering small brooks, ponds, or puddles, where the yellow placers could be easily panned and extracted from the red soil. When the creeks and gulch dried up as summer began the claims became "unworkable". A few enterprising miners who had rich claims carried their dirt in cowhide sacks to nearby Springfield where a natural spring offered water for panning. Some reversed this procedure. They filled barrels with water and hauled the water to the limestone area. Most of them left for the rivers and easier diggings. With the first sign of rain they returned to the dry diggings they knew were rich. Smart miners noted where water would

collect in the wet season, claimed it, and built little cabins. The winter of 1850-1851 was unusually dry however, and the miners spent the winter dreaming of fortunes, rather than working for them. When all hope for rain was given up, they again made their exodus to the rivers.

It was this coming again, going again quandary that irritated the few town merchants. Furthermore, it was this wet season, dry season pattern of rainfall that delighted, then irritated the prospectors. Everyone knew Columbia was rich, so the miners and merchants decided in June, 1851, to divert the precious waters of the Stanislaus into the small valley. Approximately one hundred and sixty pioneering miners, numbering half a dozen nationalities, formed themselves into a company and worked for fifteen months digging ditches and building flumes. The successful completion of the Tuolumne County Water Company transformed the wet weather camp into the richest mining boom town in the state in the 1850's. Over one hundred million dollars worth of gold dust was separated from the red placers and black sand of the Columbia basin by 1861. It was the richest placer valley of comparable size in the world. The yellow gold was abundant, but water, properly named the miners' white gold, was required for the men to successfully exploit nature's treasures.

Columbia's struggle for water did not end when the ditch company completed its line in 1852. The competition now became more intense. A group of investment minded businessmen from big cities below the mountains gained control of the company and kept the price of water high. The miners complained, but the big shareholders would not

budge. By 1855, net gold production per claim was drastically reduced from previous years; yet water was still six dollars a ton stream. The antagonism of the miners attained such a feverish intensity as it was directed at the Tuolumne County Water Company, that they agreed unanimously to boycott the "monster monopoly" until rates were reduced to four dollars. The miners' strike enabled a new outfit, the Columbia and Stanislaus River Water Company, to obtain the allegiance of the mountain men, and the miners' ditch commenced construction. A feverish competition developed between the two companies to satisfy the miners' demands for a year-round supply of water. Without the assistance of the water companies the miners could not count on the South Fork to supply their claims in the late summer and fall. The old company widened its ditches, enlarged its flumes, and built expensive dams and reservoirs. The new company took three and a half years to build forty-six miles of canal at a cost of over one million dollars. Unfortunately when they finished, the gold was nearly gone, and principal and interest payments were so high, the company was unable to meet its financial obligations. Erwin Davis, a San Francisco speculator who held a heavy mortgage interest, foreclosed the company and sold it to the Tuolumne County Water Company in 1860.

The gradual depletion of treasure in the auriferous soil by 1861 caused the "Gen of the Southern Mines" to lose its luster and pre-eminence. The miners had carried away, piecemeal, every particle of shining metal that could be extracted from the canyons, gulches,

and fields of limestone boulders. Claims with picturesque names were abandoned, such as Indian Girl, Dutch Bill, Columbia Boys, The Know-Nothing, Cape Cod, Tiger, Shanghai, Mary Ann, Buckeye, and The Gold Hunter. The placer diggings of the district were worked out.¹

The Tuolumne County Water Company was equipped with seventy-five miles of main ditches and flumes, numerous dams and reservoirs, and an eight to ten months' supply of water; but without gold in a mining town, water was a little valued commodity. The water rate was dropped to three dollars a ton stream in 1860, a fifty per cent reduction from the first half of the 1850's. As the miners began to drift away the water company had to find other consumers. Some placer miners continued to make wages, while some used the water to send great streams against the mountains surrounding the basin, hoping to wash away the side of the hill through their sluices. This was called hydraulic mining. The ditch water was sent through a line of pipes to a distributing box, which sent a powerful jet of water against the side of the mountain. The cutting action of the water loosened the dirt and caused it to fall to the lower ground to a pre-arranged location. Much of the hillside, down to the "bed rock", passed into huge sluices, where the gold was recovered. It was very successful in many parts of the state, but only achieved a modicum of success on the Columbia hillsides. By 1870, a few claims were still being worked, some were still hydraulicking, and some were using the water on the upper lines for power for their quartz mines. Others had given up mining

¹Union Democrat, March 8, 1862.

and turned to farming. The old tom stream ditches were perfect irrigation ditches for cattle, wheat, peach orchards, or a half-acre vegetable patch. The ditch company still made a little money.² In 1866 dividends were better than ten dollars a share, over four per cent on an 1860 two hundred and fifty dollar share. This was a far call from the yields of four per cent a month a decade earlier. The Tuolumne County Water Company maintained its operation until 1901 when it sold out to eventually become a part of the Pacific Gas and Electric Company.

The struggle to bring water from the South Fork of the Stanislaus River had been monumental. The water companies were imperfect and incomplete, yet their liquid blessings that flowed from the rugged Sierra Nevada Mountains brought to Columbia a plentitude which could never have been fully experienced had not man and nature worked together to effect a miracle for themselves. The red ridge of a ditch winding along the lofty hills with its silver thread dashing down the mountain-side through a sluice surrounded by working men represented a romantic image of Columbia at its best.

The resulting conflict between the miners and businessmen presented economic disturbances and quarrels as exciting as any in the west. In the early and mid-1850's many miners and businessmen made a fortune. The claims paid the best in the state, business flourished, the stock of the old water company increased nearly two thousand per cent, and dividends were often four per cent per month. Before the

²Tuolumne Courier, July 19, 1866.

decade was over, each side exploited nature to its capacity, and the struggle became a losing fight for both. The miners and laborers were the first to meet defeat because of the exhaustion of the mines. Although victorious before the miners' strike and after the bargain purchase of the new company in 1860, capital also was ultimately defeated by the depletion of gold, decline in share values, and decrease of dividends. With the mining activity gone, the wooden sidewalks rotted, adobe houses fell to ruin in the winter rains, flumes rotted, reservoirs dried up, and Columbia, the "Gem of the Southern Mines" became a mining ghost town.

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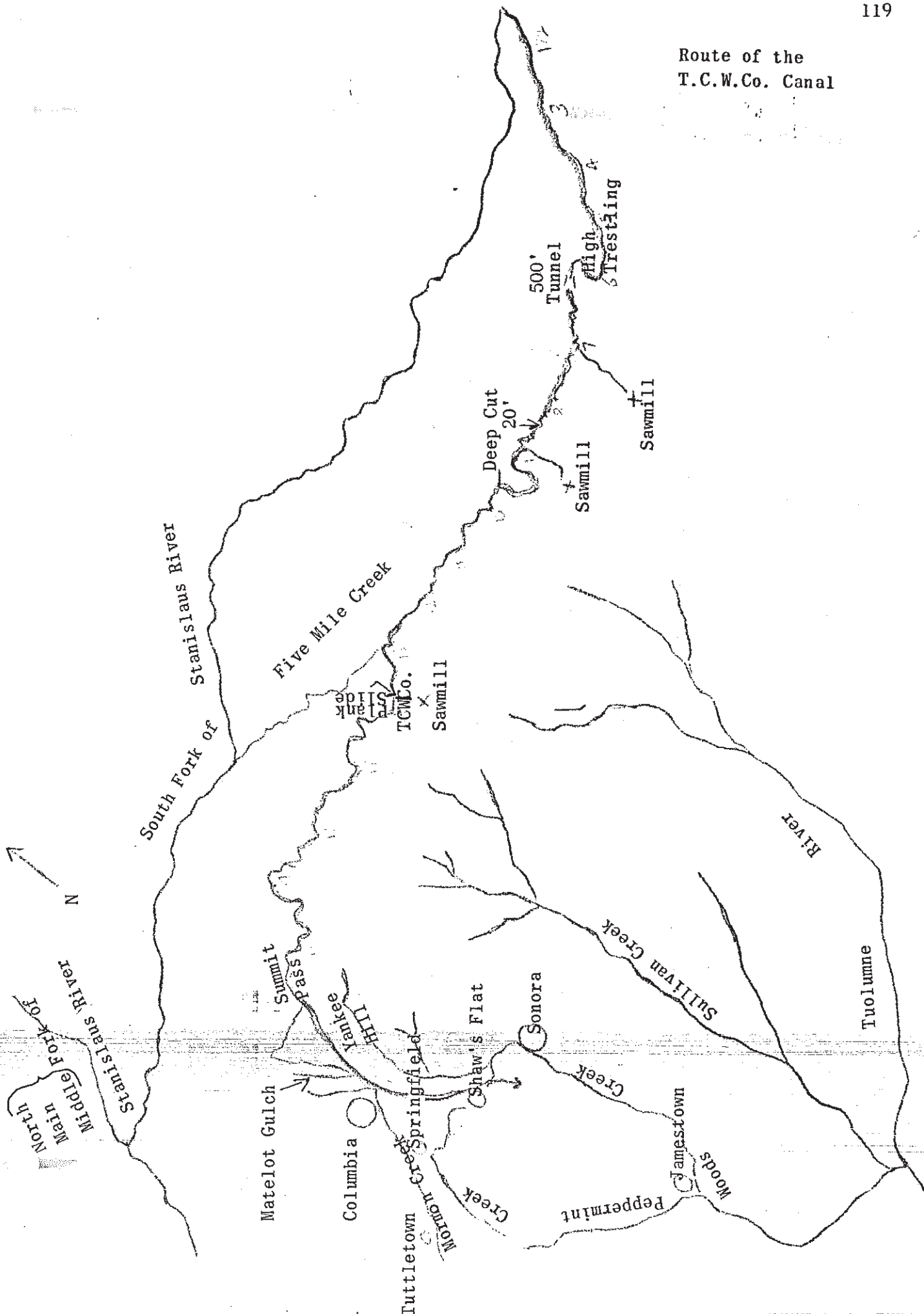
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Route of the
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APPENDIX