

‘WHITE GOLD’ CARRIES DISASTER TO PIONEERS OF OWENS RIVER VALLEY

Here is the fifth of a series of dramatic fact stories of the tragedy that has overtaken the Owens River Valley in Inyo County, where almost the entire population is facing an enforced migration due to the loss of its irrigating water, without which the valley must again become a desert:

By C. E. Kunze
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Now and then the mere possession of wealth brings disaster to an innocent people. It was thus with the Incas, who perished because of their treasure of yellow gold; and it is thus with the people of the Owens valley, face to face with a Homeric calamity, because of their ownership of the White Gold of Inyo.

Few people realize the almost fabulous value of water in a semi-arid region as populous as Los Angeles. It is not only the very foundation of the whole community, but it has a commercial value, a price that is realizable in the open market which places it into the class of precious commodities.

For a single miner's inch of water, coursing down through the Los Angeles aqueduct, the city derives a power toll of about \$500 a year. At wholesale rate the city buys this power at \$180 a year, and this income from one inch of water capitalized at 5 percent gives a property value to it of \$3600.

VALUES INEQUITABLE

The same water is then available either for irrigation of San Fernando Valley land, or for domestic use in Los Angeles, the value of which is estimated at \$2500. This would make a combined value for power and water of \$6100 per miner's inch at the lower end of the aqueduct, and for this water the city is now paying Owens Valley ranchers from \$150 to \$300 an inch.

If we take a reduced value of say \$5000 an inch, the entire valley supply of 30,000 inches has a municipal value to Los Angeles of \$150,000,000.

PRINCELY STAKES

That is its potential commercial value. That is the price the city could pay and recover from its resale to its own inhabitants. The difference between this price and the price the city is paying, constitutes the money prize at stake in the Owens Valley contest.

This was the stake when the city purchased the water in the Big Pine Canal, and it was the stake when John Martin came to Laws less than a year ago and purchased most of the ranches and 80 percent of the water in the McNally ditch, all tributary to the town of Laws.

Laws is the railroad shipping point for the town of Bishop, six miles northeast of Bishop. It came into existence when D. O. Mills, founder of the Bank of California, built the old Carson and Colorado narrow gauge railroad southward from the mining camps of Candelaria and Bellville through the Owens Valley to tap the mineral wealth of Cerro Gordo and other southern Inyo mines.

MARY DEYO, FOR INSTANCE

North of Laws lives Mrs. Mary Deyo, owner of forty acres of land, and a water right in the McNally ditch. Mrs. Deyo is the widow of a Civil War veteran and her life has been a veritable bed of desert cactus. For many years a kind hearted merchant in the town of Bishop has sent her a check monthly with which to keep the wolf from her door, for she was never strong enough to work her little plot of land.

When the McNally purchase was made, John Martin offered her \$4000 for her place. He cared nothing for her land, but she owned twenty five inches of water in the McNally ditch, which to the city, at the southern end of the aqueduct, has a commercial value of \$5000 and inch – at the very least. As the population in Los Angeles increases this value goes higher and higher.

SELLS FOR A “SONG”

Mrs. Deyo, unacquainted with water values, and unable to work her own land, asked \$5000 for her property. Martin offered her \$4000, but she wouldn't take that. Five thousand is so little it will not support her, unaccustomed as she is to comfort and schooled as she is in the arts of penury, but she sees her neighbors all selling and she lets her precious white gold go at \$200 an inch.

ANOTHER EXAMPLE

One of Mrs. Deyo's neighbors is C. A. Peak. He, too, is the owner of forty acres of land under the McNally ditch, with a water right of twenty-five inches.

Peak's wife has been an invalid for many years, leaving to him the sole care of their four children. His farm is under cultivation. In recent years the wife and mother has been taken to a hospital as a state ward. Peak placed a price of \$12,000 on his ranch. Martin, land buyer for the city, offered him \$5000. Peak would not sell, but most of his neighbors did, and through them the city gained its objective, the control of the McNally canal. Now Peak has been punished. He has been classed with an obstreperous minority and the city refuses to pay him any price at all for his property. He is absolutely at the city's mercy, for it controls 80 percent of the ditch stock, has placed its own people in charge of the property and controls the entire water flow to which the McNally stock has a right.

A CITY'S MERCY

If the city chooses to do so, it can run the entire McNally stream down the river, and Peak's only recourse will be a suit in law. Under the circumstances, he can neither plant a crop with the assurance that it will mature, nor can he sell his property, for, other than the city, no one would pay him a dollar for it.

These are not isolated cases. There are a dozen people on the McNally ditch in Peak's situation. These cases are being duplicated wherever the city's land buyer moves.

ANOTHER WIDOW'S CASE

The sale of the McNally lands and water rights has been a savage blow to the townsfolk of Laws. Though a railroad shipping point, its commercial life was chiefly dependent upon the surrounding agricultural development. With this development wiped out, town values have shrunk almost to the vanishing point. What has happened there may be illustrated by the case of Julia Rogers.

Like Mrs. Deyo, Mrs. Rogers is a widow. For years she worked hard in managing an eating house at Laws, saved a little money, received some help from kind-hearted townsfolks and finally was able to start a small store. The building was donated to her by the Woodman lodge, the lot was virtually a gift from a Bishop firm, and her store has been bringing her an income, enough, with what she earns as postmistress, to make her a living.

ALL GONE NOW

She is still postmistress, but the income from her store has evaporated – gone in a day when the McNally canal was sold. The property has lost its selling value as well as its rental value. There was no compensation for the town of Laws when the farming lands about it were wiped out. Mrs. Rogers has been ruined and she is only one of many who have been ruined in this same way. The white gold, whose proximity at Laws had formed the foundation for her support, is a fluid commodity. It runs readily out of the valley now that the aqueduct is built across the Mojave desert. It runs and it picks up value with every mile it makes – hence the tragedy which it is leaving in its wake.

The White Gold of Inyo!

One wonders, after a talk with Mrs. Deyo, Mr. Peak or Mrs. Rogers of the town of Laws, why the people do not guard it with their lives!