

GENERAL CORRESPONDENCE

1878 DEC 1 - 31

FOLDER NO.

11-13

JAMES J. HILL PAPERS

PLEASE RETAIN
ORIGINAL ORDER

Receipts

ca 1878, Dec 1

Record from York
Jos. Upper
H.R. Willis

Wm Hardy & Co 12,341.62
Bank of 1,317.25
Paid on same 3,000.00
Bk of Montreal 10,000.00
J. J. Hill 5731.51

54,100.00

16,718.87

15,731.51

86,550.38

Expenditures

Grading

35,861.52

Track Laying

25,537.29

Temporary Structures

4,334.53

Grading Tools

1,079.44

Track Tools

224.85

Clearing

181.00

Bradleys Bridge & Piles

1708.05

Steam Wagons &c

2874.88

John Mc Donnell ^{company same too.}
Will have to pay 5000.00

4583.86

Silkirk Roads House

18.95

Expense

2,213.67

Cars & Engine

11,200.00

89,818.24

Bills Now due

Balance due on Pay Rolls

2,100.00

Ontario Bank overdraft

1,989.18

J. J. Hill on loans

1,135.00

Geo Kent

7.68

Montgomery Bros

125.20

J. Hill

8.50

Lafayette & Scott

159.11

McKinnay

52.65

Hudson Bay Co

1,112.95

John Robson (Timber)

43.55

J. F. Wallace

35.00

Mulholland Bros

55.07

ask down too

198.77

7,022.66

St P & P Ry Co

about

1,500.00

Red River Trans. Co

"

3,000.00

D.M. Robbins

11,522.66

550.00

[1878] [7]

Nov. 25 Dec 4

Nellis & Upper
To D. M. Robbins Dr

Nov	75	6 Pcs	14 X 14 X 74	-	2016		
		7	14 X 14 X 16	-	384		
30	8	"	14 X 14 X 74	-	2688		
		4	14 X 14 X 70	-	1170		
		1	14 X 14 X 16	-	274		
Dec	4	4	10 X 10 X 14	-	468		
		4	8 X 8 X 14	-	300		
		3	10 X 14 X 16	-	480		
		40	74 X 14 X 70	-	1000		
		7	14 X 14 X 74	-	677	- 9354 @ 1/100	187 04
		5	Spike Mauds	@	7/10		11 00
		3	Track Wrenches	"	.65		1 95
		1	" Lamp		1.00		1 00
		1	Iron Fork		.75		75
		1	Claw Bar		7.50		75 00
		1	Punch		.90		90
		6	Spike Maul Handles		.70		1 40
		1	Pain Tongues		1.50		150
		2	Iron Car	@	750		1500
		4	Cold Chisels	"	.40		1 80
		40	Pain Blankets	"	1.75		35 00
		149	Keys & Spikes -	to be returned			
		Labor putting in side track					61 50
		Board					20 40
		1	Switch. 1100 for stand, 425 for chain				15 75
		1	Horse (use of same)				20 00
		1	Saddle & Harness				19 00

558 79

[Blank No. 1-3]

The North Western Telegraph Co.

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C. H. BASHING, Gen'l Supt. }
MILWAUKEE, WIS. }

S. S. CHESBROUGH, President. }
KENOSHA, WIS. }

THE N. W. TELEGRAPH COMPANY'S MESSAGE BLANK

Dated *Minneapolis Dec 5* 187*8*

Received at *ST. PAUL, MINN.*

To *J. J. Hill*

*Wells got money as telegraphed
from Montreal*

Quincy

J. J. Hill to J. J. Hill

[Blank No. 1.]

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T. H. HARRIS, Gen'l Supt.

MILWAUKEE, WIS.

T. G. SIMMONS, President.

KENOSHA, WIS.

Dated

Winnipeg Man 6 Dec

1878

Received at

ST. PAUL, MINN.

To J. J. Hill

When will regular trains be
put on between Winnipeg &
St Paul. Would like all particulars
soon as possible. Will there
be St Paul Excursion & when
W. J. Johnston
25/10/205

[Blank No. 1.]

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C. H. JACKSON, Sec'y & Gen'l Mgr.
St. Paul, Minn.

C. S. KIMMONS, President.
H. B. HINCHDALE, Secretary.

Dated.

ST. PAUL, MINN.

Dec 11 1878

Received at

To James J. Hill

Murphy writes asking why
delay in receiving money
Shall I draw on
you for it

Wm Hart
15 Spruce

TWENTIETH ANNUAL EXHIBITION



Minnesota State Agricultural Society.

To be held at ST. PAUL, Sept. 2, 3, 4, 5, 6 and 7, 1878.

GEO. B. FINCH, President.
GEO. CLEVELAND, Treasurer.
R. C. JUDSON, Secretary.

St. Paul, Dec. 11th 1878

James J. Hill

Dr Sir

Owing to the fact that I want to leave town tomorrow to be away probably until Saturday or Sunday morning and then to leave St. Paul for Winnipeg, and your own time being so much occupied with subjects which I know to be far more important than our matter, I have decided to communicate our decision by letter and you can signify your conclusions before I leave for Manitoba.

It is important to the Manitoba people and to all parties concerned that running arrangements for Passenger and Freight trains be perfected at once and to this end you will oblige us by an early decision. In looking at the subject from all sides I cannot see how the operation of the road can be done by any person or persons, other than those having the Contract to fill, without extreme risk to both parties, but far greater to the Contractor. The amount of material to be transported for Bridges, Fences and Ballast

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St. Paul,

187

as well as supplies necessary to carry on the work, must of necessity cause a great many ~~great~~ detentions to regular trains or else the Contractors trains must wait at side tracks thereby largely increasing the cost of completing the Contract. I am therefore thoroughly convinced that both must be done by ~~the same~~ one party in interest and have therefore to offer to do our interest entire in the Contract or obtain full possession of the road even though the operation do not pay us anything which I cannot believe. We will pay up all accounts, have all our work estimated, and close up every thing to Jan. 1st 1879 obtaining all back percentages due us from the Government for the lump sum of \$64,000.- which amount I am at in the following manner, (Taking your own amount as to what the road will earn operated by the St. P. & P. Co. and which figures you seem to have great confidence in and I believe to be low enough) I figure as follows what the Contract is actually worth at a low estimate

[12-11-78]

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St. Paul,

187

and discount it 20%-

Operation of the road (your own figures)	\$61,350.
Profit on Fence (sublet with good surplus)	9,114.
Bridging 340 ft $\frac{1}{10}$ for final foot estimated	3,400.
Ballast 110,000 Cubic yards .07¢ per cu yd "	7,700.-
Profit on Embankment Structures Crossing &c Count as nothing	
although certain to pay a profit if properly managed	
	81,564.
20% off	16,713.
	\$64,851

I am certain you will see the soundness of our position
and give us an early reply

Yours &c

H. B. Millis

for Upper and Millis

HIS EXCELLENCY
RUTHERFORD B. HAYES,

President of the United States, accompanied by Members of his Cabinet, and many other distinguished citizens, will visit the Fair, THURSDAY, Sept. 5th.

THESE WILL BE THE
'GREATEST DISPLAY OF HIGH-BRED LIVE STOCK,
Thoroughbred, Trotting and Draft Horses, and Shetland Ponies, Sheep and Swine, ever seen in the Northwest.

"RARUS,"

THE FASTEST HORSE IN THE WORLD.

Will exhibit his great speed on WEDNESDAY, Sept. 4th.

The Famous Trotter 'GREAT EASTERN' will trot two days.

\$14,500

For Competition in Running and Trotting Races.

Which will take place daily, at 2 p. m.

DR. W. F. CARVER, the Champion Rifle Shot, and
CAPT. BOGARDUS, the Champion Wing Shot of the World,
Will give daily exhibitions of skill.

THE ENGLISH COLONY.

Of Fairmount, Minn., will daily exhibit their high-bred English Horses and Hounds, in trained feats of Hurdle Racing, Fox Chasing, Coursing, etc.

THE MINNESOTA VETERANS' ASSOCIATION

Will hold their Annual Re-Union on WEDNESDAY, the 4th. Gens. SHERMAN, SHERIDAN and HANCOCK have been invited.

THE MINNESOTA KENNEL CLUB

Will give a Bench Show in a massive building, and \$2000 will be distributed in Premiums to all Breeds of Dogs. The finest from England and this country will be exhibited, including Dogs valued at \$5000 each.

MINNESOTA-GROWN AMBER SUGAR CANE

Will be manufactured into Sugar and Syrup on the grounds daily.

THE IMMENSE BUILDINGS

Will be filled with every class of goods—Agricultural Productions, Machinery of all kinds in motion, Fine Arts, Scientific and Mineral Specimens, Flowers, Fruits, &c., &c.

VAST AQUARIUMS.

Containing Specimens Salmon, Speckled Trout, etc., raised by the Minnesota Fish Association.

THEATRICALS and FIREWORKS, and other Amusements in St. Paul nightly.

THE RAILROADS have reduced their Fares to One-Half Price, and visitors will be transported to the Fair and return for 20 cents.

COME ONE! COME ALL!!

6094

Amsterdam

Dec: 18th 1878.

To the Bank of Montreal
London

Dear Sirs

We received your favor of
16th inst and noted that you wish
to buy \$10,000 Bonds or nonaported
certificates of each of the
\$1,200,000 issue at about £144 p \$1000
2,800,000 " " " 148 " 1000

Today sellers were mixing, we
remain attentive.

Yours truly

(signed) Lippmann Rosenthal & Co

For some Bonds of the \$2800/m loan the price
asked today was £60. For Bonds of the 3 mil.
loan is paid today £85. There were sellers
and also for Bonds of the 6 Million loan
at £54 - We remain always attentive
for you -

St Paul Decr 18th 1878

Received this date from Mr. James. J. Hill
of St Paul an acceptance of Mr. Geo
Stephen of Montreal drawn at thirty days
from this date for Thirteen Thousand
Two Hundred and thirty one ⁵⁴/₁₀₀ Dollars
in settlement of my advances to the
firm of Murphy & Upper and in payment
of the Sum of Seven Thousand five
Hundred Dollars said Sum being the
first instalment due me on account
of purchase of my Half interest in
the Contract of the firm of Murphy
& Upper for the building and completing
of the Pembina Branch of the
Canadian Pacific Railway

James Murphy
by his attorney
(Humphreys)

[Blank No. 1.]

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C. E. HARTING, Gen'l Supt.
St. Paul, Minn.

E. S. SIMMONS, President.
H. S. HINGSDALE, Secretary.

Kenneth W. W. 4/19

THE N. W. T. CO. PRINTED AND PUBLISHED BY THE N. W. T. CO., CHICAGO.

Dated, Montreal 9-18 1874

Received at St. Paul, Minn. Dec 24

To for J. Hill

Am communicating with
government receiver must
not arrange with contractors
on Pembina branch until
government says they are
the proper parties to deal
with

Geo Stephen
24 p 145
at p 6 ch

181 Farley vs. Pittson - Exhibit 131.
Defendants - L.P. Richardson - Commissioner
N Paul Dec 26 1878

George Stephen Esq
Montreal

My dear Sir

I received your wire
Friday saying you would be in N.Y. all day
Saturday and asking about remittance from
1st Dec - to which I replied & have
remitted \$20,000. Receiver absent. Have asked
for \$10,000. more tomorrow making \$30,000. in
all - will send balance to you at Montreal
Mr Farley left here on Sunday evening and
will be absent until Monday and possibly
until after the holidays - I have not been
able to do anything about Receiver's accounts
during his absence, nor have I done anything about
the ties - I spoke to Mr Farley before he left
about this but he seemed to think that the 1st Dec
Cas bill was about an offset - I want to get
at these accounts and have them closed up in
a manner that will at least not make our
position any heavier than it should be - I am
and the 1st Dec have used more of our ties than they

[12-26-78]

have any account of, for the roadmasters
have told me they took ties from the construction
trains whenever they wanted them and I know
that a very large number of these ties were put
into the Recreons road between Barnesville
and Crookston - I am going to ask him
to take the whole amount of ties got out by and
paid for with construction funds and deduct
the number actually used in construction and
let the 1st Div and Recreons pay for the
balance - This is the only way to settle the
matter fairly - Again I want the Recreons to pay
the section men at work on the line during con-
struction so he got the revenue of the road and
did not do anything towards keeping the track
in repair - I will turn this up at once on
Mr Farleys return and if he is unwilling to
settle on this basis I will hold matters in statu quo
and advise you.

Since you left here we have had four trains
off the track - ~~one~~ passenger and three freights -
one of the freights damaged 14 cars more or less

[12-26-78]

with their contents and the other damaged it
cars - The think only the Engine - The passenger
train was caused by a broken rail and the air
brakes caused the train - only the mail Express &
luggage cars getting off. I had some talk with
Mr Farley about Wakeman and depend upon
it he will do nothing - He said we might get
Mr Wakeman as a train dispatcher, knowing
that Mr W. would in that position be able to
carry out such orders as were given him ^{only} and
that he would hardly accept such a position
as he has a much better one where he is.

I hardly think it would do any good to get
Wakeman under such circumstances as it would
be very unpleasant for him and would bring him
into contact with the train men in a position
where he would be quite powerless to correct
any abuses, and any effort of his in that
direction would not meet with any support
so that on the whole I think we will have to take
the chances and let things run as they are, unless

Mr Farley will consent to his being made the Superintendent with power to act, and even then I think when he came to expect good discipline from the men failing which they would be discharged, there would be great difficulty in convincing Mr Farley that some of the special pets could do anything to merit dismissal.

The old gentleman knows that he is trying to do the best he can and thinks that he is actually doing as well as any one could, consequently when a man would undertake to enforce an entire change of method and discipline, Mr Farley will not support him, and the whole thing would be very unsatisfactory to everyone.

It will take time and full power to put things into good shape, and I think it will be decidedly better to wait until the foreclosed decree at least before making this change and in the mean time I will do what I can towards having the trains run slowly, and have them leave the stations on time, so as not to be obliged to run too fast in order to reach the next station on time.

This last was the cause of at least one of the
 freight trains getting off last week and I think
 of both. Mr Farley spoke to Mr Kiltson and
 advised making Luthrie Asst. Supt. and said
 that he was one of the most capable men he ever
 knew &c. but I know that Luthrie would not
 take the place under Fisher for the simple reason
 that he would never be sure that he could
 enforce any order - or rather that if some of
 Fisher's special favorites who took pains to say
 all manner of bad things about Luthrie when
 he was dismissed, disobeyed his orders they would
 be upheld &c - I write thus fully to show you
 that I feel certain nothing short of a Superintendent
 with full power over all the train men, Agents, Road
 Masters &c. will be of any use. and I am equally
 certain that Mr Farley would not give such a man
 any show whatever. Therefore I think that for the
 present we had better do the best we can with what we
 have and when we are fully in power make such
 change as will give the Road an efficient staff.

All this points to the advantage to us of an early

6.

settlement with Titcombfield - While I am
opposed as you know to paying him a cent if
we could help it, still I do not see that we
can prudently refuse paying him a liberal
sum in order to get possession of the the
property, to enable us to run it as it should
be run, and also to put us in possession of its
revenues and in that way relieve us from the
large personal liability for the sums necessary to
carry out our undertakings - I will always
be satisfied with whatever you think best on these
matters, but think the suggestions worth considering
You know how Mr Kitterell feels on this subject.

I can look back and see how we could have
saved fully \$75,000, since last April in money
that has been paid out, aside from legal and
other expenses, and things which I know nothing of.

I see that bonds of all issues are lower in Holland
St Vincent Exts are quoted @ $3\frac{1}{2}\%$ or less than \$6,000,
for all outstanding beside L.R. \$6000 - Let me hear
what you have from the other side about outstg bonds

Yours very truly Jas J. Hill

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C. E. HASTING, Sec'y & Cash.

MILWAUKEE, WIS.

E. C. SIMMONS, President.

E. D. HINGGALL, Secretary.

KENOSHA, WIS.

Dated, *Kenosha* *Oct 27* *1878*

Received at *ST. PAUL, MINN.* *Ma 2/11*

To *J. H. Hill*

*Have arranged for Agent at
St Vincent if you have not
started anybody, dont send
S. L. Miles
14 paid 128*

Cahy

New York Dec 28 1878

Geo Stephen Esq

Dear Sir

You request me to inform you in what manner it would be feasible to carry out a reorganization of the St Paul & Pacific line of road in case you should become owner of the stock and bonds which we represent.

To do this it seems perfectly clear and simple I can illustrate it by referring to the compromise agreement of 1875. In making that agreement one great object which the Duluth Committee wished to secure was to control the organization of the Company by having a majority of its directors accordingly in the agreement provision was made for thus transferring the control of the Corporation and in pursuance of that agreement, a majority of the then directors resigned and others took their places persons named by the Duluth Committee.

The result was the instantaneous transfer of the power of the Corporation from one party to the other. In that way the Company, and ourselves on our part, carried out that provision of the agreement, as we did also all others of its provisions, and thereby, as we have always claimed, it became & is the duty of

the other side to perform it on their part; and if they had done so, all the litigations now pending would have ended, and the new securities provided for by the agreement would have been issued, years ago.

In the same manner any agreement which might now be made between us could be carried out.

If you desire to change the present Board of Directors the ownership of the stock would enable you to do it; and then, if you desired to complete the foreclosure of the existing mortgages in the suits now pending, or in any new and friendly suit to be instituted for that purpose, you would be able to do it because in the litigations you would represent both sides, and the counsel of the Company would be your counsel, instead of being the counsel of your opponents; and you would thereby be able to make an end of the litigations, in such mode as you might desire, and just as promptly, as the form of this would allow.

Assuming that we should, in any mode satisfactory to ourselves, have reached some terms of settlement, and should have made such a settlement, I cannot imagine that there would be any other outside interest which could spring

up to delay the reorganization.

Before the agreement of 1875 was made, there had been a certain amount of litigation, including Counsel fees and expenses on both sides, which the agreement provided should be paid for by the Fast Div Co; and I suppose that all the Committees expenses, in that regard, were paid from the earnings of the Company whilst Mr. Barnes and his associates were directors.

The agreement provided that the expenses of the other side should also be paid by the Railroad Co. After the making of that agreement of compromise the road passed into the hands of the Dutch Committee and remained in their possession until it passed into the control of the Insiders who are now operating it. Consequently all its earnings from 1875 or early in 1876 to the present time have been under the control of the Committee and its representatives. Since the attempt was made on the other side to rescind the agreement of 1875 the Company of course has been obliged to defend itself against the attempted foreclosure, as it has and still does, that agreement remains in force.

It has thereby necessarily incurred custom

expenditures for counsel, as well as the usual
expenses of its administration, for which the
company remains liable the same as it is -
upon all others of its past liabilities - proper
provision for all which should be made,
in any scheme of reorganization.

I am not sure that I have answered your
questions so as to make myself perfectly
intelligible, but what I desire to make clear
to you, is, that if we can settle our difficulties
we can settle all the difficulties in the case.
of this I have no doubt. whatever; and
that if you and I agree upon satisfactory
terms, a reorganization can be effected
without any material delay.

If, for any reason you doubt the ability
of yourself and friends to effect it (if you
so desire) I will readily undertake to
see the reorganization carried into effect,
all our difficulties having been personally
adjusted in some satisfactory manner.

I mention this because it is possible
that it might be better for the present
organization to carry out the proposed
reorganization, so far as creating and

504

[12-26-76]

issuing the new securities are concerned -
which could of course be done if you
desired it - or it could be carried out in
any other mode that you preferred, if you
should first become the owner of the stock
and bonds we represent.

This, however, all depends upon the one
preliminary of reaching some satisfactory
arrangement between you and ourselves
which I am ready to co-operate with you
in effecting, if we can find terms upon which
we can agree, and I beg to remind you
again that there are many modes by which
a satisfactory arrangement could be effected,
without involving the necessity of any purchase
by you or sale by us, this latter mode
being, as I have always assured you, resorted
to by us only because you seem to think
that that is the only practical mode which
will answer your purpose.

In conclusion I think the first thing
is to determine whether some friendly arrangement
is possible. If it is, we had better act
promptly to arrange it. If it is not, we
had better understand that promptly - and
I suggest therefore that at your earliest

Convince you will let me hear from
you upon that precise point whether we
shall labor for some friendly adjustment
or abandon it, and let the lawyers have
full swing.

Acting as we do constantly upon the theory
that the agreement of 1875 is still a full
force, my idea is that if you become
the owner of our stocks and bonds, you
would have the same legal right to consent
to modify that agreement, or to consent
to its ~~revision~~ ^{revision} as we now have which
would be ample to enable you to carry
your plans into effect.

Yours truly,
Signed, Edwin C. Hatchford



Minnesota Historical Society

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