Mr. D. R. McDonagh, Chairman, Water Users Committee, R. R. # 1, Winfield, B.C.

Dear Sir,

I have yours of the 26th enclosing a copy of a very long and complicated letter from Mr. Norris to Mr. Cochrane.

It is quite impossible for me to telegraph instructions to Mr Cochrane as there are conditions in Mr. Norris' letter which require both consideration and modification. However as the principle upon which the rate to be charged is practically agreed upon, I see no reason why we should not get together and live in peace and comfort.

There is one condition however which I do not think is fair and that is, that a return on the cost of the dam should be postponed to any sum which the Comptroller should think should be set aside yearly to provide for replacements. This is not fair as the dam itself is a replacement and as such should be paid for first after operation, maintenance and current renewals.

There are other points too which require careful consideration, but as stated, I see no reason why we should not get together.

So far as a repot by an engineer is concerned, we cannot afford to contribute anything to the cost of this report, though we will facilitate an examination by an engineer appointed by or with the approval of the minister or the Comptroller. We paid for a report from a competent engineer last summer which is sufficient for our purposes and, in my opinion, should be sufficient for all purposes.

I would suggest that your Committee sit down with Mr. Logie and discuss the different conditions and see if you cannot agree. Your Committee of course will have to report back to the users generally and Mr Logie will have to report to myself and the Board of Directors your recommendations respectively for approval, though I do not doubt that these recommendations will be satisfactory to both parties.

In the meantime I think the users should pay for their water at the rate stipulated in my letter, which they can do without prjudice to their knext rights of either party.

I would point out that there are several things that must be arranged before the matter can be put on a completed basis. We must get the approval of the Comptroller to our Agreement that we will not put in more than an additional 100 acres under the system, so that if and when we put in a duplicate pipe, which I consider quite possible, if there be sufficient water then to irrigate our cultivable lands over and above the 100 acres we will not have lost our rights through making the proposed arrangements with the users.

In any event I do not see how the matter can be finally disposed of before the end of June, as I am leaving for England on the 15th of April and will not be back until early in June, which will make it the end of that

months before I can reach the Centre.

However, if mutual confidence can be established or restored, there is no reason why your and the Company's operations should not go along smoothly in the meantime. Personally I do not think it necessary to have more than a Water foreman on the system, but, of course, the users should not have any doubt about the Efficiency of anyone we employ as such.

(sigend) Yours truly, James J Warren