

GENERAL CORRESPONDENCE

1878 MAY nd, 3-28

FOLDER NO.

10-25

JAMES J. HILL PAPERS

PLEASE RETAIN
ORIGINAL ORDER

[May 1878]

Having purchased the holdings of the Dakota
Committee of the Bonds of the St Paul & Pacific
and First Division Companies ~~amounting to~~
~~about \$4~~ the purchase price of which Bonds
amounts to about \$4,000,000. and the interest
on which is payable in gold semi annually in
newsposts at 7% per annum amounts to \$280,000.
In addition to above a further sum of about \$15,000
per annum will be required to pay the interest on
the purchase price of the Breckinridge & Barnes lands
~~making~~ making the amount necessary for the payment
of interest about \$3,000,000 yearly

There remains uncompleted of the Extension line
from Melrose to ^{Fergus Falls} Barnesville 118 miles, and
from end of track at Snake River to St Vincent
64 miles the grading of which is all complete
from Melrose to Alexandria 33 miles and
from end of track to within 12 miles of St Vincent
and the grading on the portion from Alexandria
to Barnesville is about half done

The act of the Legislature of the State of Min-
nesota passed in 1877 and amended in 1878
provides that the road shall be completed to
Dunk Center (8 miles from Melrose) by the 1st day
of August 1878 and to Alexandria by the 1st day
of December 1878 - and from end of track to
St Vincent and from Alexandria to Fergus Falls
by the 1st day January 1880. This act also
provides that all the lands lying to the line for
its construction to St Vincent about 200,000 acres
shall be held by the State until the line is constructed to
Fergus Falls when ~~all the rest and~~ the lands so
held and all the rest and residue of the lands
granted by Congress to aid in the construction of these
lines shall be certified to the Company by the
Governor of the State

We would recommend that the Receiver J. P. Farley
should apply at once to the Court for its order to

allow Farley to issue his debentures as before which debentures should be a first lien on the whole of the 24,000,000 property, at the rate of about \$12,000. per mile said debentures to draw interest as directed by the Court 2y 8%

Under the present outlook in Congress in regard to the grants of lands to Railroads it would be a good reason why the Court would order the issue of debentures as above to ~~secure~~ the completion of the lines in time to save a forfeiture of the unearned portion of the grant, and as this part of the grant is the most valuable it is an additional reason why the land should be acquired and put on the market at the earliest possible day both for the purpose of deriving a very large revenue from the sales of land and a traffic for the road as the land are put under cultivation - These lands ~~(the very best wheat lands in the West)~~ would be eagerly purchased and rapidly placed under cultivation as they are nearly all the finest open prairie lands in the North West

Money Required

For payment of Annual interest	800,000
For line end of line to St Vincent	
Tracks to be laid with iron rails	415,000
McCrone to Alexandria Iron rails	215,000
	930,000
Add For line Alexandria to	
Louis Falls to 47 miles Iron rails	370,000
	1,300,000

To provide the above amount there are the following available resources connected with the property as it now stands or to be created under the completion of the proposed new portions

Am't of Earnings Cash in hands of
the Trustees about 300,000.

Add for Earnings until January
1st 1899 Estimated 7 months 350,000

(About 70% of this to our bonds) \$650,000

Receivers' debentures on 145 (or 100?)
miles road at rate \$12,000 per
mile bearing interest at 8 or 10% \$1,740,000

Revenues from Breck Barnes line say 30,000.

The judge of the United States Circuit Court has
advised the Receiver to lease the Extension Lines and
he would recommend that ~~such~~ such a lease
be made on as favorable terms as can be had.
Of the above line his favor of either the Breck Barnes
Barnes line or the Red River Valley R.R. line and
that ~~then~~ ^{the next} such favorable financing arrangements ~~be~~
as can be made with the trustees of the First Div-
ision Company be secured (as will give) a fair
division of the Earnings to the lines or portions leased
from the Receiver.

If the line was finished from Melrose to Fergus
Falls the distance from St. P. and to Fergus Falls
would be about 190 miles of which the Extension or
leased line would have about 126 miles which on
a mileage division of Earnings would give our 63%
of the net Earnings of the thro' line, which Earnings I have
estimated at about \$300,000 per annum - The same
would apply on the line from Breckenside to St. Vincent
or to Winnipeg, and we think it safe to say that a
net revenue of ~~from~~ \$160 to \$200,000 per annum would
be derived from such a lease. It is always difficult
to estimate the value of the Earnings of un-built roads, but
we have tried to be on the safe side.

Having in view the fact that every indication points
to very heavy increases in the Earnings of the whole

property and a division of such earnings by the Trustee would certainly advance to a great extent the value of the outstanding bonds held in Holland and elsewhere, it may become the policy best serving our interests to allow the funds in hands of the Trustee to remain undivided as long as possible in order to get in the outstanding bonds of the first division.

If it should be decided to build all possible of the Extension Line and issue the debentures to the full amount the outstanding bonds on that line would not be of any value as the debentures would just about take the line if so desired in the foreclosure.

[May, 1875] [?]]

Preliminary Survey of Princeton & Anoka RR
made by C. M. C. Lillie -

Estimated Cost -

32 1/2 miles (inc 2 1/2 miles side track -)

Bridging each mt. tie, iron,	}	\$133,394.60
track laying & engineering		
turn tables, engine house & tanks		
& Depo building		\$5,280.00
		<u>\$138,574.60</u>

Bonds voted to aid in construction of Road ^{2d}
deposited with P. F. Pratt - (as Bank of Anoka) & from

Payable
to year
from
May 1/78

Mille Lacs Co - 10 feet int -	68,700.00
Baldwin - torn - 10 feet int	4,200.00
St Francis - torn 10 feet int	3,900.00
Anoka - torn 7 feet int	<u>32,900.00</u>
- Total -	\$109,700.00

Semi annual interest coupons -

Bonds & Coupons payable at Merchants
National Bank, St Paul -

Anoka to St Francis - 13 miles

St Francis to Princeton - 17 miles

\$32,900.00 \$3,900.00
Anoka & St Francis Bonds, \$36,800. to be delivered
when road is completed & ready for passage
of cars from Anoka to St Francis - Balance
when road is completed to Princeton

Capital Stock of Company \$300,000.00 -

- Certificates of Shares of capital stock - \$109,700.00

(to correspond with Bonds) deposited with P. F. Pratt

St Francis has raised issue of Stock ^{2d}
if desired - Baldwin & Mille Lacs must
probably do the same



Morris, Minn., May 3^d 1898

Messrs Hill & Hutson
hunts

I have met
you are selling the 3 and 6 mile lands of
the RR at Rockwood, and you, I should like to
sell for you at this point. There will be a con-
siderable R.R. lands to be paid for this year,
and I think I could dispose of a large amount
at various periods during the summer, but in
most instances they will be in small amounts,
and parties with whom I have heretofore dealt,
have some arrangement whereby small amounts
can be received in payment of lots and lands.
Please write me

Yours truly
W. F. Griswold

[Blank No. 1.]

The North Western Telegraph Co.

The rules of this Company require that all messages received for transmission shall be written on the message blanks of the Company, under and subject to the conditions printed hereon, which conditions have been agreed to by the sender of the following message.

C. H. HASKINS, Gen'l Supt.
MILWAUKEE, WIS.

E. S. SIMMONS, President.
H. S. HINDALE, Secretary. KENOSHA, WIS.

Dated, *Winnipeg May 9*, 187*8*
Received at *ST. PAUL, MINN.* *Apr 25*
To *J. J. McE*

*Telegraph me will your road
be constructed to Pembina this
year in view last action
Beate Confidential if necessary
W. Luxton*

1900

[This was misfiled in May 1876
62 A.M. 7-17-03]

[Blank No. 1.]

The North Western Telegraph Co.

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C. H. HARRIS, Secy. & Treas.

E. S. EDWARDS, President.

E. S. EDWARDS, Secy. & Treas.

Dated *St. Louis* *May 11*, 1878

Received at *May 11*

To *James J. Hill*

Papers all complete reach
Lauenpart tomorrow let Hoard
ask Dillon at Omaha
today if he wants
renewer and others present
notify Bigelow and Sanborn
J. B. Henderson

2566

ST. PAUL.
N. W. KITTSOON,
Genl. Manager.
C. MICHAEL,
Sec'y-Treas.

OFFICE OF

WINNIPEG.
E. V. HOLCOMBE,
Supt.
H. SWINFORD,
Agent.

The Red River Transportation Company,

Winnipeg, May 13th 1878

James Hill Esq
St Paul Dear Sir-

The inclosed bill of lading is for a Carload of Lick Run Coal I ordered him for the Foundry - I have been selling them coal on a ton basis for ten rate of freight - I think this year all things considered it should be \$9⁰⁰ but a \$16⁰⁰ rate is out of the question - for this coal you charged in St Paul \$9⁵⁰ add for B.C. (\$20⁰⁰) (two dollars per ton) - to the freight \$16⁰⁰ makes it cost laid down here \$27⁵⁰ the highest I have ever charged for single ton was \$25⁰⁰ & I give three parties to understand they could get it by taking the whole car load for less - Austrian of St Paul sells the same concerns then big iron - & is eternally trying to sell them their coal - offering to make a thin low sale to give them no sleep time &c -

Now the only way he can make a low rate on coal is to buy it in Chicago or Buffalo & bring it up on his own boats for about nothing & then go into Mr Kittsoons office & bulldoze him into a reduced rate. The question is can you & I have as good or better rate than Mr Austrian - from Duluth or St Paul to Winnipeg & can you furnish coal as cheap at

ST. PAUL.
N. W. KITTSON,
Genl. Manager.
C. MICHAEL,
Secy. & Treas.

OFFICE OF

[5-13-78]

WINNIPEG.
E. V. HOLCOMBE,
Supt.
H. SWINFORD,
Agent.

The Red River Transportation Company,

Winnipeg, _____ 187

these points is ~~undecided~~ ~~undecided~~ ~~undecided~~ I have
the whole matter to you trusting you will act
promptly & advise me as soon as what your action
is, so I can settle up this thing & collect the money
till the freight is adjusted.

While on this subject I see the Dominion Parli-
ment has adjourned & defeated the R.R. Charter Bill -

A friend of mine has rec'd a private telegram from
a member of the Cabinet at Ottawa stating that the
Pembina Branch of the Canadian Pacific will not be built
this year - if this is so I take for granted you will
build to Assiniboia only this year - as the Manitoba
Legislation gave you till May 1-1880 to complete to Winnipeg.

I hope the R.R. Comtee however conclude to build to Grand Forks
this year as anything indicates less water by Dec or August -

If the road is not to be finished this year I can assure
you no one here now expects it - I would like to run the
coal business one more season - bringing in enough during
good water to make our supply enough to carry us through
next winter. It would take say 200 tons more or less
of all kinds to do this. Would like to hear from you
in the subject & what rates of freight we can depend on
several parties have already spoken to me about next
winter coal. Please reply soon - I am truly
Yours &c

Winnipeg,
May 13, 1878

James J. Hill Esq;
St. Paul,
Dear Sir:

The enclosed bill of lading is for a carload of coal I ordered here for the Foundry. I have been selling them coal on a ten dollar per ton rate of freight, and I think this year all things considered it should be \$9.00, but a \$16.00 rate is out of the question. This coal you charged in St. Paul \$9.50 add for Bbls. (\$200) (two dollars) per ton. to the freight \$16.00 makes it cost laid down here \$27.50 the highest I have ever charged for single ton was \$25.00, and I give these parties to understand they could get it by taking the whole carload for less. Austrian of St. Paul sells this same concern their pig iron, and is eternally trying to sell them their coal offering to make them low rates and give them 60 days time etc.

Now the only way he can make a low rate on coal is to buy it in Chicago or Buffalo, and bring it up on his own boats for about nothing and then go into Mr. K. office and Bulldoze him into a reduced rate of it. The question is can you and I have as good or better rate than Mr. Austrian from Duluth or St. Paul to Winnipeg, and can you furnish coal as cheap at those points as Austrian can bring it there. I have the whole matter

can bring it there. I have the whole matter to you trusting you will act promptly and advise me at once what your active is, as I can't settle up this thing and collect the money till the freight is adjusted.

While on this subject I see the parliament has adjourned and defeated the R.R. charter bill. A friend of mine here has received a private telegram from a member of the cabinet at Ottawa stating that the P----- ^{guelph} branch of the Canada Pacific will not be built this year. If this is so, I ~~think~~ ^{take} for granted you will build to Alexander only this year, as the Minnesota Legislation gave you till May 1, 1880 to complete to St. Vincent. I hope the R.R. Co. will, however, conclude to build to Grand Forks this year as everything indicates low water by July or August.

If the road is not to be finished this year, and I assure you no one here now expects it, I would like to run the coal business one more ~~season~~, bringing in enough during good water to make our supply enough to carry us through next winter, it would take say 200 tons more or less of all kinds to do this. Would like to hear from you on the subject and what rates of freight ~~we~~ can depend on. Several parties have already spoken to me about next winter's coal. Please reply soon.

Yours truly,
E.V. Holcombe

[Blank No. 1.]

The North Western Telegraph Co.

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C. H. HARRIS, Gen'l. Supt.
Milwaukee, Wis.

E. G. HUNTER, Presd. & Secy.
H. B. HUNTER, Secretary.

St. Paul

Dated,

Winnipeg Man May 14 1878

Received of

ST. PAUL, MINN.

To

J. Hill

What will be result of
Panama elevate stopping Pembina branch
line will it stop work
on St Paul & Pacific? Telegraph
Friday morning next one hundred to
or two hundred 200 words if
necessary, if not please write

W. L. Weller
Manager

36 paid 282

C

Personal

Montreal 18 May 1878

Dear Mr. Kittson,

Your letter of the 11th
reaches me in due season
and having been advised by
Mr. Balthus Council of our
dist on me for the price of the
expense he has asked of me
to purchase for him, if we
may draw on me at any
time for the amount.

The delay in procuring the
Ind's order for the departure
is

2.

is well mentioned and I have by
your subscription letter to Mr.
Stephens that you had not yet
been advised of the same being
conceded.

It is unfortunate that your
difficulties as to the character
of a permanent position to enable
with the Canadian Government
for connection with the Road
at St. Vincent had not been sent
off from St. Paul or as to have
been here immediately after
Mr. Stephens' ^{arrival} from his
visit to you, as it was possible
our ignorance that we should
have been in possession of you
even Mr. Williams, etc.

3

This subject as early as possible. I think that Archibald Tache who is now in town has written that when St Paul he learned from the gentlemen connected with the St Paul & Northern Railway that irrespective of the action of our Senate the Road to St Vincent was to be proceeded with immediately. I give you this for what it is worth but you will not be one that the wrong is wrong to any such report would have a statement of it put on the report but as it is

4

The Canadian Government official that has been said on the subject in this country and meantime nothing whatever should be said of any such intention. Mr. Beattie whom I met in Toronto yesterday informed me of this & I feel that you have heard of this & had with the Managers of the Northern Pacific Road and both Lord Dufferin and Fenwick are in opinion that the utmost firmness and determination to persist and consult in every instance the interests of the St Paul & Northern are absolutely necessary in order to counteract the attempt to subvert of the Northern Pacific people.

Dr. St. John has spoken to me
about going to New York
for Sunday but I shall not be
able to accompany him, nor
is it at all necessary that I
be with you there. Dr. St. John
and I have put it in our
in our views, & what is
necessary for the successful
carrying out of the enterprise
while so deeply concerned with
you.

The application for the
charter for the mail to New York
boat for passenger has been sent
by Messrs. Turnbull & Black
and will be in the hands of the
Secretary of State in Ottawa
tomorrow.

[5-18-78]

tomorrow morning.

Mr. Graham and Mr. Freeman
have left St. Paul for New York
today and I understand that Mr.
Robert Campbell who has
also left for the West to
make a point of seeing you
in St. Paul where the steam
boat stock he holds.

I shall be sitting out
for Montreal tomorrow evening
and took to the pleasure of seeing
you in St. Paul in passing.

There are many more kind
to both of you the best of friends.

Believe me
very truly yours
N. St. John Esq. Donor
St. Paul Minn.

[Blank No. 1.]

The North Western Telegraph Co.

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C. H. WALKER, Sec'y & Gen'l.

2. C. H. WALKER, Sec'y & Gen'l.
H. S. WALKER, Sec'y & Gen'l.

St Paul
Dated, *St. Paul, Minn*, *May 20*, 1878
Received, *St. Paul, Minn*, *May 20*
To, *St. Paul*

I wish to see you
and Mr Hill before acting
on the report I will
be here all this week
John F. Dillon
21 collect

D

[May 20, 1878]

[Blank No. 1.]

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J. H. HARRIS, Gen'l Supt. J. S. SIMMONS, President.
MINNAPOLIS, MINN. ST. PAUL, MINN.

Dated, *Charles City Ia 20*, 1878

Received at *ST PAUL MINN* *May 20*

To *A. H. Fisher*

*I will meet Mr Hill
in Des Moines Can leave there
for New York Wednesday Evening*

*J P Farley
Gm*

*1600 pms
2 Ex*

Form No. 1

The North Western Telegraph Co.

The rules of this Company regarding its messages, printed for transmittal, are to be written on the
reverse side of the Company's order and subject to the conditions printed thereon, which conditions have
been agreed to by the sender of the following message.

C. H. HASTING, Sec'y & Mgr.

Ca 426 RM

Dated Waterloo Ia 20 1878

Received ST. PAUL, MINN May 20

To W H Fisher

I will make my arrangements
to be in Des Moines by
noon Wednesday Notify me at
Dubuque time Kill will leave
Geo Young should go with
him Send my C R
& Pacific Pass by Kill

J P Farley
GM

37th Pass 330
Via Charles City Ia

Form No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

This Company TRANSMITS and DELIVERS messages only on conditions, limiting its liability, which have been assumed by the sender of the following message.
Errors can be guaranteed against only by repeating a message back to the sending station for comparison, and the Company will not be held liable for errors or delays in transmission or delivery of Telegrams or Messages.
This message is an UNREPEATED MESSAGE and is delivered by request of the sender under the conditions named above.

JOHN S. BAKER, Vice-Pres't,
Chicago.

WILLIAM ORTON, Pres't, New York.
A. R. BREWER, Sec'y,

Dated *St Paul Min 22* 187*8*

Received at *St Paul May 22 11:21 AM*

To *James Hill*

READ THE NOTICE AT THE TOP.

*Kitson left last night
for New York I repeat
your telegram to him
Mattison House Chicago
also refer to Galuska
about price of lands
upham says bonds not
yet arrived*

Wm Michael

3900

Blank No. 45.

THE WESTERN UNION TELEGRAPH COMPANY.

HALF RATE MESSAGE.

The business of telegraphing is liable to errors and delays, arising from causes which cannot at all times be guarded against, including sometimes negligence of servants and agents whom it is necessary to employ. Most errors and delays may be prevented by repetition, for which, during the day, half price extra is charged in addition to the full tariff rates.

The Western Union Telegraph Company will receive messages for transmission between stations in the United States east of the Mississippi River, to be sent without repetition during the night, at one half the usual rates, on condition that the sender will agree that he will not claim damages from it for errors or delays, or for non-delivery of such messages, happening from any cause other than the acts of its corporate officers, beyond a sum equal to ten times the amount paid for transmission; and that no claim for damages shall be valid unless presented in writing within twenty days from sending the message.

A. R. BREWER, Secretary.

The Company will be responsible to the limit of its lines only, for messages destined beyond, but will act as the sender's agent to deliver the message to connecting companies or carriers, if desired, without charge and without liability.

WILLIAM ORTON, President.

Send the following half rate message subject to the above terms, which are agreed to, }

To *N.W. Kettson*
St Paul Min

For Pacific people
want too much - Nothing decided -
Look out for rates. We must
depend on all rail lines
J. J. Hill

N.Y. May 45 1878

1885
 1400000
 5541000
 1385
 190/1939,000/10.0
 19
 00

140 52m 125,000



5760⁶

At Fair May 25 - 1878

On demand after date I promise to pay to
Hill Saunders & Co. ^{Order of} ~~cash~~
Seven Hundred & Sixty ^{no} Dollars

at _____
Value received

To _____
Due _____



R. J. Smith

Bank of Montreal
New York 27 May 1878

My dear Mr Pitts,

Mr Stephen and I have
been here some Sunday morning
and have had a very pleasant
and satisfactory talk with
Messrs Pitts & Barclay and are
glad to hear that our feeling
that things are going quite
as well as we could possibly
have expected - The horticulture
and agriculture with Mr. Sargent

2
at New Haven do not appear
to have asked that from us
we had a right to work for
and it is quite evident that
the only way is to treat
them as the all farmers not to
go give them one with more
than they are entitled to.
But you Mr Pitts & Mr Barclay
understand this very fully
as we feel that our joint
interests will be well protected
in your hands.

I hope you are getting in
all the New York stock
while it is still after the corner
is made

moment of the point from
 his comparatively little
 value. But is after a
 manuscript of notes
 from Bruckner's work
 issued -

Dr. Stephen & I will go
 to Ottawa day after tomorrow
 as on the 14th I expect to have
 material for Winnipeg & to
 have the afternoon & evening
 for at St Paul -

Meaning with himself
 regards for Dr. Stephen & myself

Believe me
 my friend
 Dear Sir
 Wm. H. H. H.
 St Paul

Blank No. 1.

THE WESTERN UNION TELEGRAPH COMPANY.

This Company TRANSMITS and DELIVERS messages only on conditions, limiting its liability, which have been adopted by the Board of the telegraph message.
Sums can be charged against only by repeating a message back to the sending station for correction, and the Company will not hold itself liable for errors or delays in transmission or delivery of Unrepeated Messages.
The message is an UNREPEATED MESSAGE and is delivered by request of the sender under the conditions stated above.

ANSON STAGER, Vice-Pres't,

Chicago.

WILLIAM ORTON, Pres't,

A. R. BREWER, Sec'y,

Date

Received

READ THE NOTICE AT THE TOP.

43
Des Moines Ia 28 1878
May 28
To Jos. H. Hill
Care Grand Pac
Judge Dillon met he in Laverport
Friday
R Mason
Collect
KO

THE WESTERN UNION TELEGRAPH COMPANY

ANSON STAGER, Vice-Pres't, Chicago. *H. J.* WILLIAM ORTON, Pres't, *Wm.*
A. R. BREWER, Sec'y.

Dated *St Paul Minn* *28* 187*8*
TELEGRAPH OFFICE,
GRAND PACIFIC HOTEL
Received at *St. L.* *May 28,*

READ THE NOTICE AT THE TOP:

To Jas. J. Hill Esq
The Judge will meet you
at Decmains tomorrow.
Stanford novel
galeet
75

N



Minnesota Historical Society

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