

CHAPTER VII.

RAILROADS.

Few chapters in the history of Manitowoc county present such a series of failures, disappointments and blighted hopes as that concerning its railroads. For twenty years a continuity of misfortunes of various natures postponed the consummation of the desires of the people and it was not until the county seat had become an incorporated city that the first whistle of the locomotive was heard. Fate also remained unkind after this first success and it was only in the year 1895, the date of the construction of the Wisconsin Central, that the city took the place as a railroad center that it should have attained forty years before. Situated as it is on the lake, in an almost direct line from the great wheat-growing region of the northwest to the markets of the east, it certainly possessed from the beginning elements of natural strength that should have told earlier for advancement.

With the rapid development of Wisconsin in the latter forties and the early fifties came the desire for better transportation facilities. Internal improvement is and always has been the summum bonum, towards which all new regions strive and the virgin Badger State was no exception. In this desire Manitowoc shared from the first. Diverted from the earlier and more chimerical schemes of canal and river systems the minds of the progressive turned toward the rails and the iron horse as their hope of future advancement. Capital was

however, scarce and schemes of great trunk lines offering hypothetical returns were numerous, few of which saw a practical fruition. The Milwaukee and Mississippi, later a part of the St. Paul system, was the only remarkable instance of the latter class. In 1851, however, the legislature granted two charters that touched Manitowoc's interests vitally. The first was that to the Chicago, Milwaukee and Green Bay Railroad Company, granted on March 13th, of which, among others, George Reed and K. K. Jones of Manitowoc, and E. Fox Cooke, of Sheboygan; were incorporators, the balance being Wisconsin and eastern capitalists. It was the plan of this company to co-operate with the road also contemplated between Chicago and Milwaukee and to extend the latter northward to Manitowoc at least. There it was calculated that the road should connect with the Manitowoc and Mississippi Railroad, the charter for which was granted on March 15th, two days later. The incorporators of this project were nine in number, viz;— George Reed, H. McAllister, Peleg Glover, Gustavus Richter and C. E. Esslinger, of Manitowoc, Charles Doty, Curtis Reed and J. Keyes of Winnebago County and T. Conkey, J. Hanchett and Oscar Clark of Outagamie County. The capital stock was fixed at \$1,500,000 in shares of \$100, two thousand of which were required to organize. Five per cent of the shares was required to be paid in at the time of the subscription and twenty per cent. was fixed as the maximum call, sixty days being the length of notice and each share carrying with it a vote. Three years was granted for the commencement of the road and ten years for completion, ten miles to be completed before opening it to traffic. The usual provisions as to reasonable rates, reference of disputes to commissioners, fixing of termini, eminent domain and annual reports were also made. Its original western terminus was designated as LaCrosse but greater latitude of choice was afforded by a charter amendment passed in 1854. This, then, was the form of organization which for so many years engrossed the attention of Manitowoc citizens. With the line from Milwaukee connecting with this trans-state route it was thought that a system would be secured that would mean much to the future of the region traversed.

In the meantime those in favor of the two lines were co-operating, largely through the efforts of Mr. Reed. In 1852 Congressman Doty presented a bill to Congress for a land grant to the Manitowoc and Mississippi, which although it came to naught, betokened the spirit of the times. George Reed throughout the year agitated the question of improvement through the columns of the public press and laid particular stress on the Milwaukee road. The year 1852, however, passed without definite action. On January 1853 a grand mass-meeting was held in Milwaukee to push the project of a northern extension, to which representatives from the northern counties were invited. Letters were read from Manitowoc and Sheboygan promising that each would take \$75,000 in the stock of the road, besides furnishing depots and water supplies. From Manitowoc there were present C. W. Fitch, B. F. White, Benjamin Jones, J. Medbury and J. M. Sherwood, the last named being one of the vice-presidents of the meeting, while Ezekiel Ricker was chosen as the county representative to act on a steering committee in the state legislature. George Reed was one of those who were present also and in an address he mentioned the Manitowoc and Mississippi as a connection westward. But the lake shore region was not alone in desiring the road. There were delegates from Fond du Lac and Oshkosh present also, who urged their interests and, being more influential, in the end they won. The section of the road from Chicago to Milwaukee was built during 1853 and 1854 and another element was presented in the fact that a railroad had already been chartered under the name of the Fox River, Milwaukee & Fond du Lac Company, which would contest the ground with the Chicago, Milwaukee & Green Bay, should the latter take the more westerly route. The natural result was a combination of the two schemes, which was successfully accomplished, thus forming a powerful check to any hope for the lake shore counties.

On the other hand interest in the Manitowoc & Mississippi remained unabated. Its charter was amended in 1853 so as to permit it to borrow money and to receive land grants and in

April an act was passed allowing towns and counties along its route to hold elections to decide upon the question of granting aid to the project. The latter was largely the result of Mr. Reed's efforts, he having suggested to the village authorities that they ought to apply for such an act from the legislature and he also proposed that the village issue \$50,000 in coupon bonds, to be sold in sums not less than \$500, running twenty years at 7 per cent., payable semi-annually. The first directors were chosen in October of this year, consisting of George Reed, C. Klingholz, C. Esslinger, Curtis Reed, B. Jones, S. A. Wood, H. A. Palmer, E. D. Smith and N. P. Clinton. But this action did not mean the actual commencement of construction for dallying with the Chicago, Milwaukee & Green Bay continued and other schemes arose as well. Chief among the latter projects was the charter granted to the Michigan and Wisconsin Terminal Company on February 28, 1853. Among the Manitowoc men figuring as stockholders of this road were P. P. Smith, C. E. Esslinger, P. Glover and George Reed and there were besides fourteen outsiders interested in the plan. The capital was fixed at six millions, at \$100 a share, business to be commenced only when \$200,000 had been subscribed and 5 per cent. paid in, a condition precedent which of course was never met. The proposed route was from Manitowoc to the northern part of the state, east of the Lake of the Desert, having its terminus at Keeweenaw Point in Houghton Co., Mich., and branches to the mouth of the Ontonagon River and Iron Bay on Lake Superior, practically the route of the present Superior Division of the St. Paul system. Fifteen years were given for its completion and subscription books were opened in July at Manitowoc, Menasha and other places. Congressional aid was confidently expected but the company never got beyond an incipient stage. Yet it was in the charter of this road that the legislature made its first attempt to regulate rates in Wisconsin. Another road on paper that came to nothing in that year was the Two Rivers and Green Bay Railroad Company, to which a charter was granted on April 2nd. Its stock was fixed at \$800,000 and the applicants for the

charter were H. H. Smith, J. Medbury, W. Aldrich, Horace Hamilton, W. B. Medbury, Lemuel House, C. Kuehn and S. A. Alden,—all of Two Rivers, D. Smith of Mishicot, E. Ricker of Manitowoc and H. S. Baird, T. O. Howe, later a U. S. Senator, and J. S. Fiske of Green Bay. The incorporation shows an evident desire on the part of Two Rivers for railroad connections independent of her southern neighbor, as it was totally unconnected with the other plans.

In the meanwhile matters had been progressing with the other projects. In December 1853 the village of Manitowoc granted the right of way to the M. & M. on Quay, Commercial and Water Streets. On April 11th of the year following it was decided to vote upon the question of extending village aid in the shape of \$150,000 in 7 per cent. bonds. The result was 92 votes in the affirmative and only 6 in the negative, while Menasha on May 31st voted a similar amount by 41 majority. All then seemed bright and a ratification meeting was called at Franklin Hall in Manitowoc, on June 3rd, at which C. Esslinger acted as chairman and S. W. Smith as secretary, the following resolutions being passed.

Resolved, That the projected railroad connecting Manitowoc and Menasha is of the first importance to the interests of the two places.

Resolved, That this meeting hails with pleasure the triumph of true friends of Menasha in securing for the proposition of the M. & M. R. R. Co., a majority at the recent election and respond to the greetings of Menasha with our warmest congratulations.

Resolved, That the citizens of Menasha have evinced a praiseworthy regard for the interests of the village by the endorsement of an enterprise of importance.

Resolved, That Manitowoc extends to Menasha the right hand of fellowship with the earnest hope that the union cemented between the two places by iron bands may be accomplished at an early day and be as lasting as the eternal hills.

Definite plans were now under way, President Reed making every effort to push matters. It was even rumored in

the early part of 1854 that the road would be completed in a year. On April 7th Mr. Reed made an exhibit of his plan to the village trustees, which resulted in a vote of confidence by that body and was one of the instrumental causes in the favorable popular vote on the bond issue four days later. According to his estimates the cost of the road as far as Menasha would be \$924,326, an average of \$22,008 for each of the forty two miles, including an equipment consisting of five locomotives, three baggage, eight passenger and fifty freight cars. These figures were on the basis of estimates furnished by C. R. Alton, the consulting engineer. Mr. Reed made his report to the directors in October 1854 in its final form, in which he gave an extended account of the road's past and present. By this time the survey had been completed to Lake Winnebago and, although the total distance to the Mississippi was 284 miles, it was thought best to attempt this first portion only. In speaking of the advantages the road had there were mentioned the Fox River Valley Region thus made tributary, the opening of fourteen rich counties with a population of 17,672 by means of the intersecting plankroads, the connection with the Chicago, Milwaukee and Green Bay at Manitowoc and with the Pere Marquette line then being proposed in Michigan by means of a boat line and finally with two proposed roads from Menasha to Newport and Ripon. The resources of the road were stated as follows:—

Subscriptions paid in 5 per cent. installment.....	\$100,000
Menasha and Manitowoc Village Bonds.....	300,000
Bonds of County to be secured by First Mortgage..	420,000
Additional Stock required.....	120,000
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	940,000
Entire Cost.....	924,000
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Balance	15,674

Of the \$120,000 it was thought \$100,000 might easily be disposed of in Germany through Charles Klingholz, the company's agent, then in Europe. The first year's receipts, estimated at \$262,520 would also, it was expected, assist in

making up any discrepancy. This was the roseate hue that the project assumed in the latter part of 1854. But troubles soon commenced. As was said in January 1855: "The basis of the road is stock subscriptions amounting to \$100,000, \$300,000 in bonds not yet issued and negotiated and a first mortgage on the road amounting to \$420,000, which is yet to find a market." Confidence in President Reed was not as great as it might have been and even as early as March 1855 he offered to vacate the position if any one else willing to undertake the work would assume his duties. Hopes in the extension of the Chicago, Milwaukee & Green Bay had not, however, ceased and on March 3rd a meeting was held at which D. H. Van Valkenburgh acted as chairman. Mr. Reed addressed the meeting, stating that its object was to complete the road to Milwaukee and Chief Engineer Alton of the road was also present. A committee of fifteen was appointed to push the matter, consisting of O. H. Platt, P. P. Smith, F. Borchardt, J. Lueps, S. A. Wood, E. D. Beardsley, H. F. Hubbard, D. H. Van Valkenburgh, B. Jones, G. L. Lee, F. Salomon and C. Klingholz. On March 14th a county convention to discuss the building of the road was called and F. Borchardt was chosen chairman, H. C. Hamilton of Two Rivers acting as secretary. Vice presidents were chosen as follows: Manitowoc, H. Rand; Rapids, G. Clawson; Mishicott, D. Smith; Two Rivers, C. Kuehn; Kossuth, J. Edwards; Newton, William Griebing; Maple Grove, J. Sharp. Resolutions were adopted as follows, pledging the meeting to the support of a loan:—

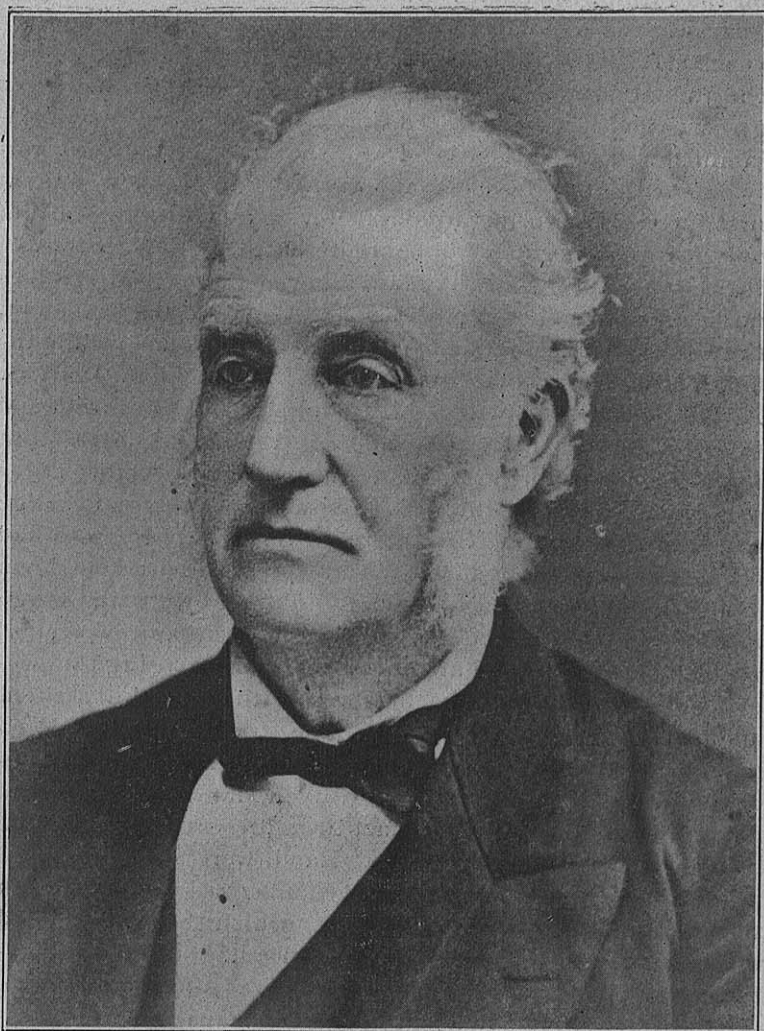
WHEREAS, We deem the extension of the Lake Shore Railroad to some point within the county a measure of vital importance to the agricultural and manufacturing interests of the northern portion of the state and especially of Manitowoc County, whereby our population is to be increased, the value of our property advanced, our resources developed and the facilities of a cheap and easy inter-communication at all seasons of the year with other portions of the state and the Union afforded us, and whereas we are informed that the Lake Shore R. R. Co. proposes to extend their road to some point

within the county immediately, provided they receive from the county sufficient aid and encouragement to enable them to do so, therefore

Be it Resolved, That for the purpose of enabling and inducing the Lake Shore R. R. to complete their road to some point within the county it is expedient that the county of Manitowoc loan its credit to said company for the sum of \$300,000, if such sum be found necessary to accomplish the work proposed, provided said company give satisfactory security for the payment of the interest and principal of said loan as the same may fall due. Resolved that a committee of one from each town in the county be appointed to correspond with the Lake Shore Company and obtain from them a definite proposition as to the amount they will need the credit of the county for and the security they will return for the same.

The committee of correspondence was accordingly appointed but all energy was wasted for by this time the road in question, which later became the nucleus of the Northwestern system had already decided to extend northward through the Fox River Valley region.

However as the summer wore on the matters of the Manitowoc & Mississippi advanced. The contract was let to A. P. Graham & Co., an eastern firm, but they lacking confidence in the ability of the owners to compensate them assigned it to N. P. Moulton & Co. in July. Ground was broken by the latter firm on June 10, 1855, but the year dragged on without any continuance of the work. New directors were elected as usual in July, S. A. Wood and J. E. Platt representing the village interests and George Reed being re-elected president, Jacob Lueps, treasurer and George L. Lee, secretary. On October 8th a mass meeting was held in the village for the purpose of raising the deficiency in the stock subscriptions. Among the speakers were A. W. Buel, recently arrived from Detroit, President Reed and Secretary Lee, but the only result was the appointment of a committee to secure the subscriptions. In the succeeding March Secretary Lee resigned and A. Ten Eyck was elected to fill the vacancy. In May the contract with N. P. Moulton & Co., was rescinded, since it



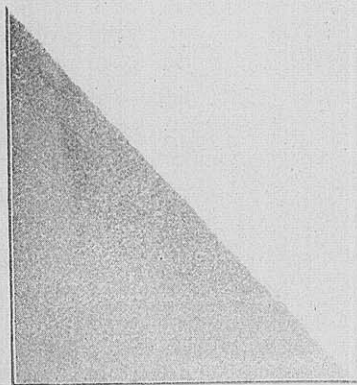
GEORGE REED.

was seen that they were too timid to continue the work and on the 14th of the month Barker & Hoes secured the job, guaranteeing to complete the construction by October of the year 1857. Time wore on and on July 7th the date for holding the annual director's meeting arrived. Dissentions had been growing and it was soon seen that a faction, headed by Benjamin Jones, who was a surety for the contractors, was clearly opposed to the Reed management. This faction was at first successful, scoring a point in having a motion passed that only full paid stock should be represented. This permitted them to control the meeting and Charles Cain, a Milwaukee mill owner, was chosen president, S. A. Wood, vice president, C. Esslinger, treasurer and A. Ten Eyck, secretary; while the board of directors comprised C. Cain, B. Jones, J. E. Platt, S. A. Wood, E. D. Beardsley, M. Fellows, all of Manitowoc and C. Doty and J. Turner of Menasha. It was decided to put forth a grand effort to complete the road by November as far as Branch Mills. But the Reed partisans, consisting of George and Curtis Reed, C. Klingholz and H. L. Palmer, who had been summarily ejected from the directorship, would not down and bolted, forming an organization of their own with George Reed as president. Feeling grew high, the Manitowoc press vituperating Mr. Reed and his friends for opposing the progress of the road. J. Lueps, however, with great skill secured a vote of confidence from the village trustees in the Reed management, much to the chagrin of many of the latter's constituents, since popular sympathy in Manitowoc seemed to be with the Cain faction. In fact the representatives from the second ward, I. Parrish and H. Rand, were the objects of a public remonstrance, signed very numerously, appearing in the weekly Herald on August 9th, to which they also replied in justification. The vote of confidence had its effect nevertheless and a temporary compromise was effected by which the Cain directors gave way to the Reed management.

Though work was resumed and continued throughout that fall and the following spring, by May 1, 1857, one year after the contract had been let, Barker & Hoes had only completed one third of the grading on the eastern end and no



JOSEPH VILAS, SR.



VILAS, SR.

depot grounds had been fixed. It was in the spring of that year also that the legislature chartered the Manitowoc and Fond du Lac Railroad Company, another scheme that came to nothing. The projectors were C. Kuehn, W. H. Glover, W. Bach, N. Wollmer, B. Jones, C. W. Fitch, T. Clark, C. H. Walker, all of Manitowoc and several Fond du Lac parties. No steps toward further organization were taken however. As to the Manitowoc and Mississippi, confidence began to disappear and the Green Bay Advocate said in April: "It is our honest conviction that the M. & M. railroad when completed to Menasha, will not pay for the oil necessary to lubricate its car wheels." Manitowoc parties, who acted as guarantors of the contractors, became exercised at the progress and a final coup was decided upon, by which it was planned to grant the first allotment of shares to the contractors in order to facilitate matters. This was done partially by giving them six hundred \$100 shares against the protest of President Reed at a meeting held on June 17th. The contractors thereby gained a control that Mr. Reed and his friends claimed they had not earned. The Reed partisans thus ousted, held a directors' meeting on July 1st and organization was effected as follows: President, George Reed; Vice-President, Jacob Lueps; Secretary, R. Klingholz; Treasurer, N. Wollmer; Stock Agent, Jacob Lueps; Directors, G. Reed, N. Wollmer, Curtis Reed, B. J. Sweet, J. Lueps, R. Klingholz, A. Baensch and C. H. Walker. The Cain organization met five days later and, the Barker & Hoes shares being in the majority, put in C. Cain as president, W. Bach as vice-president, and S. A. Wood as secretary, B. Jones, J. E. Platt and S. A. Wood representing Manitowoc on the board of directors. Thus it came about that two organizations were in existence aiming to build the same road and at sword's point with each other. Work consequently came to a standstill; the Cain organization hindering in every way Hewitt & Co., who had been hired by George Reed to commence the Menasha end of the road. Taunts and recriminations flew fast through the summer of 1857 and when Jacob Lueps who was in Germany for the purpose of selling the bonds of the road, heard of the turn affairs had

taken he refused to continue his agency and soon after returned home. To add to the company's distress the panic of 1857 came on, business was at a standstill and the road was advertised for sale for the non-payment of \$3,130 interest due on the first mortgage and Menasha bonds, the former of which had been issued to Azariah Flagg and James Horner, New York capitalists. President Reed opposed this sale, but his opponents had the books and refused to show them up. Suits were commenced by the Cain organization against their opponents for the proceeds of what bonds had been sold and also for other stock. The two Menasha members of the organization, Messrs. Doty and Turner, became frightened and placed themselves in the hands of D. F. Pulling, Cain's attorney, with instructions to get what settlement could be effected. It was decided to postpone the sale finally but this was not the end of complications.

The Menasha residents, having so much at stake, became restive and at a public meeting called there on January 9, 1858 it was decided to appoint an investigating committee, since certain charges were made against Reed's management. The committee appointed reported in a few weeks, completely exonerating Reed from all charges and expressing it as their opinion that he could prosecute the work better than anyone else. It also censured the action of Doty and Turner as also that of the Cain supporters at Manitowoc. It was claimed that all members of the latter had "axes to grind" in wishing the railroad project harm and that the members of the Cain board had no confidence in each other or in their ability to build a road. The financial condition of the project, it was reported, was good and all would be well if dissensions could be hushed. The statement made was as follows:

ASSETS:

Cash Subscriptions.....	\$ 31,700
First Mortgage Bonds.....	426,000
Manitowoc and Menasha Village Bonds.....	274,000
Grading, Bridging, Ties, etc.....	360,000
Due from Contractors Overdrawn.....	52,000
Farm Mortgages, Interest on Same.....	6,800
Lueps' Subscription conditional on Reed's Management	50,000
Total.....	\$1,200,500

LIABILITIES.

First Mortgage Bonds in hands of Contractors.....	\$ 89,000
Interest on Bonds.....	4,000
Miscellaneous.....	7,500
Taxes.....	500
Full Paid Stock.....	140,000
Total.....	\$ 241,000

At this time the road had been graded as far as Reeds-ville and iron had been ordered for the first twenty miles. It was then that George Reed made the following proposition to the committee:

"Gentlemen:—In answer to your inquiry as to what we will undertake to do towards carrying forward the work of the M. & M. we will state that if the authorities of the vil-lages of Menasha and Manitowoc within thirty days will treat with and recognize the "Reed organization" so called in contra-distinction to the "Cain organization" and agree to carry out in good faith the contract as representatives of the company and if the village of Menasha and the stockholders of Menasha will sustain Hewitt & Co. in their contract with the company in prosecution of the work between Menasha and Spring Creek, we will agree to have the whole line of the first division of the railroad prepared and completed, ready for the iron rail, as early as the first of July next, and also if we can command the securities of the company, will agree to have the iron purchased and the track laid by the first of October, or as soon thereafter as possible." Yours Respec-tfully, George Reed, J. Lueps, C. Klingholz, C. Reed."

This offer was, on the recommendation of the committee, accepted by the village trustees of Menasha at their meeting on Jan. 29th. Finally, however, since no progress was being made during the spring President Reed resigned and, auth-ORIZED by a special act of the legislature, the stockholders met on July 5, 1858, and elected a new management, in which both factions were recognized as follows: President, Jacob Lueps; vice-president, B. S. Heath, of Menasha; treasurer, H. Rahr; secretary, S. A. Wood; chief engineer, F. Salomon;

directors, J. Lueps, J. M. Sherwood, R. Klingholz, Gerard Kremers, S. A. Wood, J. E. Platt, of Manitowoc and B. S. Heath and S. M. Bronson of Menasha. Prospects seemed bright again and steps were taken toward immediate completion, it being hoped that the road might be in running order by the next July. The governor appointed as a board of inspectors Dr. M. F. Davis, F. S. Lovell and Judge Howe in order to settle all disputes, but the spirit had departed from the enterprise and work was not resumed because of lack of funds. On April 21, 1859, the interest on the old issue of bonds and also on another issue, made in 1858, remaining unpaid the road was advertised for sale and bought in by Jacob Lueps and B. Jones for \$100,000. In July P. Latimer, a New York capitalist, appeared upon the scene and made a proposition to Lueps and his associates that he would build the road, shipping the iron within fifteen months, if the village would issue its full amount of bonds. Besides the bonds of the two villages, still unissued amounting to \$274,000 he also asked \$450,000 in first mortgage security and \$242,000 in second mortgage bonds, a total of \$977,000. A meeting of citizens was held to discuss the proposition on August 10, S. A. Wood acting as chairman and F. Borchardt as secretary. While the village did not desire to go ahead and build the road itself, it did not favor Mr. Latimer's proposition and the majority report of the committee on resolutions was adopted as follows:—"Resolved, That the board of trustees of this village be advised by this meeting not to issue any of the bonds of the village to the M. and M. Railroad Co. upon the contract signed with P. Latimer, submitted to this meeting under date of July 30 and to no other person or company until sufficient guaranties are given by them that the principal and interest of such bonds will be punctually paid and not until such contract in all its bearings and provisions be submitted to the people of this village in meeting assembled." G. L. Lee and J. D. Markham signed this report while Temple Clark offered a minority report, favoring Latimer.

J. E. Platt went east in September to confer with capitalists and reported on his return to the village trustees that

they had advised the formation of a new company and an issue of bonds. Contractor Barker at about the same time offered to build and equip the road for \$874,000, but the resolutions passed by both the Menasha and Manitowoc trustees, favoring the issue of \$75,000 in bonds by each village were not a sufficient encouragement. During the fall and succeeding months J. Lewis, a financial agent from Toronto looked over the road as did also a Mr. Grant, but no offer of completion resulted. The Menasha people in the meanwhile blamed the Manitowoc stockholders for blocking Mr. Reed's projects, he, it was claimed, being the only one capable of completing the road. In May and June of 1860 two Canadian capitalists, Messrs. James Beachell, of Toronto and R. Bell, of Ottawa, inspected the road, becoming favorably impressed. They might have come to a definite proposition had it not been for an injunction, which had been pending since March 24, secured by George and Curtis Reed and aimed at any purchasers of the road. It seems that certain legal requirements as to the publication of notice of the sale had not been met and Judge Whiton sustained the restraining order. The Reeds refused to settle the matter and feeling against them was again very high on the part of those who desired to transfer the property. It was proposed in June that there should be an election and re-organization but the fears then entertained on the part of the Menasha people that the destination of the road might be changed to Appleton interfered with such an arrangement. No officers had been elected since 1858 and in the threatening days, so full of political excitement, in the latter part of 1860, further interest in railroad matters seemed to lapse, although feeble attempts were made at re-organization the succeeding spring. The Reed organization continued to hold adjourned meetings, lacking a quorum, throughout the war, thus leading an anomalous existence, with headquarters in Menasha.

After the issue of the war had been decided attention was again turned towards railroad matters. A proposal was made in January 1864 that all stockholders place their shares on a common basis to be disposed of to some eastern men with

capital enough to construct the road. Mr. Reed also had proposals to make at about this time, he having effected an understanding with Jacob Lueps, the purchaser of the rights of way. Two years passed, the Reed organization still maintaining its legal existence. Then on April 4, 1866, the charter of the M. & M. was consolidated, the new incorporators being George Reed and Jos. Vilas of Manitowoc; Henry Hewitt, R. M. Scott and Curtis Reed of Menasha. George Reed was chosen president and Joseph Vilas vice-president and on March 1st an act was passed providing that whenever the company should deposit in the First National bank \$100,000 and release the village from the \$37,000 in bonds then due the clerk of the village should deposit \$100,000 of the village bonds subject to exchange for stock in the company. Two years more passed without definite action when, on March 6, 1868, the Manitowoc and Minnesota company was organized to succeed to the corporate rights of the old M. & M. The promoters were Henry Hewitt, Curtis Reed, R. Klingholz, I. S. Buck and George Reed and the capital stock was fixed at ten millions. It was given the power to enforce the bonds of its predecessors and the first directors were to be elected in May 1869. It was expected that the aid of such capitalists as Hiram Barnard and S. J. Tilden of New York could be enlisted and it was planned to include Appleton on the route and to reach the Mississippi. Judge Reed thought to take advantage of an old grant of a right of way to Lake Superior via Stevens Point, a distance of about three hundred miles in all,—eventually the line of the Wisconsin Central. Eastern connections with the F. & P. M., which had been urged as early as 1857, were again proposed also. In September the village board put the question of advancing \$100,000 in village bonds to aid the project and the election held on the 22nd resulted as follows: For proposition, 304; against, 80, a majority of 224. The usual delay resulted, however, and by this time attention was turning in another direction.

It seems that a grant had been made to a company known as the Milwaukee and Lake Superior railroad in 1856, its rights being extended ten years in 1866. Capitalists had

taken up this project, which had been allowed to lapse so long and on March 5, 1869 it was given permission by the legislature to build its road through Cedarburg, Grafton, Port Washington, Sheboygan, Manitowoc and Green Bay to some point on Lake Superior. F. W. Horn, the president of the road, visited Manitowoc in October 1869 in its interest and a railroad meeting was held on November 13. Captain Guyles acted as chairman, F. Borchardt as secretary and among the speakers were J. D. Markham, E. B. Treat, C. E. Esslinger, S. A. Wood and D. Smoke. Committees were appointed and soon Joseph Vilas, always a master organizer, was attracted towards the new plan as a most practicable project. Mr. Reed, however, did not remain inactive and in December asked further aid for his road to pay the expense of a survey and other preliminaries. A vote on the question of advancing it was taken, resulting in 103 for and 188 against the proposition and it was thus seen that Manitowoc was not favorable to his plans. The railroad committee, appointed in November, went to Appleton and found the people there very enthusiastic over the prospects of a new outlet. Another meeting was called for January 7th, 1870 at Klingholz Hall. Captain Guyles again acted as chairman and the principal business was the receipt of a letter from Milwaukee, asking what assistance Manitowoc would give. A second committee was accordingly appointed, consisting of S. A. Wood, C. E. Esslinger, J. Lueps and J. D. Markham to go to Madison and assist in securing a charter. The struggle was a hard one, the opponents of the project being the Milwaukee & Northern and the Wisconsin Central, the latter of which was now being built with George Reed as one of its principal promoters. The committee representing Manitowoc worked hard and long but their efforts at first met with disappointment for on March 2nd the assembly by a vote of 43 to 41 voted against the charter. A few days later, however, an amendment was assented to changing the name from that of the Milwaukee, Manitowoc, Mississippi & Minnesota company, which had been proposed, to the Milwaukee, Manitowoc & Green Bay and, as such, articles of incorporation were granted to it on March

10th. The capital stock was fixed at five millions, with authority granted to double the amount and the incorporators were Joseph Vilas, Charles Cain, I. M. Bean, D. Taylor, F. Hilger, J. W. Vail, S. W. Cozzens, Levi Blossom, R. C. Merrington, W. S. Chandler and Jacob Lueps, most of them outside capitalists. Authority was given to towns, villages and counties along its route to grant aid also. In the same month organization was effected by the election of the following officers:—President, Charles Cain; vice-president, S. W. Cozzens; secretary Joseph Vilas; treasurer, R. O. C. Merrington. Thus all the elements, it will be seen, that were present in the older railroad efforts in the county were in the new organization, minus Mr. Reed, who opposed this new project strenuously in the legislature and outside it.

1870— A large mass meeting was held on March 23rd at which it was decided without a dissenting vote to submit to the citizens the question whether or not the county should subscribe \$250,000. In the meantime a meeting was held of the directors of the old Appleton & New London Railroad company, which had existed for some years on paper and Joseph Vilas was elected president, so that the management of the two roads became almost identical. The charter of this latter road had been so amended that it might connect with the other at some point on Lake Michigan and from 1870 on it and the Milwaukee, Manitowoc & Green Bay were one project. The vote in Manitowoc county was taken on April 12th. Manitowoc city and town voted in favor of the bond issue almost unanimously, 1,493 ballots being so cast and majorities favorable were secured also in the towns of Rapids, Kossuth, Cato, Newton, Franklin and Rockland, amounting to 2,544 while an aggregate majority of 1,921 against the issue was the result in Two Rivers, Mishicot, Gibson, Meeme, Maple Grove, Liberty, Cooperstown, Centreville, Two Creeks and Schleswig. The aid voted was divided, \$150,000 to the Appleton and New London and \$100,000 to the Milwaukee, Manitowoc & Green Bay and the result of the total vote was 597 majority for the latter and 661 for the former proposition. In the words of the local press: "Now one more railroad com-

pany has got all it has asked for from the county and we are waiting for them to fulfill their part of the contract." Brown county also signified a willingness to aid the project, if assurances would be given that the road would touch that section.

Work began on the road north of Milwaukee in May and on June 4th Port Washington voted to take \$30,000 of stock in the Milwaukee, Manitowoc & Green Bay by 210 majority. Directors were elected in July and the following officers also chosen:—President, Joseph Vilas; vice-president, C. Cozzens, of New York; secretary, R. Merrington; treasurer, C. C. Barnes. During 1870 and 1871 the Milwaukee & Northern Railroad company was also pushed and the town of Schleswig by a large majority granted \$15,000 in aid to the road. Joseph Vilas, president of the other road, was in the meanwhile making frequent trips to New York, interesting capital there and getting matters in final shape for the construction. It was his persistent efforts more than anything else that brought about a successful consummation of the plans so soon. Other projects were still considered, however, and in January 1871 George Reed called a meeting at the courthouse in the interests of the old Manitowoc & Minnesota, promising to build the road to Menasha in a year, providing the city would get the right of way ready for the rails. Another meeting was held by O. H. Waldo and other promoters of a scheme to build a road from Milwaukee to Manitowoc via Cedarburg and Sheboygan Falls but neither this nor the former proposition were favorably received, the Manitowoc and Minnesota a few months later becoming consolidated with the Wisconsin Central and George Reed being elected president of both corporations. Thereafter his interest in Manitowoc railroad projects was at an end. For twenty years had he been identified with them and there are those who believe that had he been allowed to proceed unhampered at the first the Manitowoc & Mississippi might have been built and in active operation before the Civil war.

In the meanwhile work was being pushed on the Appleton & New London, between Appleton and Manitowoc, the

part first to be built. President Vilas in April, 1871, purchased 1500 tons of iron rails, a locomotive and several platform cars, the rails arriving May 30. In the early dawn of Sunday morning, June 22, the first locomotive, named the Benjamin Jones, after the city's founder, was brought into the harbor on board the two-masted schooner Mediterranean, having been shipped on the craft at Buffalo. All day a stream of visitors gazed upon this herald of a new day and hopes for the future seemed now near realization. The lofty railroad bridge near Branch Mills was constructed in this month and in July at a meeting of the stockholders all was reported as prosperous. Joseph Vilas was re-elected president, Henry Mann chosen vice-president, C. Luling, secretary, C. C. Barnes, treasurer and eleven directors, two from Milwaukee, one from Port Washington, three from Sheboygan, besides Jacob Lueps, J. D. Markham, M. Fellows, C. H. Walker and Joseph Vilas, were elected. It had now been definitely settled that Appleton was to be upon the route and upon the advice of Hiram Barnard, the New York capitalist, that city extended considerable aid. The satisfaction expressed by the rapidity of the work on the Appleton division was augmented, when in September news reached the city that work north of Milwaukee would be pushed immediately. In June the company asked for further aid, \$75,000 of the city of Manitowoc and \$25,000 from Two Rivers. The latter was to be in consideration of an agreement to build a branch to that city along the line granted the year before (on March 24, 1871) by the legislature to the Manitowoc & Big Sturgeon R. R. Co., the incorporators of which were J. Vilas, John Schuette and C. C. Barnes of Manitowoc; H. H. Smith of Two Rivers and W. Wyatt of Kenosha. Meetings were held to discuss this new proposal and sentiment seemed to be so in favor of the extra aid that an election was held on June 7th, resulting as follows in Manitowoc:

Wards.	For	Against
I.	152	77
II.	99	17
III.	232	39
IV.	125	54
Total,	<u>578</u>	<u>187</u>

In Two Rivers the vote was taken on the 24th of July and resulted in 299 votes being cast in favor of the proposition as against 96 against it, a result which met with enthusiastic acclaim. Sheboygan city also voted \$50,000 and the county \$80,000 in aid of the project, the sum total of the amounts voted by the lake shore counties to the road being \$480,000. In the fall of 1872 the road from Manitowoc to Appleton was opened for business. Work was also progressing north of Milwaukee; being completed as far as Sheboygan by the time winter set in, under the able management of engineer H. G. H. Reed, in charge of the construction. The panic of 1873 did not interrupt the work, due to the efforts of President Vilas, and on September 22nd of that year the road was formally opened to Milwaukee, the Two Rivers branch being completed the following year. During 1872 and 1873 the officers remained unchanged with the exception of the addition of Charles Luling, who acquired interests in the project at about this time. The name Milwaukee Lake Shore & Western was assumed in 1873 as the designation of the consolidated system. Trouble soon arose, however, the road being unable to meet its obligations held by eastern capitalists and early in 1874 it became necessary to turn it over to the bondholders. Directors Fellows, Lueps, Markham, Elwell and Cozhausen stepped out and L. Wells, W. H. Guion, S. S. Sands and S. H. Knox of New York City; I. C. Horning of Philadelphia and R. Bard of Baltimore, who had bought the bonds, filled the places vacated. On May 6th a re-organization was effected, F. W. Rhinelander of New York succeeding Mr. Vilas as president and Henry Mann of Milwaukee being chosen vice-president. Old obligations were then settled, claims adjusted and the road extended westward from Appleton from year to year until the Lake Shore system became one of the best equipped of the smaller roads of the state. Joseph Vilas and Charles Luling were at this time and for many succeeding years the only Manitowoc men interested in the road, being directors.

It can scarcely be said that Manitowoc received all the benefit it had expected from railway connections. The much

hoped for eastern lake route did not materialize and, although the division railroad shops were located at Manitowoc at first, even these were removed to Kaukauna in 1883 much to the chagrin and detriment of the city. In 1884 rumors to the effect that the Two Rivers branch would be extended to Kewaunee were rife and again in 1887 the Milwaukee and Northern contemplated an extension from Kiel to Kewaunee, public meetings to consider the project being held in the country towns but no action resulted from either project. In the meanwhile the city and county were beginning to realize that the money subscribed for stock in the railroad companies had, by the reorganization of the M. L. S. & W., become a debt and nothing more. The county board in January, 1884 appointed a committee, consisting of Supervisors Stoker, Schmitz and McCarty, to investigate the matter and see if any relief was possible. At that time \$216,000 of the county subscription was still unpaid and all the money advanced by the cities of Manitowoc and Two Rivers was owing. An attempt had been made in earlier years to come to some agreement, notable in the efforts being John Carey, but the cities had been backward in co-operating, wishing to ascertain what were the company's motives. Two lawyers were consulted by the committee and gave their opinions, Michael Kirwan holding that the county had no redress and was bound to pay the bonds while F. W. Cotzhausen of Milwaukee maintained an exactly contrary position. It was finally referred to Attorney Joshua Stark of Milwaukee, who upheld Judge Kirwan's opinion. The county bonds became due on July 1, 1890, being held in New York, Sheboygan, Manitowoc and elsewhere, selling in 1888 at a premium of five per cent. In that year another committee, consisting of J. P. Nolan, of Maple Grove; J. Murphy of Cato and F. Schuette of Manitowoc, was chosen by the board to ascertain the best method of paying off the debt. Discussion continued at intervals until the November session in 1889 when the proposition of County Treasurer Gielow was adopted, by which the bonds were to be refunded and an arrangement made to pay \$18,000 annually for fifteen years. The town of Schleswig was meeting with similar questions with

regard to its Milwaukee & Northern bonds and made a settlement somewhat similar, agreeing to pay \$1000 for thirteen years. During the twenty years these bonds had run Schleswig had paid \$24,000 in interest, nearly twice the amount of the original aid extended. The bonds of the cities of Manitowoc and Two Rivers became due in 1892 and the former refunded the \$35,000 then remaining due in twenty year bonds, Two Rivers making a similar arrangement. On several occasions talk arose of possible connections between the M. L. S. & W. and the Wisconsin Central but nothing definite came of it. In 1889 the former asked the city council of Manitowoc for a franchise granting the right of way on Franklin and Quay streets from their depot to the lake front, promising the city much benefit from proposed improvements at the latter point. Much opposition arose, however, and General Manager Whitcomb and Mr. Thayer representing the road were called upon to address the council upon the matter. The right of way was finally granted after the imposition of some conditions as to the use of the same. Damage suits were then brought by abutting property holders, which dragged on for many years, the attorneys for the plaintiffs, Sedgwick, Sedgwick & Schmidt, finally securing a decision in the fall of 1901. The railroad company had bought the Hinckley and Allen property, consisting of nineteen acres, on the lake shore for \$13,000 but year after year passed without any of the promised improvements being made with the exception of the building of a warehouse for the transferring of freight to the F. & P. M. liners. In 1891 steps were taken looking toward the incorporation of the M. L. S. & W. into the Chicago & Northwestern system. By this time no Manitowoc capital was invested in the former road and the change, perfected August 19, 1893, would have been immaterial had it not injured the city's facilities by the fact that many of the through trains were thereafter run over the Wisconsin instead of the Ashland division, as the Lake Shore was now called. About the time of the change a depot was built, which filled a long felt need, the new structure being a neat and commodious one, costing \$15,000. Although the C. & N. W. continued through ship-

ments across the lake in 1892 business fell off and the panic of the next year still further depressed trade. The Kewaunee short line, established at about the same time was also a disturbing factor affecting local business. It was at this unpropitious time that the Northwestern asked for the vacation of the lake front street ends on the south side, thus raising a question that vexed the city fathers all during the summer of 1893. Upon showing that it was purchasing the right of way for a proposed belt line around the southern limits of the city the company was unanimously granted the privilege after much opposition. The belt line was, not, however, completed until five years later.

And now in the time of deepest industrial depression, when Manitowoc seemed to have little future before her there came to a head as magnificent a scheme of transportation as the city had ever hoped for. The old desire to be located on a through line to the east, which had been entertained as early as the fifties, was finally obtained and that through the medium of the Wisconsin Central, by the strange irony of Fate, the successor to the very privileges granted to the Manitowoc & Mississippi. The earliest rumor of an extension of the Central eastward from Menasha gained currency through the columns of the Milwaukee and Menasha papers in January, 1894, although it later came to light that had it not been for the panic the road would have been built in 1892. In December 1894 the Superior & Southeastern filed articles of incorporation, of which Ex-State Treasurer Hunner was one of the projectors, with Manitowoc or Sheboygan as its projected terminus. The plan although it did not go beyond the stage of incorporation preceded by a few weeks certain peculiar actions that continued to mystify citizens for three months. Options were taken on city property just above and north of the Main street bridge, surveyors were seen in the neighboring country and wild rumors were afloat. Some thought that the land was being secured by the C. & N. W., others that the Inter-Ocean Transportation company was seeking property and still others attributed the actions to the Wisconsin Central but the result was that the price of lots went up and

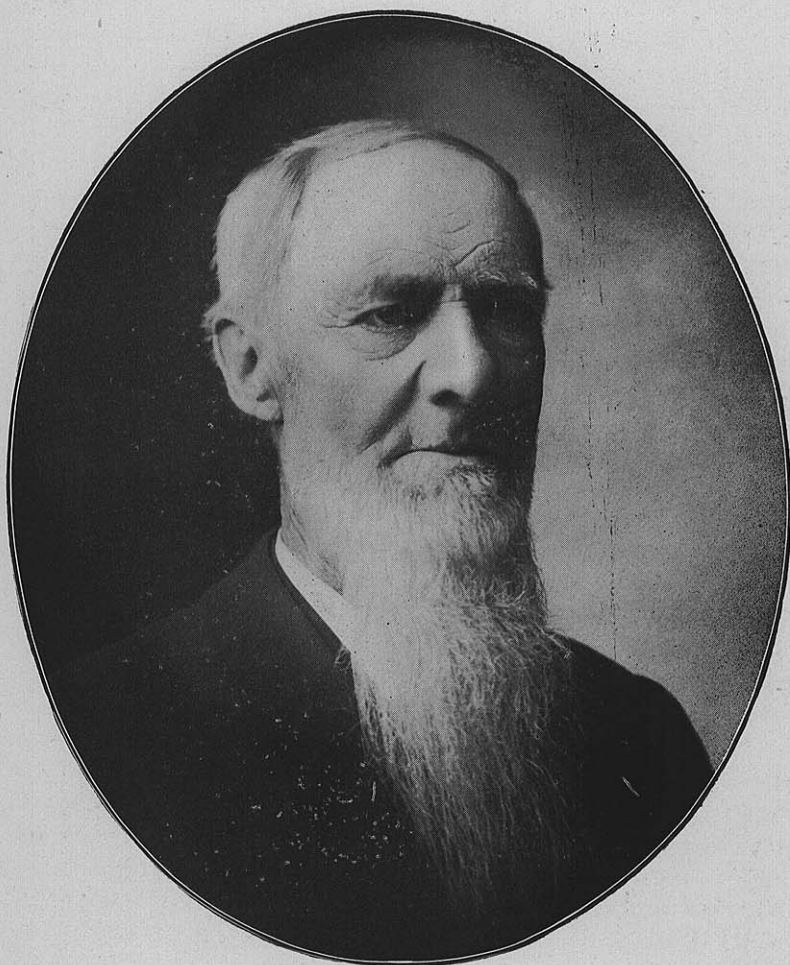
Manitowoc experienced something of a real estate boom. Zander & Co., planing mill proprietors, and others sold their property on what was known as "the flats" and condemnation proceedings were filed on March 20th by a corporation calling itself the Manitowoc Terminal company against many of the neighboring tracts. The true facts of the case did not come out until April 18, when in a special edition of the Manitowoc Pilot the whole matter became public information. It seems that the Wisconsin Central had been responsible for the activity and that as channels of action there were two corporations, the Manitowoc Terminal company and the Milwaukee & Lake Winnebago Railway company. The former secured quietly all of what was known as "Shipyard Point" and "Lueps' Island" while the latter had been obtaining a right of way westward to Hilbert Junction. Continuous dockage and acres of track space were thus afforded and it was announced that the depots would be placed near the Main street bridge. The vastness of the project was early understood; in the language of a newspaper of the time: "It is self evident that these lines are not to be built to secure local business but have in view eastern connections." But most remarkable of all the company asked no bonus, merely requesting the vacation of the streets on the "flats." Fear that it might be the C. & N. W. in disguise was quieted by the arrival on May 8, of E. H. Abbott, president of the Central; General Manager Whitcomb, Chief Engineer Tweedy and P. S. Abbott. The project by this time had become widely advertised and Manitowoc received much notice. Attorney Gill appeared before the council upon the question of the vacation of the streets on May 13th and President Greenleaf of the Manitowoc Terminal company communicated with that body concerning necessary co-operation by the city in dredging the river soon after.

The contracts for the grading of the new road were let to Evans & Richards of Minneapolis in a month and the work was completed by May 1, 1896. Sub-contractors took the job of digging the deep cuts, one of which required the excavation of 158,000 cubic yards of earth. A commencement at the

grading of the terminals was made in November 1895 and dredging continued during the fall and succeeding spring. Railroad officials were frequent visitors during the spring months in order that they might keep in touch with the work being done. At last the rails were laid and the first train crossed the new jack knife bridge, which had been erected near the ship yards, at 3:10 p. m. on June 24, 1896, the last spike of the road being driven by Captain Carle of the Manitowoc police force. W. Vandegrift of Appleton was chosen local agent and the road was formally opened on July 2nd. The train bearing the officials arrived in charge of Conductor Scott and Engineer Nolan on the morning of that day and speeches were made upon the depot platform by Mayor Torrisson, President Abbott, Joseph Vilas and H. G. Kress. Freight sheds were soon constructed and a passenger service of two trains daily in each direction established. Little villages, such as Potters, Valders, Madsen and Collins sprang up along the route forming centers of shipment for farming communities. Extensive yards were established north of the Manitowoc river and it was not many months before they were filled with cars enroute to the east. All this railroad activity led to increased marine facilities, the establishment of elevators and also of carferry routes, referred to in the preceding pages.

The energy displayed by the Central in opening terminals at Manitowoc seemed to have an inspiring effect on the Chicago & Northwestern as well. Early in 1895 rumors were abroad that the latter would utilize the carferry system and build slips on its lake front property. It was finally decided by that company to improve its facilities and in May 1896 a slip 450 by 110 feet was constructed. Coal docks with a capacity of 250,000 tons were also added, being managed and operated by eastern firms, until sold to the Reiss Company in 1899. With all these improvements business naturally increased at a rapid rate until in 1900 that done through the local office of the Northwestern was greater than at any point on the system outside of Chicago and Milwaukee.

What the future has for Manitowoc in the way of railroad development it would be difficult to tell. It is well



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known that some corporation has purchased the right of way over the submerged property from the north side of the river entrance to the mouth of the Little Manitowoc and it may be that some day another belt line may be added or indeed facilities may be increased in a different way. Rumors have been prevalent in years past of the entrance of the Illinois Central, the Chicago, Milwaukee & St. Paul and other lines, but definite results have not been forthcoming. Nevertheless the city need have no fear of the future when it is considered how much money is invested in terminal facilities. In truth it seems as if the dreams of the village founders were at last approaching consummation.

Manitowoc has been somewhat tardy in securing street railway facilities. In September 1887 a franchise was asked for by P. S. Tillson and Henry Schmidt, of Manitowoc and H. Saemann of Sheboygan. The matter was not pushed, however, and it was not until the summer of 1900 that it was revived. At this time Thomas Higgins of Menasha and Henry Higgins of Marinette, both street car promoters, asked for a franchise under the name of the Manitowoc & Northern Traction Company, proposing to run an interurban system between Manitowoc and Two Rivers with possible later extensions to Kewaunee and other northern points. After some discussion and competition by other promoters the Higgins brothers were granted a thirty-five year franchise by the city council of Manitowoc on October 13th and by that of Two Rivers soon after. Construction was begun the following June and the road was opened for traffic in the spring of 1902. Some activity was also manifested throughout 1900 and 1901 by a traction company, which proposed to extend a line northward from Sheboygan through Manitowoc county to Green Bay. Votes favorable to the project were taken in several of the townships but no definite action followed.