of a tunnel 1,600 feet in length. A large dam is now constructed on the Pillarcitos Valley below the tunnel, which dam is seventy-eight feet in hight and two hundred and twenty-eight feet betwen the abutments. This will cause the water to cover ninety-two acres of land, and makes a reservoir that will contain 900,000,000, gallons, which will be filled during the winter season of the year, and be drawn from as required in the city reservoirs, making this the great retaining reservoir. From the east end of the tunnel the water is conducted around the hills into another large reservoir—Lake Honda, back of the Mission Dolores-by a flume eighteen by thirty inches, with a grade of seven feet to the mile, being thirty-two miles in length. Of this distance six miles are laid of iron pipe, and when the flumes are to be replaced, it will probably be done by iron pipe, of which about fourteen miles would be required to make the entire route of iron. Lake Honda is a fine natural reservoir, three hundred and seventy feet above the sea, with a capacity of 52,000,000 gallons, from which place the water is brought to another distributing reservoir, corner of Buchanan and Market streets, by means of sixteen and twelve inch cast-iron mains. The Market Street Reservoir is constructed on a high hill, two hundred feet above the sea, and is made of brick and cement; capacity, 1,750,000 gallons. This is the main distributing res-ervoir, and supplies four-fifths of the city. The ervoir, and supplies four-fifths of the city. upper part of the city is supplied direct from Lake Honda pressure, which will give a good pressure to almost every grade of the city. As to the quality of the water, it is now over five years since it was first introduced, and has been carried to every quarter of the world, and given the greatest satisfaction to all who have used it. The Brannan Street Reservoir, also used by the company, has a capacity of 500,000 gallons.

The main dam above mentioned is completed. The company has also completed a tunnel under the mountain separating the San Mateo from the San Andreas Valley, which will be 3,350 feet long—it will save nearly eight miles of the present flume—reducing the main line of conduit from thirty-two to twenty-four miles in length. This twenty-four miles will eventually be reduced to abont eighteen miles as proved by recent surveys. The company is now at work substituting thirty-inch sheet iron pipe for the flume.

The amount of pipe now laid in the city proper, reaches seventy-eight miles.

SAN MATEO WATER COMPANY.

Incorporated September, 1866. Capital, \$1,000,-000. The object of this company is to supply the City and County of San Francisco, and the several towns along the San Mateo Valley contiguous to the railroad, with pure mountain water. The sources of supply, which are situated about thirty-five miles from San Francisco, are several streams on the east side of the mountains, in San Mateo County.

officers-William E. Barron, F. D. Atherton, Thomas H. Selby, Simon M. Macy, and Benjamin Lathrop, Trustees.

NEW WATER COMPANIES.

Several new enterprises, having for their object the supplying of this city with water, have been incorporated recently. The San Francisco Water Company, organized July 24th, 1867. Capital \$6,000,000. Messrs. James T. Boyd, Milo Hoadley and John H. Turney, Trustees. Bay View Water Company, organized July 13th, 1867. Capital \$1,000,000. Messrs. A. W. Von Schmidt, Thomas Hardy and W. H. Patterson, Trustees. Tamalpias Water Company, organized January 17th, 1868. Capital \$5,000,000. Messrs. O. L. Shafter, James McM. Shafter, Trustees.

Manufactures.

During the past year, the manufacturing interests of San Francisco as a rule have been developing in monitoria processing in number. The magnitude more than increasing in number. results, in the aggregate, have been very satisfactory to parties pecuniarily interested in these enterprises, while at the same time the public have not only been benefited by the larger volume of manufactures, steady prices, and the retention of coin for other purposes in this city, but a much larger field for labor has been opened up, the result of which is a healthy increase of a stable and valuable population. Besides the increased production of old established manufactures during the period above named, there has also been the successful inauguration of several important branches of trade, which enterprises a year since were scarcely in their incipiency. These now have become practically tested, and rank among the most valuable on the Pacific Coast. The most prominent of the new manufactures are the Pacific Rolling Mills, now in successful operation at the Potrero; the lead smelting and refining works of the San Francisco & Pacific Lead and Shot Works at Black Point, where pig lead is obtained from the crude ores of California, Nevada and Arizona Territory; and the Pacific Woolen Mills at the Mission, which latter was the only enterprise of the three that had commenced manufacturing a year ago. All of the above named enterprises have achieved results fully equalling the most sanguine expectations of their projectors, and have already given convincing proofs, by the excellence of their productions and moderate cost, that they can successfully compete with importations from the Atlantic States and Europe.

The market for these domestic productions is also materially extending through increased demand from foreign countries bordering on the Pacific, as well as from the increased population that the agri-cultural resources of California during the past year have drawn so largely from the less favored States on the Atlantic Coast and in the Mississippi Valley. In view of the speedy completion of the Pacific Railroad, the two branches of which, the Atlantic and Pacific ends, are being constructed with a rapidity heretofore unknown in the annals of railway engineering, the manufactures of San Francisco are promised a prosperity and increased stimulation that, with adequate investment of capital, will in a decade enable her to rank second to no other city in The intelligent reader, who has watched the Union. the remarkable progress made in manufactures in this city during the past ten years, noted the peculiar local advantages of climate for uninterrupted labor, and the facilities for commerce which are unrivalled on the Pacific Coast, will consider the above statement no vain boast, but a prediction that will prove an assured reality.

Among the most prominent local events of the past year, in connection with the manufactures of San Francisco, has been the holding of an Industrial Exhibition by the Mechanics' Institute, during the months of August and September, 1868. This association, which, through similar enterprises held in 1857, 1858, 1860, 1864 and 1865, had done so much to stimulate a public spirit and generous rivalry in manufactures in this city, crected a building on Union Square, which for convenience for the intended purpose is said to have only been surpassed in the United States by the iron and glass structure erected for the celebrated World's Fair held in New York in 1854. The Fair building erected on Union Square is 350 feet in building with nave '288 feet long, 80 feet wide, with north and south wings each 272 feet long and 50 feet wide. The nave has an average hight of 63 feet,