Early History of Plattsmouth

Continued from page one.

half of the \$200,000 in bonds with coupons attached providing that the Commissioners would agree to levy bonds not surrendered and further agree to deliver to the Burlington for cancellation, the penal bond held by the county in the amount of \$300. the county in the amount of \$300,-000 to guarantee execution of the

\$100,000 of the bonds and accrued intierest and surrender the penal pany surrender coupens to the amount of \$20,000 on the bonds to to the Burlington and the demurrer to the Commissioners suit was withthe compromise be incorporated into an order of court and this was so done and signed by District Judge

The \$100,000 in bonds were paid by Cass county as agreed and the were issued on condition that the Burlington bonds. The 'Condition we could replace the old for \$2,500. final settlement. No report from this county has no bonded indebtedness Burlington would establish and oper- Committee' as it was now called, en- We can't do this and \$20,000 is a committee is recorded but on July 2.

The controversy between the city the Burlington had failed to fulfill its contracts with the county and

600. The Burlington annually paid company. its city taxes in surrendered coupons amounting to about \$2,000. It will be recalled that the first two years of pany as a part of the contract so the first interest payment was not due

this precaution had not been taken.

Pollock. Johnson, Wayman, Carruth 1876. and Nichols.

said railroad commenced in its agree- binding the railroad on these points. lated the contracts. main shops and "should here have this date which was not nearly so at least \$7,500 of back interest." and the Burlington presented the its headquarters and principal offices militant nor critical of the railroad He closed his letter ith the pointed donated to the railroad company. most difficult problem of the three. and make this the initial point for company as the report of 1874. The admonition: "Time flies." That the And on July 14 a resolution was in-The whole matter revoived around the maintenance and operation of Committee stated that it had examin- railroad company expected to press troduced in the Council stating that these two issues: the inability of the said road." Concluding its report, ed the proposition submitted to the matter of a part cash settlement the Burlington had agreed to de-It is interesting to note that on city but that the spirit of the writ- pany dated June 15, 1869 and that rights." Immediately, a motion was annual interest. The city also agreed May 17, 1873. City Treasurer Wm. ten contract and the verbal agree- it had discovered that under the call made in the Council to grant the re- to furnish free of cost, additional ments have been disregarded: That of the election, only 40% of the railroad company. Ne- lots and a right-of-way to the prothat he could find no record of the instead of retaining its real estate bonds were to be delivered when the ville, Heffner and Wells voted fav- posed new bridge across the Misissuance of the \$50,000 in bonds to in the city, donated by our citizens first ten miles was completed: 40% crably but Wechback, Donnelly and the Burlington but had found record and which was intended and expect- more when the second ten miles was Guthmann voted "no" and since cost of ground to be donated to the of acceptance of the bonds by the ed would give the said company an finished and the remainder waten the there was an equal division, Mayor railroad would amout to \$2,000. The railroad company on page 22 of Jour- additional motive to use its influence line was completed to the west end Livingston cast a negative vote and nal "B" of the city council and fur- to advance the prosperity of the city" of the county. This was a feature the motion was lost.

the interest due as may be seen from plant as "our people expected, though the tax payment made June 28, 1873. Phie the tax payment made June 28, 1873. complained that the passenger depot was that the Burlington was requirters were not made a matter of recfurther up the river "under a bluff of the Platte river and that "the City Clerk reported to the Council was authorized to go to the offices initial point." It was charged that investigated "altho it does not in found and was dated September 27, of the company and make a copy of the bonds and coupons. January 24, 1874, a copy was obtained and recorded on page 521 of Journal "B" so that three years after the city entered into an agreement with the prived of through express rate privileges. The report called the atvileges. The report called the at- the contract. Burlington, it made an official rec- tention of the Council to the promise . The Committee also raised the fol- interest after July 3, 1876; that the ord of the negotiation. The record that the Burlington would use its lowing questions relative to a con- company would surrender all deof the Council gives no reason why influence "to enhance the real estate test with the Burlington: Can the linquent coupons and erect new shops Going into the year 1874, the in- steadily depreciated. "These viola- annul acts of its predecessors whe- closed. Mr. Perkins stated also that vestigator finds the financial condi- tions of the letter and spirit of the ther they were legal or not? Can building on the shops had already betion of the city in a worse plight agreements have caused hostility in this Council compromise contrary to gun and that the coupons would be April . 22. 1874, the re- Plattsmouth and coupled with it is the original proposition without a surrendered as soon as the attorneys port of the City Clerk showed inter- the uneasiness that the shops will vote of the people? Has the company could arrange it. est in arrears to the Burlington be moved." The report urged that complied with the contract of is there amounting to \$15,000. Deducting as Plattsmouth was the largest ship- other considerations apart from the from this, \$2,069.21 in taxes paid by ping point in the state for produce original contract? In view of these the company in coupons, left an un- and live stock "that it deserves some facts and questions, the Committee paid balance due to the company of consideration aside from the con- made this recommendation: that the

tract." With three years unpaid interest | For these reasons, the committee to pay the interest and principal on due to the railroad, it is not sur- recommended that in view of the bonds providing the company will prising that Vice-President Perkins failure of the Burlington to perform surrender all interest coupons due wrote to the Council July 27, 1874 the obligations contained in the writ- and unpaid except a number suffiasking some action on the delinquent ten and verbal contracts and the cient to pay taxes due the city and coupons. Realizing the inability of implied understandings, that if the agree "to maintain in the corporate the city to pay, the Council on July road attempted to make forcible col- limits of the city of Plattsmouth 25th had already passed a resolution lection of delinquent interest that there general and principal business asking the Burlington to surrender "we will raise the question of for- offices, passenger and freight depots all delinquent coupons and the city feiture of the bonds." The report and the other necessary buildings nawould guarantee payment of all in- was adopted and a copy ordered sent turally belonging or pertaining to torest after 1875. Mr. Perkins sug- to Vice-President Perkins. No far- said railroad company's business." gested in reply that if the company ther progress was made toward a This clause was an important one granted this concession that the compromise and nothing was done in the minds of the Council though

payments. The Mayor appointed a shows no report between the report recommendation was tabled. committee of five councilmen to at- just reviewed dated August 3. 1874. On July 7, 1876, the Mayor report- cil to any honorable method to re- ington had loaned the city, the Coun-

company should be such as to pro- agreements" and "verbal contracts"

city levy a tax beginning in 1876

it is clear that it was not a part of the original written contract. Now the Council was trying to make this point sure. On June 8th a letter to Mr. Perkins stated the proposed compromise of the city as just outlined. But this letter was much more conciliatory than the correspondence of 1874. In his reply on June 20. Mr. Perkins said. "I echo heartily the wish that proceedings at law may be avoided." But he came to the point immediately in regard to including a clause in the compromise binding the company to maintain its business headquarters at Plattsmouth by saying tersely, "I consider it hardly practicable to attach new conditions now. The bonds are subject to the conditions upon which they were voted and no other." He reminded the Council that the question at the moment was, "If the back coupons are returned, what security do we have that future interest will be paid?" Mr. Perkins suggested as before, that the delinquent coupons be put in trust or under an order of court as a guarantee of future payments. In closing he expressed the opinion that "we can manage this matter harmoniously leaving the conditions upon which the bonds were issued undisturbed." It was clear that the company was not going to retreat from its written con-tract as far as it had bound itself to perform certain things. Any request on the part of the city to the Burlington was invariably followed by a demand from the company for more ground. In this way, the amounts which the city asked to be and the Council as usual instructed

his trip to Burlington. He spoke in embarrassments it was enduring. The readers attention should be a very conciliatory manner and ex- On March 15, 1879, the Committed found to be a slow matter to consum-On August 3, 1874, Mr. Thomas called here to the facts bearing out pressed sympathy to the railroad tee to whom was referred the com- mate. A committee composed of Pollock as chairman of the compro- the premise made at the opening of company over the loss of their shops promise matter reported that a let- Thos. Pollock, J. V. Wechback, and mise committee read a lengthy re- the chapter: that there was consid- by fire. The proposition which he ter had been received from Mr. Per- G. W. Fairchild was appointed to port to the council in which the views of the city were fully set forth. The what Plattsmouth expected the Burlington was this: If the company ton, stating that he would be glad In addition to the expense in report reviewed the voting of the ington to do and what the railroad would remit the delinquent coupons, to have a conference on the bond reaching a compromise, five members bonds in 1869 as made "in good faith company actually planned to do for the city would bind itself to pay as and interest question and that he was of the Conciliation Committee them. taxes annually to pay interest on by the citizens of Plattsmouth who Plattsmouth who Plattsmouth soon and ed in bills to the Council for amounts trusting in the representations made be noted here that the Council re- ditional lots for tracks and buildings would arrange to meet with members ranging from \$6 to \$10 each for

Mr. Perkins stated in reply to this mouth and the Committees met with mittee to whom the claim was re-the city—not only voted bonds as contract as reproduced on a preced- which the company is asked to sur- a settlement at the rate of 50 cents on be referred back to the Conciliation above said to aid in the construction ing page. Most of the details which render is large, aggregating \$20,000, the dollar. Mr. Perkins agreed to ac- Committee for reconsideration as it counter compromise wherein they of the road, but in addition, . . . are enumerated in the Council's reagreed to guarantee payment of freely donated to said railroad comport are not a part of the written settlement on our bond difficulties tors would do the same. But, the without charge. On October 11. pany 200 lots." The report further agreement except in a general way without litigation to accept and with Committee reported, the holders of 1879, Councilman Pollock, Fairfield American destroyers made ready topany 200 lots. The report further agreement except in a general destroyers made reason the high school bonds would not and Pepperberg were instructed to day to leave on short notice to join bond as proposed by the Burlington efforts of the citizens of Plattsmouth that the bonds were delivered. It for asking now the surrender of so agree to any kind of compromise. but asked in addition that the com- that a grant of land from the state does some conclusive that those in- large an amount due to the railroad had been obtained for the right-of- dividuals who carried on the negot- company is the inability of the city some sort of compromise with the bridge. But the whole matter went American lives and property in way and "thus did the citizens of lations with the railroad company to pay and not because any claims railroad company as the bonds on over into the next year with a any China. the retained by the company. This are contained by the company. This amended compromise was acceptable faith in the representations of the contract as is contained in the in any of its obligations." The Countries of the company has failed the high school had not yet become the contract as is contained in the in any of its obligations." The Countries of the contract as is contained in the contract as is containe company and of their desire to aid report to the Council by Mr. Pollock cil ordered the report adopted and harass the city officials and townssaid company so far as in their power but the written contract is not at all thereby agreed to a surrender of the people in later years. The immediate they could, and up to the time when clear when it comes to a question of claims that the Burlington had vio- question was payment on the Burl-

ment, the citizens of Plattsmouth al- On June 3, 1876, or almost two But in a letter a few days later, committee composed of Mayor Johnways showed a disposition to help years later, the Council again took Mr. Perkins displayed a change of son, R. C. Cushing and J. V. Wechsaid company." The case for the official notice of the problem of pay- viewpoint. He wrote "we will have back was authorized to meet the city further claimed that the bonds ment of delinquent interest on the to spend \$20,000 for new shops when Burlington officials and agree to a ate within the corporate limits its tered a long report on the record on good deal to give up. We must have 1879 the Council approved an approthe committee "finds that the said voters March 30, 1869, and voted on was indicated in a telegram from Mr. liver back the original \$50,000 in railroad company has not in good April 24, 1869, and also the resolu- Perkins to the council informing them bonds in return for a new issue of faith carried out the conditions on tion of the Council of June 3, and that "if we fail to compromise, all \$25,000 in sinking fund bonds. These which it received such aid from the the acceptance of the railroad com- I can ask is the company's legal were to run for twenty years at 6%

ther that two years interest was due the land was sold at public auction that the report of 1874 had not There is not another single refer-April 15, 1873 amounting to \$10,- shortly after it was deeded to the brought out for it will be recalled ence to this controversy in the Jourthat the bonds were all delivered nal of the Council covering the per-The Burlington was also charged prior to any construction work. The jod from the vote on the above mowith not building as large a shop report of 1876 pointed out an addition in July, 1876 and June 14, to the railroad, the city borrowed ample ground was given." It was gued in the report of 1874. This a loss to understand why these matwas to be located at the foot of Main street but that it had been built their initial point at a place south the latter date just referred to, the where passengers cannot see our company has disregarded that fact that an examination of the Council city." The Company was reminded that Plattsmouth was to be "the inway station and Omaha is the real Committee urged that this point be that his letter of acceptance had been

values of Plattsmouth, but whether Mayor or Council now alter the ar- upon ground donated by the city; from hostility or other motives" real rangements under which the bonds that the company would move the deestate values in Plattsmouth had were voted? Can this present council pot providing certain streets were Shortly afterward, Mr. James G.

Taylor, Assistant Treasurer of the Burlington appeared before the couneil and surrendered coupons to; the value of \$19,600 and he was issued a receipt for the same. The coupons were burned and the first phase of the bond controversy was getting \$19.600 of its obligations removed but the donation of additional lots and closing of streets would make a sharp reduction in the amount returned by the Burlington. The company did agree to erect new shops and relocate the depot but the city had donated the ground at additional expense. As far as the city's allegations were concerned in reference to the Burlington violating the contracts, the Council was forced to admit that the reason for a compromise was "inability to pay" and not that "the company has failed in any of its obligations." It is very doubtful if the city could have ever gotten any favorable results from a suit to compel the performance of the written contract above what was actually specified. Too many vital considerations had been left to "verbal contracts," "implied agreements" and

'understandings." But the compromise was only temporary. Again the acute financial distress of the city precipitated a recurrence of the controversy. A report was made to the Council December 7, 1878 showing the bonded indebtednes of the city and which amply illustrated the financial distress of the municipal treasury.

Total Bonded Debt ----\$ Unpaid Interest Warrants outstanding -

City share of County and precinct bonds -----

The valuation of real estate Plattsmouth was fixed at \$237,132 and personal property at \$201,350 making a total valuation of \$438,-482. In 1871, the total valuation was \$595,552 showing a drop by 1878 of \$157,070.

On February 22, 1879, a Council committee on city debts reported that the city could not meet its obligacompromise and the Mayor was inrefunded were kept at a minimum.

June 30. 1876, a letter was received ditors. On April 5th, a Committee of asking for more lots for the shops

Ten was appointed to seek a solu-Ten was appointed to seek a solu-tion of the city's financial distress. the Mayor and Clerk to go to Burlington and assure them they could have the required land. July 1, the Conciliation Committee reported again to the Council and recommended that the city bind itself by an order of court to pay the future of the city's financial distress. It was composed of: Dr. R. R. Livingston, C. H. Parmele, S. M. Chapingston, C. H. Parmele, S. M. Chapman, E. G. Dovey, M. L. White and Dr. John Black. On April 12th, Councilman Pepperberg offered a resolution ex-

surrendered coupons ought to be during 1875 as far as the record interest if the Burlington would sur- pressing in Mayor Johnson's efforts nation! In this instance, the draplaced in trust to guarantee future shows. In other words, the record render the delinquent coupons. The to solve the financial problem and matic borders on the comical. pledged the co-operation of the Coun- With the money which the Burl-

ington bonds. On June 2, 1879 a priation of \$400 for more lots to be souri river. It was estimated that the city did not have \$2,000 and we behold the most unusual case of the Burlington lending the city \$2,000 at 8% interest to buy this property! Instead of reducing its indebtedness

tempt a compromise. They were: and a new report made on June 3, ed to the Council in reference to lease Plattsmouth from the financial cil proceeded immediately to acquire the necessary property. But this was

final execution of the compressive. (To Be Continued)

Chinese Launch an Attack Upon Japanese Force

Threat of the Chinese Forces to Turn Guns on International Settlement Grave Menace

Important developments in Shanghai situation today were: A sudden and determined counter-attack, launched by the Chinese in Shanghai, forced the Japanese to drop back from hardwon position in the native

Two battalions of reinforcements were rushed ashore from Japanese ships in the Whangpo river to meet this new show of fight from Shanghai's defend-The Japanese command the Chinese had brought field guns into position and had dropped a number of shells about their headquarters alongside the international settlement. Eight more United States de-

stroyers at Manila were ready to sail for Shanghai. President Hoover kept a close eye on the crisis, and Secretary Stimson said American and England had protested against possible occupation of the international set-

tlement. Danger of soviet Russia entering the field against Japan was raised when Russia refused permission for the Chinese-Russian railway to transport Japanese troops to Harbin to fight Chi-

The League of Nations council decided to order an investigation of the situation. At Tokio Japan made a veiled threat of withdrawal from the league:

The native city of Chapei was like a huge bonfire and the flames were nearing the international settlement. Manila, Jan. 30.-Eight more The Council still wanted to affect Burlington a right-of-way to the new to meet any emergency threatening

Stores for an extended voyage were put aboard in the last few days although Shanghai, 1,340 miles, is but two days distance to fast destrovers under favorable conditions. There were rumors of possible trouble between the large Chinese colony and the much feared Japanese, but the consul general of the respective nationalities decried such

alarmist reports. Officers of the cruiser Waldeck Rousseau, chief French warship in the Far east, said she probably would be kept in commission instead of being retired as scheduled, in view of the emergency. The cruiser, which had been here on a visit of courtesy. sailed Friday at midnight, bearing Governor General Pierre Pasquier back to Indo-China after a five-day

PLAN NEW HASTINGS BANK

Hastings-An attempt is being made to reorganize the First National bank, which closed last fall. Mayor Madgett said Wednesday he and a committee of the chamber of commerce had been working on a plan together with several bankers from Omaha, Lincoln and Kansas City. Details are not yet complete, however, and the work will continue until the scheme is ready for presentation to a depositors' committee.

Valentines

A Great Variety

Do you know that more than 1,500 years ago, St. Valentine's Day was first observed in England, Scotland and France on the same plane it is observed today, only greetings were written by hand and given to the friends, and at party gatherings these were placed in baskets and drawn out-thus you found your valentine!



Valentines Are More Plentiful, More Easily Selected Today



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Genuine Bayer Aspirin, the kind

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users have proven safe for more

than thirty years, can easily be

identified by the name Bayer and

Genuine Bayer Aspirin is safe

and sure; always the same. It has

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physicians and druggists every-

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the word genuine.