A History of the Kansas Central Railway, 1871 - 1935

By Harold Crimmins
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A History of the Kansas Central
Railway, 1871 - 1935

by Harold Crimmins*

Reject it or delay it, and the Angel of Hope will spread her wings for some other land where the folly and evil passions of men will not disdain the fairest offer ever made to a people. (Leavenworth Daily Times, June 27, 1871)

A charter was granted to the Kansas Central Railway Company on May 31, 1871, stating the proposed plans of the new corporation. It was to construct and operate a three-foot railroad, including a telegraph line, from Leavenworth to the western border of the state in the most direct and practical route. Branch lines were to be laid from near Leavenworth to the Missouri River bridge, from Leavenworth County to Topeka, from Holton via Netewaka to intersect a railroad from Lincoln, Nebraska, from Pottawatomie County to Manhattan, and one from Clay Center to the southern border of Kansas. The total estimated mileage was 560.¹

The fanaticism in railroad building which gripped the country after the Civil War heralded the return of the peacetime pursuit of the settling of the west. Railroad building was a part of a big dream—the dream that transportation should be available to every western settler, with lines criss-crossing the country to the extent that no one need go far to a railroad outlet. Envisioning Leavenworth as a great railroad center, the city became part of this railroad activity, and was ready to lend its support to the projected Kansas Central.

Among other factors, Leavenworth's self-interest and civic pride were at stake in the race to out-do her opponents: Kansas City, Atchison, and St. Joseph. At first, Leavenworth had the advantage because of her ideal location along the Missouri River and because of the protection of the fort against Indian and white marauders. These advantages, by 1866, had given her a population of 22,000, compared with S. Joseph's 18,000 and Kansas City's 11,000.² By 1870 Kansas City had forged ahead, with the location of the headquarters of the Kansas Pacific there a determining factor. Leavenworth had hopes of regaining her supremacy now that the early 1870's were bringing increased railroad construction.³ Kansas City

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was further disliked by its Kansas competitor because it was against state interest and pride for a city outside Kansas to become great at the expense of Kansas people and trade.4

Believing that a city with shops and offices would gain more financially than just a city along a railroad, Leavenworth had made efforts to achieve the terminus of railroad systems. Earlier, the city had voted bonds for the Missouri River Railroad and the Kansas Pacific. Those hopes were shattered when the former moved to Atchison and the Kansas Pacific merely built a branch line from Lawrence.5 She had also hoped to obtain the terminal point of the Central Branch Union Pacific, but her rival, Atchison, obtained this line through the influence of Senator Pomeroy, a resident of Atchison.6

It was believed that a narrow gauge line for Leavenworth might solve its main problem of acquiring the terminus of a railroad, and at the same time build a system which could be constructed cheaply and operated economically in order to obtain some of the trade of both the Kansas Pacific and the Central Branch Union Pacific.7 The early policy of the railroads was not to consider a standard gauge for this was unimportant at the time. There was no widely accepted plan to connect these local lines into an interstate railway system. During the 1850's, at least half a dozen gauges were being used and although the four feet, eight and one-half inches was the most common, others larger and smaller were used. As the roads came west and especially with the construction of bridges over the Mississippi River, the gauge became more standardized. The final movement toward standardization was reached when, in 1864, Congress approved the four feet, eight and one-half inches gauge for the first trans-Mississippi railroad.8 This did not deter many areas from constructing narrower gauges.

Proponents of the narrow gauges believed there were many advantages in their plan. One of these was that, because the construction costs would be so much smaller, the raising of funds would be less difficult. The estimated cost of such a line would be only about one-third the cost of the broad gauge.9 The cost would be kept at a minimum in several ways. Savings would be possible through building sharper curves and by using steeper grades, up to a radius of 478 feet and a grade of seventy-five feet to the mile. This would greatly reduce the size and number of cuts required.10 The size of the roadbed could be two feet narrower, thus saving in the making of the necessary cuts and embankments. The size of

7. The Kansas Pacific originated in Kansas City and the Central Branch Union Pacific in Atchison. The Kansas Central would be parallel and about midway between the two.
9. Reprint from Baltimore Sun, in Kansas City Times, May 13, 1871.
culverts, tunnels, bridges, cross-ties, and the amount of ballast would all be reduced in comparison with the same items in broad gauge construction. Other savings would be made on the rails. Due to lighter rolling stock, thirty pounds to the yard rails could be used on narrow gauge. This would result in a saving of approximately one-half million dollars for 100 miles.

Even though figures used in supporting arguments for the narrow gauge were approximations, and varied somewhat, the idea of economy in construction was clearly presented. Many of the people throughout the country were impressed by this economy. Leavenworth read the articles in the newspapers in favor of the narrow gauge, and because they were persuasive, the people were willing to be convinced.

The original directors of the Kansas Central Railway Company were L. T. Smith, Lucien Scott, Thomas Carney, Levi Wilson, Paul E. Havens, William Marbin, H. L. Newman, and H. W. Gillett. These men were influential and were among the moderately wealthy citizens of Leavenworth. One of the wealthiest of the group was the President of the Kansas Central, L. T. Smith, who owned a great deal of city property as well as many tracts of farm land in Kansas. Mr. Smith took a great interest in the movements for the common good and had won the esteem and friendship of most of the citizens of the city. He arrived in 1857 from Michigan to become manager of the Planter’s Hotel. Before his death in Mexico City, in 1891, he had a hand in the following projects: the building of a water works, the Soldiers’ Home, a Union Depot, the Santa Fe to Kansas City, the Leavenworth, Atchison and Northwestern and the Leavenworth Northern and Southern railways; and the erection of the first railroad bridge over the Missouri River at Leavenworth. All of these were, of course, in addition to his work in the Kansas Central for over ten years.

The Secretary-Treasurer of the road from 1871 to 1882 was Paul E. Havens. On coming to Leavenworth Mr. Havens obtained work as clerk of the Jefferson County court and later served two terms in the Kansas House of Representatives. At first, he was interested in river transportation but later transferred this interest to the railroads. Besides serving as an officer of the Kansas Central, he was president of the Leavenworth National Bank, and an officer of the city heating and water companies.

The Honorable Thomas Carney, the second governor of Kansas, also served as one of the Kansas Central directors. Mr. Carney came west from Ohio in 1858 and established the first wholesale house in Leavenworth. On becoming governor, he found the state without credit and no means
of defending its citizens against either Indians or white marauders. When people began leaving the state because of these dangers, he organized a 150 man patrol. The federal government agreed to furnish the rations and Carney paid the men one dollar a day from his own money. Some of the achievements of his administration were: establishing the state on a sound financial basis, granting land for Kansas State College, the insane asylum at Osawatomie, the prison at Leavenworth, the state normal school at Emporia, Kansas University, a school for the blind in Wyandotte County, and a school for the deaf and dumb at Olathe.16

Lucien Scott, the president of the First National Bank, was also one of the directors of the narrow gauge company and did much to help build Leavenworth.17

THE KANSAS CENTRAL, LEAVENWORTH TO HOLTON, 1871-1873

After receiving the charter, the first problem facing the directors of the Kansas Central was to obtain the necessary funds to construct the line. The days of the large land grants by the state and federal governments were at an end. The states were no longer anxious to give money grants because of the general misuse of these funds in other states. Counties and townships were anxious to have railroads, but they, too, were more cautious than they had been in the past.

The Kansas Central was probably saved from oblivion in Leavenworth County, and in other areas where it received aid, because the amount of money requested was comparatively small in relation to what it might have been if it were a broad gauge.

The directors were planning to invest from $50,000 to $100,000 each in the venture but additional funds would be needed from local areas. Leavenworth County received the first request from the company. It was asked to transfer its $250,000 stock in the Kansas Pacific to the Kansas Central in order to help the building of the new railroad.1 For this aid the county would receive a three-foot gauge mainline railroad possessing a capital stock of $8,960,000.2 This road was to reach the west line of the county in one year. Thereafter, at least one hundred miles of the line would be constructed per year until it was completed to Denver, where it would connect with the Denver and Rio Grande. The Kansas Pacific stock to be voted would not become the property of the new railway company until the line reached a point fifty miles from Leavenworth. If they should fail, the stocks would be forfeited.3

Aid from Leavenworth County would not be sufficient, so L. T. Smith

17. Burke and Rock, op.cit., p. 91.
1. Leavenworth County had voted $250,000 in county bonds to aid the Kansas Pacific to supposedly build a main line to Leavenworth. Actually, a branch line had been built from Lawrence.
3. Leavenworth Daily Times, June 6, 1871.
and Paul Havens made trips to Easton, Oskaloosa, Winchester, Grasshopper Falls (now Valley Falls), Osawkee, Holton, Topeka, and Manhattan to determine the amount of interest in the project.

The Oskaloosa Independent reported the visit but showed its disapproval of the project through a fiery article. The subscribers were told not to be fooled by this crazy trunk line scheme which desired $400,000 of Jefferson County bonds. It was "only an attempt to enrich a few Leavenworth capitalists already bloated with wealth."

General Stone, not a director, but a major spokesman for the Central, was in charge of a meeting at Holton called by interested citizens. They were told that under current plans the rail line was to go six miles north of Holton but if $200,000 of county bonds were voted the city would be on the rail system.

Meanwhile, the citizens of Leavenworth favoring the road organized a Citizen's Association which was to work for the encouragement of the road. They believed that this road would have a bright future and that eventually it would be more valuable than any other lines reaching the city.

The Kansas Central was not the only railroad company attempting to acquire the Kansas Pacific stock held by Leavenworth County. The Chicago, Southwestern and Pacific suggested that they would be willing to save the Kansas Central some of the cost of construction by building a third rail for twenty-five miles west of Leavenworth. For this favor the narrow gauge was to give up its request for the Kansas Pacific stock. When the County Board received the proposal they accepted it and formulated plans to present it to the voters.

On June 20th the Leavenworth County commissioners met to consider their regular business as well as the two railroad propositions. The first order of business was to add an amendment to the original Kansas Central proposal. This amendment gave the county the right to deliver $150,000 cash in place of the stock at any time before the road was completed. All other railroad business was deferred until the July meeting.

Railroad enthusiasts suggested that more roads should be constructed to make sure that Leavenworth would gain control of the transportation of Kansas. Their plan was to raise a total of one-half million dollars so that in addition to the Kansas Central, the Chicago, Southwestern and Pacific to Topeka, the Missouri, Kansas and Texas from Ottawa, and a road to Olathe might be constructed.

Before the directors were positive that they could obtain aid, many

4. Ibid., June 14, 1871.
5. Oskaloosa Independent, June 16, 1871.
7. Leavenworth Daily Times, June 20, 1871.
8. Topeka Commonwealth, June 21, 1871.
10. Ibid., June 22, 1871.
areas along the proposed line were clamoring for branches. Clyde, in Cloud County, was one of the first to request an outlet on the narrow gauge. She suggested that to keep from approaching too near the Kansas Pacific, it might be advisable to go through the rich Republican Valley. From there they could go for 150 miles west without fear of competition.\footnote{Ibid., June 21, 1871.}

A banker at Hiawatha recommended a route from Grasshopper Falls to his city and then into Nebraska. It would allow the railroad to tap the resources of this area for only about $500 per mile, for the grade would only be about 40 feet to the mile.\footnote{Ibid., June 23, 1871.} Another suggestion was to build south to Topeka, then through Cottonwood Falls, and eventually to Texas. For such an enterprise, Chase County would vote $160,000, Butler County $200,000, and Cowley County $150,000. This route would secure more trade than the one to Denver because it would carry supplies to Camp Supply, Fort Sill, the Indian agencies, and more than half the cattle trade of Texas.\footnote{Ibid., June 28, 1871.} In the final proposal, $50,000 was offered to assure a line from St. Marys through Waubaunsee County to Council Grove, Marion Centre, and on to Wichita.\footnote{Ibid., June 30, 1871.}

The Citizen's Association in Leavenworth met with a group of Holton delegates to discuss the railroad situation. One Holton delegate stated that although the community favored the narrow gauge, they believed that $200,000 was too high and that the issue would be defeated at the election. The people of the county considered $160,000 an adequate amount with the railroad acquiring additional funds of $75,000 by going to St. Marys and $30,000 for a branch line to Sabetha.\footnote{Ibid., June 23, 1871.}

Jefferson County was not reconciled to the idea that they should help construct the narrow gauge. Topeka would not give any funds to this road, and so Oskaloosa would be left without any new roads. The farmers were told that they ought to look elsewhere for markets because transferring goods at Leavenworth would raise the shipping costs.\footnote{Topeka Commonwealth, June 23, 1871.}

The newspapers of Leavenworth were urging the citizens to act quickly so that trade of the richest part of Kansas, Colorado, and New Mexico would not be lost. It was pointed out that with personal investments in the project, the directors stood to lose more than the county should the line be abandoned before the completion of fifty miles.\footnote{Leavenworth Daily Times, June 28, 1871.}

Interested Leavenworth citizens met and formulated several objectives for a railroad system to the city: (1) routes should open new territory; (2) the longest line with the most feeders should obtain the first attention; (3) no encouragement to any line which would not benefit the city; (4) secure competing lines so as to get minimum passenger and
freight rates; (5) space lines so that each part of the county would be
benefitted equally. Further, said these citizens in their meeting, the Kan-
sas Central seemed to fill most of these requirements. Their only objection
to the road was that no eastern outlets for the narrow gauge were pos-
sible.19

Ardent railroad boosters had been disappointed when the county
board tabled the bond election issue. The Leavenworth Times said that
public opinion was going to force these men to act at the next meeting or
suspicion would be aroused as to the true motives for their action.18

The July meeting of the county commissioners opened with a large
crowd waiting to hear the proceedings. The first day’s session consisted
of general statements by interested parties. General Stone, as spokesman
for the Kansas Central, opened by stating that his company was the only
one presenting a formal written proposal, and that they should receive
preferential treatment. The Vice-President of the Chicago, Southwestern
and Pacific, Colonel J. N. Barnes, stated that the plans of his road provided
for a route through Topeka on its way to San Diego. Senator Caldwell
made a few remarks in which he stated that his preference was the Kan-
sas Central.20

The second day’s meeting opened with a proposal to give all the
Kansas Pacific stock to the Kansas Central, to give the Chicago, South-
western and Pacific $150,000 of thirty year county bonds bearing seven
percent interest, and to give the Leavenworth and Southern $300,000 of
the old Cameron Railroad stock plus $50,000 in thirty year bonds.21 After
some discussion of the proposal, the Citizen’s Association, realizing that
the above offer would not be acceptable, submitted its compromise plan.
This would give the Kansas Central $125,000 of Kansas Pacific stock and
$100,000 of county bonds, the Chicago, Southwestern and Pacific would
obtain the other $125,000 of stock in addition to county bonds for
$100,000. Both companies appeared to be satisfied with this at first, but
after some deliberation it was rejected by both companies.22

One of the commissioners opened the following day’s meeting by
stating that he was unhappy about the entire situation. He thought that
everything would be a big steal and that he was opposed to giving aid to
either of these roads or any future roads.23

The next question presented to the board was to challenge the right
to dispose of the railroad stocks as they planned. The speaker contended
that the only way they might be used was to sell them for cash to the high-
est bidder or use them for county indebtedness. No one was positive of the

18. Ibid., July 2, 1871.
19. Ibid., June 28, 1871.
20. Ibid., July 6, 1871.
21. Leavenworth County had earlier voted $300,000 in bonds for the Chicago, Rock Island
and Pacific which had built a line from Cameron, Missouri, to Leavenworth.
22. Leavenworth Daily Times, July 6, 1871.
23. Ibid., July 7, 1871.
legality of the procedure so the chairman was instructed to refer the question to the county attorney.24

Rather than adjourn to wait for a reply from the county attorney they decided to continue the discussion of the railroad business. A vote was taken on the first proposal of the previous day in which the Kansas Central was to receive all of the stock. The vote was eight "ayes" and five "nays." When the question of giving $150,000 of county bonds to the Chicago, Southwestern and Pacific was brought forth for a vote, a spokesman for that road shouted the bonds were no good to them and furthermore they would not build in Leavenworth County for $500,000. A vote on the measure was taken anyway with the result being two "ayes" and ten "nays."25

The session on the fourth day consisted of the presentation of several proposals which the authors believed would satisfy all the parties. General Sherry, as the representative of a street meeting held the previous evening, thought it would be wise to reconsider the question of giving the Kansas Central all the Kansas Pacific stock held by the county. After some confusion, the chair ruled that the question was dead, and that they should proceed with the question of considering the aid for the Leavenworth and Southern.26

For some unexplained reason the chair reconsidered its ruling and accepted proposals for all three lines. The proposal accepted unanimously by the county board allowed the Kansas Central all of the Kansas Pacific stock, the Chicago, Southwestern and Pacific $150,000 in county bonds and $300,000 of the Cameron stock, and the Leavenworth and Southern $150,000 in county bonds.27

A final meeting held on July 8, 1871, received the reaction of each of the railroad companies to the proposed county aid. The Kansas Central was well satisfied, for they had obtained their objective. The Chicago, Southwestern and Pacific representative was opposed to the county bonds because he was sure that they would never be accepted by the voters. A Leavenworth and Southern spokesman remarked that his company was of the opinion that the other roads were not giving his weaker line a fair opportunity to become organized.28

Under urging by the county attorney, the county commissioners accepted the idea of submitting each of the above propositions to the electorate by separate ballots. August 15 was set as election day.29

The Leavenworth newspapers spent the next five weeks working to gain county approval of the Kansas Central. Little was mentioned about

25. Loc. cit.
26. Ibid., July 8, 1871.
27. Loc. cit.
28. Ibid., July 9, 1871.
29. Loc. cit.
either of the other roads to be voted upon at the same time. The directors of the narrow gauge were so confident of acceptance that on July 20, under the guidance of the city engineer, they began surveying and staking out the first fifty miles of the line.30 One week before the election—for no publicly explained reason—the county commissioners dropped the offer of stocks and bonds to the Chicago, Southwestern and Pacific and the Leavenworth and Southern. The election would concern only the issue of the Kansas Central.31

The evening before the election, the Citizen's Association called for a rally, which had to be held on the Mansion House corner because of the large crowd. Speakers for both sides were heard but those for the narrow gauge generated the most enthusiasm. The meeting adjourned with those favoring the Kansas Central highly optimistic about the results.32

Their optimism was justified. The headlines of the Leavenworth Daily Times of August 16 proclaimed the following:

KANSAS CENTRAL RAILWAY

The People Vote Solid for the Narrow Gauge

2,779 Converts – Only 91 Incorrigibles

Leavenworth United

Ours the Proudest City in the Missouri Valley

Several days later official county returns showed that approval of the Kansas Central was by a majority of 3,008 (3,680 for; 672 opposed).33 The victory at the polls caused the editor of the Times to “engaught” in what might be considered something of a gem in its way:

. . . If the rival towns think this is a green gauge, we wish them joy of the opinion. . . . We propose to engaught the attention of a very large number of the American people during the next six weeks. . . . Leavenworth now has the weather-gauge of all her competitors, for the honor of being the proudest city in the Missouri Valley. . . . The Times congratulates itself upon having played a very successful engaughtment. . . . After following for some years the broad gauge that leads to destruction, Leavenworth has decided to take the straight and narrow path—say three feet. . . . If there are any towns on the river that would like to take a little exhilarating race to the mountains in the way of building a railroad, our gauge is cast down.34

Attempts to raise money along the route of the projected Kansas

30. Ibid., July 20, 1871.
31. Topeka Commonwealth, August 10, 1871.
32. Leavenworth Daily Times, August 15, 1871.
33. Ibid., August, 19, 1871.
34. Ibid., August 16, 1871.
Central Railway continued. Jackson County, which was scheduled for forty miles of the road, approved $160,000 in bonds by a majority of 275 votes, and later by eleven votes agreed to donate the bonds: $60,000 on reaching Holton, $50,000 for going to Netewaka, and the final $50,000 on arriving at the west line. Winchester offered $25,000 if the railroad would come through that town. Jefferson and Grasshopper Townships in Jefferson County approved funds for $25,000 and $40,000 respectively.

Despite the arguments of the proponents of the Kansas Central in Pottawatomie County, a $325,000 bond issue was soundly defeated. Some of those arguments provide some interesting corollary information on Kansas development. The question of taxation was important in these discussions. To alleviate worries about increased taxation, examples were used to show how valuation increased with railroads. Bourbon County issued $450,000 to finance three rail lines and its assessed valuation increased from $2,197,364 in 1868 to $4,189,392 by 1870. Franklin County after voting the same amount discovered that its valuation had jumped to $2,782,385 from $1,436,176 and its tax levy had decreased from eight to four mills.

Also, in the arguments for the bond issue, the point of increasing prosperity for towns along railroad routes was emphasized. The Kansas Pacific had brought workshops, lumber yards, grocery and piece goods stores and caused St. Marys and Wamego to expand quickly. In five years St. Marys grew from an Indian mission having no taxable property to a town having property assessed at $117,618. Wamego sprang from an oats field to the point where it had a valuation of $232,388. The railroad property had added $220,500 to the taxable property.

Although Pottawatomie County declined to support the Kansas Central, northern townships along the proposed route still desired the narrow gauge. However, only Vienna Township mustered sufficient votes for bonds.

September 11 was a great day for the narrow gauge enthusiasts because the first engine, the Leavenworth, was ordered from the Baldwin Locomotive Works at Philadelphia. This engine could pull twelve passenger cars carrying 400 people at forty m.p.h. The local merchants sensed

35. The more complete story of the raising of these funds, as well as other illustrative graphs and charts concerning materials and equipment, election results, and charters may be found in the thesis by the author which is available in the William Allen White Library, Kansas State Teachers College, Emporia, and on microfilm at the Kansas State Historical Society, Topeka. The cooperation of Mr. Nyle Miller, Secretary, and the Society in the preparation of this study is appreciated.
36. Jackson County News, July 1, 1871; Leavenworth Daily Times, August 23, 1871; Holton Express, April 19, 1872.
37. Leavenworth Daily Times, August 19, 1871.
40. Ibid., December 7, 1871.
41. Ibid., December 14, 1871.
42. Ibid., February 29, 1872, and April 4, 1872; also of, Ibid., November 11, 1871.
an immediate rise in the demand for food, so they increased their inventories by fifty per cent.\textsuperscript{43} Real estate values began to rise sharply when the second telegram was received announcing the purchase of cars and rails.\textsuperscript{44}

A notice for bids on the grading, masonry, and bridging for the first division of ten miles was issued in the first week of October. By October 26, bids would be accepted for the next twenty-five miles. A bid was also asked for the furnishing of 100,000 crossties for the distance between Leavenworth and Grasshopper Falls.\textsuperscript{45} Later, in 1877, in a case before the Supreme Court of Kansas involving an accident on railroad property, the company stated that it had issued a contract for construction of the entire line to the Washington Improvement Company of Pennsylvania. This company was supposed to have been incorporated with $100,000 of capital stock divided into 2,000 shares of $50.00 each. Only 500 of these shares ever belonged to individuals and only five per cent of the capital was ever presumably paid to the corporation. Actual payments were placed at $1,250. The fact that there was no mention in the newspapers in 1871 about the Washington Improvement Company and that there were accounts of contracts being let to different companies and individuals would indicate that the Improvement Company was a complete fraud and had little or nothing to do with the building of the narrow gauge.\textsuperscript{46}

Equipment began arriving in Leavenworth early in January, 1872. The passenger engines, of a standard narrow gauge type made by the

\textbf{The "Grasshopper Falls" was one of the standard narrow gauge locomotives used by the Kansas Central.}
Baldwin Locomotive Company, weighed about twelve and one-half tons. They had four drivers and a two wheeled truck, a wheelbase of eleven feet, eleven and one-half inches, and an overall length of thirty-five feet, four inches for engine and tender. It could pull about 512 gross tons on level or 164 tons on a forty feet to the mile grade.\(^47\) The passenger and smoking cars which would carry thirty-four passengers had a beautiful appearance both inside and outside. The seating arrangement was double seats on the left and single on the right for half the car, with the opposite arrangement at the back. They were outfitted with the latest Miller platforms and Westinghouse atmospheric brakes.\(^48\)

The first excursion on the narrow gauge was held on April 5, 1872, when two passenger coaches and a smoking car, pulled by the engine *Leavenworth*, carried 150 people to Hund Station, a distance of eight miles, in thirty-three minutes. The riders were favorably impressed by the elegant equipment and the smooth, fast ride. Many were conscious of the beautiful view of Leavenworth as they emerged from the deep cut of Salt Creek Hill. The *Times* said that a longer excursion to Grasshopper Falls could take place in forty days.\(^49\)

After one year from the time the Kansas Central was organized the road was approaching Winchester at about one mile per day with 1,500 men at work.\(^50\) Heavy rains had caused some delay, but if no floods occurred the line was scheduled to reach Winchester by June 11.\(^51\) Progress had been slow at first because of the first fifteen miles of high bluffs, but now with easier grades there was more rapid building.\(^52\) When the Kansas Central reached Grasshopper Falls (now Valley Falls) on June 20, a big 4th of July excursion was planned. Two trains carrying 700 people made the round trip, with fares one dollar for adults and fifty cents for children. Several days later a group of 400 citizens from the Falls repaid the visit.\(^53\) With the completion of the line to Grasshopper Falls, the first regular schedule was put into operation. Daily trains, except Sunday, made the round trip journey, leaving Leavenworth at 9:13 a.m., arriving Grasshopper Falls at 11:40; leaving the Falls at 12:10 and arriving Leavenworth at 2:32 p.m. Stops were made at Junction, Hund, Easton and Winchester enroute.\(^54\)

Unless construction reached Holton by August 15, $60,000 would be forfeited. Heavy rains hampered the building, but the goal was reached with four days to spare. A big celebration was held in Holton on August

\(^47\) *Leavenworth Daily Times*, June 24, 1871.  
\(^48\) *Ibid.*, January 16, 1872; Interestingly enough, an earlier suggestion had been made for cars with eight compartments and side entrances to be opened at each station by cranks or levers. This, it was proposed, would be a great deterrent to the severe evil of pickpockets. *Louisville Kansas Reporter*, November 25, 1871.  
\(^49\) *Leavenworth Daily Times*, April 6, 1872.  
\(^50\) *Holton Express*, May 10, 1872.  
\(^51\) *Leavenworth Daily Times*, June 2, 1872.  
\(^52\) *Ibid.*, June 12, 1872, citing the *Chicago Railway Review*, June, 1872.  
\(^53\) *Ibid.*, July 6, 10, 1872.  
This map shows the route of the Kansas Central, Leavenworth to Miltonvale, Kansas, 165.39 miles.

Plans for construction began at Leavenworth in July, 1871, and the railroad reached Valley Falls on June 20, 1872. On August 11, 1872, the line was in Holton.

Construction was resumed after nearly five years, and on September 23, 1877, the Kansas Central was in Circleville. Onaga, twenty-eight miles from Holton, was a part of the route by the early months of 1878.

Regular service to Garrison began on August 3, 1880. By December 25, 1881, trains were in operation to Clay Center, thirty-one miles from Garrison.

On April 1, 1882, the tracks of the Kansas Central had been advanced to Miltonvale. It proved to be the end of the line.
to honor the occasion, and according to the Holton newspaper there was "No more handshaking across the muddy chasm," there was "Speechifying and shootifying." Leavenworth and Holton were now three hours apart.55

On September 2, regular service was inaugurated between Holton and Leavenworth. There were to be two trains each way every day except Sunday. The fare was set at four cents a mile. A one way ticket from Holton to Grasshopper Falls would be eighty cents, and one to Leavenworth from Holton would cost $2.25.56 Three months went by and the Holton Express carried a small item stating that bond sales were so slow in Europe that the company would have to forfeit their right to the $50,000 it was to receive when a branch line reached Netewaka.57

The narrow gauge had arrived at Holton, but it was five years before it could advance farther.

THE KANSAS CENTRAL EXPANDS
1872-1878

Overspeculation in railroad building contributed to the Panic of 1873. Many roads had been started with limited funds but with confidence that additional aid could be obtained easily whenever needed. The Kansas Central was in that position when the money supply was checked, and it was forced to halt construction.

Hopes were raised with the announcement of a projected narrow gauge line from Harrisonburg, Virginia, via St. Louis, to Leavenworth. This would eliminate one of the major objections concerning an eastern outlet. General Stone was reported in Europe seeking capital, a journey which proved fruitless. Two townships in Pottawatomie County held elections on bond issues for the railroad, but Center Township did not give the required 3/5 majority, although Louisville Township voted 109 to six in favor. The extension of the road was to be based on the approval of both townships, so the entire issue was killed. As mentioned, Pottawatomie County had declined an earlier bond issue. The people here desired the road because of its competition with the Kansas Pacific, which had already reduced fares, but the common assumption was that the Kansas Central would have to build through the county anyway to reach Denver along its proposed route.

The editor of the Netewaka Chief was not as pleased with the Kansas Central as he had been before the failure to reach his town. He said he could not understand why the people of the West wanted to go into

55. Holton Express, August 23, 1872.
56. Ibid., August 30, 1872.
57. Ibid., November 26, 1872.
2. Ibid., November 24, 1872; Holton Express, May 9, 1873.
debt to be on a railroad line. Holton had “slipped the noose” for $100,000 of its bonds voted in 1871 when they agreed to give $50,000 when it reached Netewaka and $50,000 when it reached the western county line. A railroad should have sufficient funds before it begins construction, and then the editor added that it was foolish to wind around the countryside just so the company would get a few more bonds.4

Business was dull, money scarce, taxes high, future prospects were gloomy, and Jay Cooke and Company had just failed. The possibility of counties voting aid was highly improbable. The only possibility now for the railroad was to continue construction by private capital, but no one was willing to gamble at such high stakes.5

In January, 1874, the Kansas Central issued a financial report to the public of Holton. The newspaper commented that in the present period of monopolies and panics it was gratifying to witness a corporation attempting to help the farmer and stock raiser by giving them low rates and good service. The facts presented as to the business of the Kansas Central may be found in the following tables:

Table I6
Pounds of Freight Forwarded From Holton in 1873

<table>
<thead>
<tr>
<th>Month</th>
<th>Pounds</th>
<th>Month</th>
<th>Pounds</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>72,794</td>
<td>July</td>
<td>208,170</td>
</tr>
<tr>
<td>February</td>
<td>292,149</td>
<td>August</td>
<td>208,704</td>
</tr>
<tr>
<td>March</td>
<td>403,378</td>
<td>September</td>
<td>395,753</td>
</tr>
<tr>
<td>April</td>
<td>582,589</td>
<td>October</td>
<td>409,079</td>
</tr>
<tr>
<td>May</td>
<td>483,823</td>
<td>November</td>
<td>388,928</td>
</tr>
<tr>
<td>June</td>
<td>313,974</td>
<td>December</td>
<td>649,965</td>
</tr>
<tr>
<td></td>
<td></td>
<td>TOTAL</td>
<td>4,409,307</td>
</tr>
</tbody>
</table>

Table II7
Cars of Products Shipped from Holton in 1873

<table>
<thead>
<tr>
<th>Product</th>
<th>No. of Cars</th>
<th>Product</th>
<th>No. of Cars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hogs</td>
<td>45</td>
<td>Potatoes</td>
<td>4</td>
</tr>
<tr>
<td>Corn</td>
<td>90</td>
<td>Cattle</td>
<td>5</td>
</tr>
<tr>
<td>Oats</td>
<td>75</td>
<td>Mules</td>
<td>1</td>
</tr>
<tr>
<td>Wheat</td>
<td>12</td>
<td>Flour, meal, bran</td>
<td>5</td>
</tr>
<tr>
<td>Barley</td>
<td>2</td>
<td>TOTAL</td>
<td>239</td>
</tr>
</tbody>
</table>

4. Netewaka Chief, July 24, 1873.
5. Holton Express, December 13, 1873.
6. Ibid., January 2, 1874.
There was also about 1,000,000 pounds of way freight in small parcels. The cost of shipping freight by the carload was about eight cents per 100 pounds, while the freight in less than carload lots cost twenty-five cents per 100 pounds. The passenger business consisted of 1,188 adults, thirty-eight children, 312 excursion tickets, with a total mileage of 58,546.9

As an economy measure, the Kansas Central removed two of its daily trains and began operating single train service each way on March 13, 1874.9

The next two years brought many rumors, but no construction. Several areas requested branches, including Lincoln, Nebraska,10 and Council Grove, which advocated a southern extension to the Arkansas Valley,11 and several bond elections were held. But the road's terminus remained at Holton.

Meanwhile, the editor of the Leavenworth Daily Times decided to make a trip to Holton in order to give the people a picture of the two main towns along this narrow gauge line. The first of these towns was Valley Falls (formerly Grasshopper Falls) where the road crossed the Santa Fe tracks. It was the commercial center of Jefferson County with a population of 1,000, and had two banks, twenty stores, one lumber yard, a three-story school house, one grain house, wagon shops, blacksmith and harness shops, six churches, three hotels, one woolen and three flour mills, a local newspaper, six lawyers, six doctors, and, the editor explained, "a very respectable cemetery." After continuing along the endless corn and wheat fields, fine farm houses and filled barns, the train reached Holton, a city of 1,200 inhabitants, with four banks, a large number of first class stores, a large flour mill, an excellent school, four churches, and one of the finest courthouses in the West.12

Future railroad construction was not merely a problem of the narrow gauge but the broad gauge lines were also stopped. More people began favoring the cheaper narrow gauge construction. Perhaps they considered it the better of two prospects, neither of which was heartening. They knew they were not going to get the broad gauge, so it was a question of trying to get a narrow gauge or having no railroad at all. Even Topeka, which had thoroughly condemned the scheme when it was first presented, was now anxious for a branch line to go through Topeka on its way to Wabaunsee and Morris counties and then west.13

The Cawker City newspaper went into detail showing why the narrow gauge was the only road which could be profitably constructed to

8. Loc. cit.
9. Ibid., March 13, 1874.
10. Leavenworth Daily Times, January 20, 1876.
11. Louisville Kansas Reporter, January 20, 1876.
13. Topeka Commonwealth, March 10, 1876.
Beloit urged the Kansas Central to put its main line through that city because their crops had been exceptionally good for the past two years and their storage places were overstocked. If possible, Beloit wanted the railroad to continue to Denver, thus allowing an eastern outlet for their cattle and at Denver a western market for grain.

Another newspaper suggestion was that the proposed line was not taking advantage of the potentialities of the Blue Valley. Why not go up the valley to Waterville and then west with a branch line up the Little Blue Valley to Hanover?

Directors of the Kansas Central reported that aid for the next 160 miles west of Holton could be obtained as soon as eastern capitalists were assured that $4,000 per mile could be raised through local bonds. Mill Creek Township, in Pottawatomie County, now joined Vienna Township in that county in voting bonds for the Kansas Central. $13,000 would be granted when the road reached Onaga, and $7,000 when the west line of the county was reached.

After almost five years, from August, 1872, to June, 1877, the Kansas Central was going to move westward. Bids were opened on June 21 and contracts would carry the road to the Vermillion Valley. When Grant Township, west of Holton, refused aid, the company turned northwest to cross Jefferson and Soldier townships. In return, each of these townships gave $18,000 in thirty year bonds to help the railway.

As a result of this anticipated building, a meeting was held at Clay Center at which delegates from the Solomon and Republican valleys promised financial help for the narrow gauge. They hoped for an early completion through Pottawatomie, Riley, Clay, and Mitchell counties.

By September 23, 1877, the first stretch of line was completed to Circleville, and regular service was started. The grading work was done by Shire and McCrystal and the Missouri Valley Bridge Company was doing the bridge work. The construction workers were living in large tent camps of forty, fifty, sixty, and 100 men respectively. To obtain sufficient help, the workers were given, in addition to their regular pay, a demijohn of whiskey at the end of each day’s work.

In 1872 there had been a short-lived strike when one of the construction companies had not paid its workers due to lack of funds. The railway company offered to pay $1.75 to $2.00 a day back wages, but the workers refused to accept the offer. After several days of threatened violence, the sheriff, with thirty men, arrested the ringleaders and charged

14. Cawker City Echo, April 23, 1876.
16. Leavenworth Daily Times, May 10, 1876.
17. Ibid., April 28, 1876.
18. Louisville Kansas Reporter, August 31, 1876.
21. Leavenworth Daily Times, August 1, 1877.
22. Ibid., September 26, 1877.
them with disturbing the peace, and the other workers returned to their jobs.23 There had been no subsequent labor trouble. Now, in September, 1877, trouble occurred because Shire and McCrystal were two months behind in paying their men.

Men hired by the contractors went on strike and threatened the workers hired directly by the company. Lon Williams, Jackson County sheriff, appealed to the leader of the strikers, William Hartman, to end the strike. When the workers refused and violence seemed likely, the sheriff returned to Holton and organized a twelve man posse, which was armed with rifles from the Holton militia. The workers were promised full protection of the laws by the sheriff when he returned to the workers' camp. President L. T. Smith promised to pay the strikers from the company's treasury, but the construction workers refused the offer. The posse returned to Holton, and Smith went to Leavenworth to get additional help.24

Smith, with Captain Tough and ten assistants, arrived in Holton the following morning, and with a fifteen man posse started for Circleville. The situation at the camp was tense, for the workers had spent the morning drinking. The workers were told to disperse and Hartman was ordered to dismount and give himself up. Hartman refused in abusive terms and when he began to leave, the members of the posse were ordered to shoot over his head. The escaping man turned and fired two quick shots at the posse which began to find shelter in case the other workers started shooting. Tough fired at Hartman and killed him. The remaining strikers fired no shots, but they began to yell "hang him." When Tough asked them to repeat it, they remained silent. Sheriff Williams immediately arrested Captain Tough, but turned him loose on his recognizance.25

The train carrying the posse returned to Holton after seeing that no more violence was likely to start at the workers' camp. As they approached the station they saw a large group of men armed with rifles and shotguns waiting to lynch Tough. The train returned to Circleville. After determining a course of action, the posse had the train approach within two miles of Holton. They got off there and marched into town and barricaded themselves within the hotel. Although the mob threatened to seize Tough, it finally dispersed and no violence was done.26

When $1,200 in "time checks" were found on Hartman's body, people began to suspect that the desire to be paid might not be the main or only reason for the strike. It was then assumed that the workers were

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23. Ibid., April 20, 1872.
25. Leavenworth Daily Times, October 2, 1877.
innocent dupes of a group who hoped to speculate in time checks. These
were certificates of indebtedness issued to the workers by any company
which did not have cash for wages. This group planned to create the
impression that the contractors would never redeem these checks and
after a long strike they hoped to buy many of them at a discount. Hart-
man had already accumulated a large number at seventy cents on the
dollar.  Some believed that Shire and McCrystal were on the side of the
 strikers because they hoped to accumulate enough discounted time checks
to save on wages which they would have to pay.

The contractors blamed the entire trouble on Jackson County men
who were opposed to the bonds. They hoped to delay the work enough
so that the company would have to forfeit its right to them. To back this
statement they announced that not a single railroad man was among those
attempting to lynch Tough.

Tough was bound over to the District Court and bail was set at
$15,000. This amount was raised by several Leavenworth people and
Tough returned to Leavenworth to await trial. After attempts were
made to build local prejudice against Tough, and the judge had been
threatened, the case was moved to the Shawnee County court. There the
trial was held with the jury voting ten to two for acquittal, and then
unanimously for freeing the accused.

When the excitement was over, the workers were given one month's
pay in cash and the other in time checks, which were all redeemed in
full the following week. The county line was reached on October 30 and
after a tour of inspection by the county commissioners the $18,000 of
Soldier Township bonds were transferred to the company.

Onaga, twenty-eight miles from Holton, was reached in the early
months of 1878. The first $13,000 of the $20,000 in bonds were issued
after the completion of this section of the road, as agreed in the terms of
the election in August, 1876. The other $7,000 was never received by the
company because it was again stopped by lack of funds. The company
did raise enough money to build shops and a roundhouse at Onaga which
were to be used until another extension could be made.

Other news about the Kansas Central in 1878 consisted of a single
item which dealt with a request by the company to build a freight house
on the levee in Leavenworth. The city council refused, even though some
of the members thought it foolish to maintain such a large levee with the
only purpose in mind to accommodate an isolated steamboat.
THE KANSAS CENTRAL RAILWAY BECOMES THE KANSAS CENTRAL RAILROAD, 1879-1881

On February 5, 1879, the Clerk of the District Court at Leavenworth gave Sheriff Lowe instructions to serve a summons on the Kansas Central Railway Company. It was being sued by Matthew Keenan of Milwaukee, and David J. Brewer of Leavenworth, who had accepted as trustees 110 bonds worth $1,000 each on June 14, 1876, and recovery was requested with interest at twelve percent per annum from July 1, 1877, plus other amounts to a total judgment of $131,142.88. The court was asked for a foreclosure of the deed of trust and a sale of the defendant's railroad property.

Others desiring to recover money from the railroad were the Northwestern Mutual Life Insurance Company and several individual bondholders. The insurance company stated that on July 17, 1877, it had loaned $50,000 to L. T. Smith and Levi Wilson in return for fifty Kansas Central bonds, and on August 1, 1877, Paul E. Havens borrowed an additional $5,000. Other bondholders wanted a total of $28,000.

Three disinterested householders were appointed by Sheriff Lowe to appraise the property and to file a report with the county clerk. This appraisal showed that the Kansas Central had 814.36 acres of right of way in five counties, 77.44 miles of main track, 2.33 miles of side track, passenger depots, water tanks, stock pens, rails, furniture, equipment and rolling stock consisting of four locomotives, two passenger, two baggage, thirty box, fifteen cattle, thirteen platform, eleven hand, and nine push cars, plus two cabooses. The total value of this property was set at $268,422.00.

The foreclosure sale was to be held on the courthouse steps on April 14, 1879, with the railroad to be sold as a single unit for not less than two-thirds of the appraised value. The sale was held as scheduled with C. K. Garrison, the president of the Missouri Pacific from St. Louis, and L. T. Smith joining in making the highest bid at $252,000. On April 15, a sheriff’s deed transferred the ownership to these two men.

On the same day, April 15, a new charter was issued for a period of ninety-nine years to the Kansas Central Railroad Company, possessing capital stock valued at $6,750,000, which was to be divided into 6,750 shares of $1,000 each. It was to proceed west from Pottawatomie through Riley, Clay, Cloud, Ottawa, Mitchell, Lincoln, Russell, Osborne, Ellis, Rooks, Graham, Norton, Phillips, Sheridan, Decatur, Thomas, Rawlins, Cheyenne, and Sherman counties. The directors of the company were to

2. Leavenworth District Court, March 10, 1879, Docket 3, Case 7505.

Placing a first mortgage on the Kansas Central property, money was obtained to continue construction. By August 14, work had been completed to a point fourteen miles west of Onaga. By the middle of September an additional five miles brought the line to Butler, a new Irish settlement.  

In November, President Smith of the Kansas Central purchased a town site on the Blue River to be called Garrison. He planned to have the road built there by midwinter, so he started the work on a hotel to be ready by the time the railroad reached the town.  

Eight years after the first track was laid, the issue of the Kansas Pacific stock had not been settled. As provided, the county commissioners had ordered the transfer of the K.P. stock after the first fifty miles of the Kansas Central had been constructed. However, some Leavenworth citizens had objected, and the transfer had not been competed. The rival Kansas Pacific opposed the transfer, stating that an additional 100 miles per year had not been built. Furthermore, at the time of the original election the stock was worthless, but by the time of the transfer it had jumped to seventy cents on the dollar. The Kansas Central stated that without assurance of the transfer of K.P. stock, the road’s construction would never have begun, and that the 100 miles stipulation would have been met except for the general financial distress of the United States. Reasonable effort was now being made to comply with the charter. Those favoring the transfer decided to divert the attention from the Kansas Central to the Kansas Pacific, asking why the latter had built only an insignificant branch line to Leavenworth when they had agreed on a first class main line for the $250,000 of county bonds (subsequently transferred to the Kansas Central, and now at issue). The Kansas Pacific had obtained the funds in the first place on false pretenses, it was claimed. Brought to court, a request by the Kansas Central for dismissal without prejudice was granted. The reason was that the Kansas Pacific and the Kansas Central were now part of the same company as a result of the purchase made by Jay Gould. The citizens of Leavenworth now sought recovery of the funds—the county was $100,000 in debt—since no local investors or investments were involved.  

The purchase of the Kansas Central by Jay Gould was only a very
small part of Gould's total rail manipulations, a footnote to his gigantic railroad story, but it was of considerable importance to the citizens of Leavenworth and the area of the Kansas Central.

Excitement over the stock transfer was shifted to other news. It began when L. T. Smith received a telegram from C. K. Garrison to come to New York. Reports were circulated that Garrison had sold his interest in the Kansas Central to Jay Gould and that arrangements were being made for Smith to do the same.12

Jay Gould was a man of great energy and keen intellect and was considered by his friends to be "the financial genius of the greatest rail age the United States ever knew." His enemies called him a "pasty-faced little weasel."13 Lacking a sensitivity for certain accepted moral scruples, he had a willingness to take advantage of any situation with a slight regard for its effect on others. No project was too large; but if the returns were doubtful, or were too slow, he was ready to turn his energy toward another enterprise. His interest in railroads was concentrated on the manipulation of their securities to increase his personal fortune. As one author has suggested, Gould knew that returns were possible through the development of a rail system, but for him that was too slow and uncertain.14

A letter from one of his associates to a friend telling about Gould's control of the Union Pacific gives a good picture of the man. The writer mentioned that President Dillon was only a figurehead for Gould because "Mr. Dillon never consulted anyone except Mr. Gould, and Mr. Gould was in the custom of giving orders without consulting Mr. Dillon at all."15

Gould's early interests had been focused on Eastern lines, but when an opportunity occurred for a purchase of Union Pacific stock in the early 1870's at $35.00 a share he quickly took it. Of the 475,000 shares, 200,000 were under his control by 1878, either in his own name or under a company which he controlled. When he sold part of the stock in 1879, he realized a profit of $47.00 a share on 173,000 shares plus dividends of $20.00 on all shares. His total profit in this venture was $10,500,000.16

While still a stockholder in the Union Pacific, Gould saw the possibility of buying the controlling interest of the Kansas Pacific-Denver Pacific. He purchased 27,000 shares of Kansas Pacific at ninety-eight cents on the dollar and the Denver Pacific at seventy-four cents from the Amsterdam stockholders.17 These lines ran from Kansas City to Denver and then north, which placed them in direct competition with the Union Pacific. Gould suggested to the directors of the Union Pacific that there should be a consolidation of his line with the parent company. In this

12. Ibid., November 16, 1879.
15. Historical Catalogue of the Union Pacific (Omaha, Union Pacific Historical Museum), V, p. 966.
16. Ibid., V, p. 975.
17. Topeka Daily Capital, April 29, 1887, testimony before the Pacific Railway Commission.
consolidation each of the companies would get new stock equal to the par value of each company. This would raise the value of Gould's properties to the level of the higher priced securities of the Union Pacific. Such a move would give Gould a large return on his investment, but it would harm the Union Pacific, so they refused the request. Because Gould disliked a refusal from anyone, he decided to purchase control of enough roads to break the Union Pacific if it still refused to consolidate. This motive was so great that he was willing to pay 239 cents on the dollar for the Central Branch Union Pacific, which project could have been purchased the previous year for ten cents on the dollar. In total he obtained control of the following Western railroads to add to the Wabash: Central Branch Union Pacific; St. Joe and Denver; Missouri, Kansas and Texas; Texas Pacific; Kansas Central; Kansas Pacific; Denver and Rio Grande, and the Missouri Pacific.

It was in the purchase of the Missouri Pacific that Gould indirectly obtained control of the Kansas Central. Garrison and Gould had decided to out-maneuver each other in gaining railroad business. Garrison began building his Missouri Pacific lines into areas which could threaten the traffic on the Kansas Pacific. After several stormy interviews, Garrison suggested that the cheapest way to stop the fight was for Gould to buy his interests and on November 13, 1879, the deal was closed. Gould paid $3,800,000 for the Missouri Pacific, and $431,820.25 to Garrison and Smith for the Kansas Central.

Gould now had a system from St. Louis to Denver and could, by building through Loveladd Pass to Ogden, Utah, join the Central Pacific. This was enough to ruin the Union Pacific and it was forced to agree to the consolidation. The capital stock of the Kansas Pacific and Denver Pacific was transferred at par value for securities in the new company. This transaction gave Gould a profit of $3,424,000. Gould also surrendered his Kansas Central interest for $479,000 which gave him a profit of about $47,000. The Central Branch was also transferred but no information was available as to the profit involved in the transaction.

A summary of the developments shows that in April, 1879, the Kansas Central Railway Company was foreclosed, and in a sheriff's sale C. K. Garrison and L. T. Smith bought the railway. It was immediately charted as the Kansas Central Railroad Company, possessing capital stock at $6,750,000. It had been purchased for $252,000. In November, 1879,

18. Riegel, op. cit., p. 162.
20. Riegel, op.cit., p. 163.
22. Kansas City Times, November 19, 1879.
23. Testimony Taken by United States Pacific Railway Commission (Washington, 1887), p. 523. This commission was authorized by Congress to investigate all railroads which had obtained land grants.
as part of the manipulations described above, Garrison and Smith sold the Kansas Central to Jay Gould for $431,820.25.

THE UNION PACIFIC OPERATES THE KANSAS CENTRAL, 1881-1897; CONSTRUCTION CEASES AT MILTONVALE IN 1882.

Because Gould had retained the Missouri Pacific, he had not been anxious to sell both the Central Branch and Kansas Central. He was opposed because a combination of the two would cut into the possible business of the Missouri Pacific. The Union Pacific directors, however, did not trust Gould for they were afraid that he would combine the Missouri Pacific with either of the two lines and then extend the road to the west coast. The two companies decided on a compromise under which the Central Branch and the Kansas Central would be leased to the Missouri Pacific but the net earnings would belong to the Union Pacific.

The lease was authorized on December 6, 1880, but was voided because Dillon was not actually the president of the Kansas Central. The Kansas Central was operated as an associated line of the Union Pacific under the control of L. T. Smith. On January 1, 1882, the Union Pacific formally took over control, owning $1,313,400 in stock and $1,162,000 in bonds, and remained in charge until the parent company passed into receivership in 1893.

The construction of the road had continued without interruption on its way to Garrison, on the Blue River, in spite of the change in ownership. In May, 1880, railroad officials of the Union Pacific made a tour of inspection of the Kansas Central facilities. The President of the Union Pacific, Sidney Dillon, stated that the road was valuable but that a huge outlay of money would be required before the line could achieve substantial earnings. New steel rails were to be laid on the first sixty miles and proper ballasting was needed so that the entire line could be leveled. The company was planning to sell bonds to bonafide settlers at a very low price to help finance the renovating of the railroad.

The Kansas Central reached Garrison by the end of July and regular service began on August 3, 1880. Two trains each way, one passenger and one freight, were again put into operation after an earlier reduction of service caused by poor financial conditions during the latter 1870's.

No work was done on the Kansas Central until the following spring, when it progressed from Garrison to a bridge over the Blue River and then to Leanordville, Green, and on toward Clay Center. Clay Center had no direct outlet to the Missouri River at that time and a great amount of trade was anticipated by the Leavenworth merchants. 1,664 cars of

1. Ibid., p. 663.
4. Garrison Times, August 3, 10, 1880.
grain alone had been shipped from the Clay Center market in the past year.4

Before the Kansas Central reached Clay Center there was further financial trouble and the Union Pacific was forced to issue $1,348,000 in bonds in order to complete the line.6 These bonds were in addition to those issued for $2,400,000 at seven percent interest to acquire funds to start the line from Onaga in 1879. The last of these 1879 bonds were surrendered on November 18, 1881, and the lien of the mortgage was revoked.7

The narrow gauge had entered one of its few periods of good business. Freight traffic had more than doubled during the last half of 1881. Total service was one passenger train in addition to two regular freights and an occasional extra. Towns along the line had doubled in population, and the latest, Leanordville, which had been named for the Kansas Central president, L. T. Smith, had built a depot and fifteen or twenty stores and dwellings.8

By Christmas day the track was laid to Clay Center, thirty-one miles from Garrison, and trains were in operation.9

The Kansas Central finally reached Miltonvale, 165.39 miles from Leavenworth, on April 1, 1882.10 The reports show that it cost the company $328,804.25 to complete this last three years construction from Onaga.11 The charter had stated that about another 300 miles would be finished at some future date, but no attempt ever seemed to be made to extend the Kansas Central from Miltonvale. It was the end of the line. Fears of some of the people at the time of the purchase of the road by the Union Pacific seemed to be justified. It may be surmised that the parent company saw no need to extend competing lines within its own organization.

The railroad was operated as an associated line of the Union Pacific system until 1893, when it passed into receivership along with the Union Pacific. It was reorganized in 1897 as the Leavenworth, Kansas and Western and functioned as such until 1908 when it became a part of the Union Pacific again.

A general report about the Kansas Central, as an associated company of the Union Pacific, was issued in the First Annual Report of the Railroad Commissioners for 1883. Directors of the company were F. L. Ames and F. G. Dexter of Boston, Sidney Dillon of New York, T. L. Kimball of Omaha, and L. T. Smith, Paul E. Havens, and Levi Wilson of Leaven-

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5. Leavenworth Daily Times, April 5, July 24, 1881.
7. Leavenworth County Register of Deeds, "Notice of Bonds Surrendered and Cancelled."
9. Ibid., December 28, 1881.
10. Ibid., April 3, 1882.
worth. Common stock was valued at $1,348,000 and outstanding bonds of the same value. A deficit of $103,153.62 had been contracted as a result of the previous year's business. The total cost of construction and equipment was placed at $2,480,948.10, with additional property valued at $22,192.48. The company owned rolling stock consisting of five freight and six passenger locomotives, one first-class and four second-class passenger, three express and baggage, 107 box, thirty-one stock, forty-nine coal, and two miscellaneous cars.\footnote{12}

Financial records for the first few years of operation under the guidance of the Union Pacific indicate that although earnings increased the expenses did too, so that the deficits became larger. Due to greater expenses, the yearly deficit rose from $104,454.90 in 1883, to $247,405.55 in 1884.

Additional trains were required to handle the increased business in 1884. Employees Timetable No. 28 announced the service of three daily trains between Leavenworth and Garrison, but only a single train daily between Garrison and Miltonvale.\footnote{13} A wage chart for employees of the Kansas Central was issued in the Annual Report for 1886.

Table III

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<th>No.</th>
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<td>2.17</td>
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<td>Mechanics</td>
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<td>3.22</td>
<td>Laborers</td>
<td>13</td>
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<td>Misc. help</td>
<td>16</td>
<td>1.32</td>
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Some repairs had been made on the Kansas Central by the Union Pacific, but due to financial difficulties they were not enough to put it into top operating condition. By 1886, special instructions for safe operating speed were sent to the employees of the road. Maximum speed for passenger trains was 24 m.p.h., while freight and work trains were restricted to 15 m.p.h. Trains were forbidden to make up time by fast running or exceeding maximum speed on any portion of the line without a special order from the superintendent. On trestles and bridges and on certain sections speed was reduced to 8 m.p.h. Any train over twelve hours late was to lose all rights to the road.\footnote{14}

\footnote{12. First Annual Report of Railroad Commissioners, 1883 (Topeka, 1884). Subsequent figures are from the Annual Reports for those years, unless otherwise noted.}
\footnote{13. "Union Pacific Employees Timetable No. 28, 1884," from a collection of old timetables in the Union Pacific Historical Museum, Omaha.}
\footnote{14. "Union Pacific Employees Timetable No. 30, 1886."}
State legislators became increasingly convinced that the narrow gauge was not going to be the solution to the transportation problem in Kansas. Legislation was passed, in 1886, to make it easier for companies to change to the standard gauge.\(^{15}\) In 1890, the Union Pacific notified the Kansas State Board of Railroad Commissioners that it was formulating plans to change the Kansas Central to the standard gauge. The following year the Commissioners made a report, based on a tour of inspection.\(^{16}\)

The Commissioners noted that the Kansas Central had been built through one of the best areas of the state but that the people of the section had been harmed by the failure of the company to follow charter obligations. The people had been kept isolated, settlement was delayed, investments prevented, and real estate degraded until the value was below that of raw prairie along the main Union Pacific line. Further, the Commissioners were opposed to the use of the same rails in the conversion to the broader gauge. They were too light, they were nineteen years old, whereas the company reported, in 1884, that the average life for iron rails was six to twelve years and for steel rails, five to fifteen years. These rails were bent, had sharp curves, sharp angles at connecting points, worn and broken treads. So bad, indeed, were these rails that the company was running one mixed train a day at 11 m.p.h. The company was asked to replace these old rails with new fifty-six pound steel rails in the conversion.

The Annual Reports tell the story of subsequent events. The Union Pacific ignored the report of May, 1891. The Commissioners sent a further request for reply in June. Still no reply. A telegram demanding immediate action was sent a few days later when an engine plunged into a ditch killing the engineer and fireman. An unsuccessful attempt was made to indict the railroad company and the Commissioners on a general charge of murder due to neglect of duty. In September the Union Pacific requested modification of the original order, proposing to use fifty-two to fifty-six pound steel rails for the fifty-five miles from Leavenworth to Holton, except for eight miles of fifty-eight pound rails to be taken from an abandoned line; to be given all of the year 1892 to replace the rails between Holton and Garrison, a distance of sixty-two miles; and to allow it to use the present thirty-five pound rails from Garrison to Miltonvale because of the lighter traffic. This request was refused by the Commissioners. The company then responded in a few days with the plea that the Union Pacific was not now able to make the changes required because of lack of funds.

The railroad board answered this by stating that the U.P. knew of the bad condition of the Kansas Central and had purchased it voluntarily.

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16. This right of inspection had been granted to the Commissioners by the laws of 1883,
Ample time for making repairs had existed during the past ten years. Even if the company was in bad financial condition, the repairs would not be enough to cause them serious economic distress. Estimated cost of changing the rails and widening the gauge was set at approximately $1,397.50 a mile, or $231,985 for the 166 miles, instead of the about $600,000 quoted by the company. The Commissioners did agree to modify one demand, stating that no change need be made in the rails from Garrison westward until 1892, because that section was in better shape and there was less traffic on it.

The Commissioners then took the matter to the governor, requesting immediate action. The Attorney-General asked the state Supreme Court to issue a writ of mandamus compelling the Kansas Central and the Union Pacific to repair its railway by using fifty-six pound steel rails when it changed to the standard gauge. The company in reply before the court in November, 1891, stated that the board had only advisory powers with no power of enforcement, and that if action were required, it would have to be after court action and not by the arbitrary rules of the commission.

The decision of the court, delivered by Judge J. C. Horton, was that the board had exceeded its power when it attempted to force the railroad to make repairs. If the repairs were needed it could advise the railroad company of those conditions, but neither the governor nor the board had the right to act as master, referee, jury or judge. Changes would not be required until each party had an opportunity to present its case before the courts. Early commissioners had recognized the limitations of their power and had during subsequent legislatures asked for additional authority, but it had never been granted. The police power theory, as used by the state, by which the board was attempting to protect the citizens from unsafe conditions was not a valid argument in this case for the legislature had not conferred or attempted to confer such power. The court further stated that if the railroad was in the condition represented by the board it was too bad for the patrons that the corporation had not carried out the suggestions for improvement. However, no matter how grave the circumstances the Supreme Court could not overstep its authority. The plea for the writ of mandamus was rejected. 17

The Kansas Central was changed to a standard gauge railroad about 1893 by the Union Pacific; the old rails were moved over in some places, and new rails were laid in those places about 1905 or 1908. 18

18. William J. Crawford and Homer Crawford, Madison, Kansas, lived in Soldier Township, near Circleville, at that time and report that the old rails were moved over in that area. They were later replaced by new ones. (Information from Warren T. Crawford, also of Madison.)
THE KANSAS CENTRAL OPERATES AS THE LEAVENWORTH, KANSAS AND WESTERN, 1897-1908

On December 31, 1894, the New York Security and Trust Company filed a suit for foreclosure against the Union Pacific. Hiram P. Dillon was appointed Special Master by the United States Circuit Court to operate the Kansas Central. He operated the line until February 1, 1897, when a decree for a foreclosure sale was handed down by the circuit court. The Kansas Central was sold at public auction on June 25, 1897, to Walter B. Horn and Thomas W. Joyce for $200,000.¹

The road was reorganized under the name of the Leavenworth, Kansas and Western Railway Company. The charter showed that 10,000 shares of stock were to be issued having a total value of $1,000,000. Robert Blair, Archibald Williams, Nelson Loomis, and Harry Williams, all of Topeka, and P. Chauncey Anderson, George Warren, and Alvin Krech of New York City, were directors.²

These directors planned to put the L K & W in first class running condition and then concentrate on extension to the Colorado line. A branch line was to be constructed to the northwest of Pottawatomie County to the northern boundary of Kansas.³ Whether the company made any effort to expand is not known, but we may assume that it was not vigorously supported.

Few items appeared in the local newspapers about the operation of the Leavenworth, Kansas and Western. Most of these items were about excursions, with the old stand-by, of course, the trip to Leavenworth. Now, however, they were offering guided tours of the prison and the fort in addition to the shopping trip.⁴

Annual Reports of the company to the railroad commissioners show that the earnings and expenses varied little from those of the old Kansas Central. The company no longer maintained as much rolling stock as its predecessor. In 1906, it had one passenger and five freight locomotives, three first class passenger, two combination, two baggage and express, thirty box, two stock, one caboose, and eleven miscellaneous cars. Perhaps that was the reason that the deficits were slightly less than under former ownership. Contracts were negotiated with the Pacific Fruit Express granting fifty percent of the gross earnings on express handled, the United States government agreed to pay $63.27 per mile ($10,501.55) for hauling mail, and Western Union was to give fifty percent of its net receipts along the line for the privilege of using the railroad facilities.

The final report on the Leavenworth, Kansas and Western was issued

¹ Leavenworth County Register of Deeds, Vol. 163, p. 490.
² Charter of Leavenworth, Kansas and Western Railway Company, Kansas Secretary of State, Book 15, p. 188.
³ Loc. cit.
⁴ Holton Recorder-Tribune, June 28, 1906, also cf. Ibid., March 8, May 3, and June 21, 1906.
for 1907-1908. It showed a net income of $1,177.13. Despite the fact that they finally made a profit, or perhaps because of it, the directors decided to re-consolidate with the Union Pacific.

THE UNION PACIFIC AGAIN OPERATES THE KANSAS CENTRAL; IT BECOMES THE LEAVENWORTH WESTERN BRANCH, 1908-1935

The Union Pacific resumed control of the Kansas Central in 1908, and immediately began to move the main office and other railroad facilities from Leavenworth. The Leavenworth County commissioners promptly entered a petition in the District Court for an injunction, basing their appeal on the original agreement of 1871 between the Kansas Central and the county commissioners. This agreement was that the main officers and all other necessary railroad facilities were to always remain at Leavenworth as the eastern terminus of the line. On July 29, 1908, Judge J. G. Gilpatrick issued a temporary injunction, which was later withdrawn, and the Union Pacific then continued to dismantle part of the railroad's facilities.

The Leavenworth Western Branch, as it was called by the Union Pacific, continued to operate over the line to Miltonvale, but because of the competing lines it always failed to meet its financial obligations. The Union Pacific, however, did not attempt to abandon the line until the depression forced them to do so.

One of the few newspaper articles referring to the Leavenworth Western Branch during the last thirty-five years of its history was one giving the origin of the names of the towns along the line. The first town, Hund, was named for Wendlin Hund, who owned the property upon which the town site was located. Pleasant Ridge got its name because of its location. Easton took the name of one of the founders, General L. J. Eastin; with the “i” changed to “o” out of deference to Governor Reeder whose home town had been Easton, Pennsylvania. Alvin Best named Winchester for his home town in Virginia. Valley Falls, at first called Grasshopper Falls, was named after the river and rapids on the river. The fiancée of Thomas Hooper gave the town of Arrington its title. Larkin or Larksburg was named for its founder, later a state representative. A colony of settlers from Wisconsin named Holton after its leader. After circling around the prairie looking for a good town site, the actual location was called Circleville. A favorite camping place of Fort Leavenworth

2. Board of Commissioners v. Leavenworth, Kansas and Western and Union Pacific Railway Company, Leavenworth District Court, 1908, Docket No. 19, 295.
3. Historical Catalogue, V, p. 1111; No specific financial records were made available to the author for this period, and earnings, expenses, and deficits are included as a part of the total company financial records. There is some breakdown in the records of the Union Pacific General Office, Omaha, but none in reference to the Kansas Central.
soldiers along an old military road resulted in the name for Soldier. Havensville, named for Paul E. Havens, Secretary-Treasurer of the Kansas Central, and Onaga, an Indian name, were established by the Kansas Central company. Most of the street names of Onaga were the first names of the original directors of the railroad company. Blaine and Garrison received the names of early settlers, while Olesburg was the result of its Swedish origins. Leanordville was named for L. T. Smith, and Clay Center was near the center of Clay County. Miltonvale received its name from Milton Tootle of St. Joseph, who owned the town site.4

In June, 1934, service on the branch line was reduced to three times a week each way.5

On July 11, the Union Pacific filed a request with the Interstate Commerce Commission for abandonment of the Leavenworth Western Branch from Knox to Clay Center, a total of 143.56 miles. The section from Clay Center to Miltonvale was to be used as a part of the Junction City to Concordia Branch, rather than its own section to Concordia. In a public hearing, the Union Pacific stated that the Western Branch could not make a profit because of the competition within the area. The line was between the Union Pacific main line to Denver and the Grand Island from St. Joseph to Grand Island, Nebraska, the two being about fifty to seventy-five miles apart. In addition, the Missouri Pacific operated the old Central Branch Union Pacific from Atchison to Concordia and this line was from seven to twenty-five miles north of the Western Branch. Besides these parallel lines, the road was crossed by five north-south lines, three operated by the Union Pacific and one each by the Rock Island and Santa Fe. Also, the company asserted that the road had been constructed in a farming and stock raising area which had developed no industries. The total population had remained at about 22,200 with little or no increase during the past thirty years.6

Plans to abandon the line had been under consideration for some time. The company had tried to make the line operate at a profit, but the advent of motor-truck transportation to St. Joseph and Kansas City, other rail competition, and the general depression made this impossible. Repair costs were high because the road followed the contour of the country, with the result that there were an unusual number of curves and steep grades. The average annual losses had been $97,002. Those opposed to abandonment were mainly merchants from communities which would lose all rail facilities. Valley Falls, Holton, Onaga, and Clay Center had other railroads, but twenty-four towns did not. The company showed that

4. Leavenworth Daily Times, January 5, 1912.
the revenue obtained from the affected communities was $199,666 less than the annual cost of maintenance. Further, these communities would have to go only five to fourteen miles for other railroad outlets.

On October 8, 1934, the Interstate Commerce Commission agreed to the abandonment of the Leavenworth Western Branch as described in the petition. Final date of service was January 10, 1935. When the property was appraised, the Union Pacific placed the value at $2,613,104.96 less salvage, and entered this amount on the financial reports as "Debits from Retired Road and Equipment, Account No. 619." The final action was the filing of the quitclaim deed in the office of the Leavenworth County Register of Deeds on February 21, 1936. The deed returned the right of way for the Kansas Central to the original owners and gave the telegraph line to the Western Union Telegraph Company.

The Kansas Central played only a minor role in the entire railroad history of the United States, but it was of considerable significance in the development of the area between Leavenworth and Miltonvale, Kansas. It achieves some importance as an experiment in narrow gauge railroading, and emphasizes that such a method was not as successful in the plains area as it proved to be in mountainous terrain. Too many better equipped lines which were connected with railroad net works gave it more competition than it could handle. Constructed along with many other now disbanded lines during the railroad building of the 1870's and 1880's, the dreams of greatness for another railroad were at an end in 1935, for the old Kansas Central was dead.

7. *Historical Catalogue*, V, p. 1111; Abandonment of the Leavenworth Western Branch of the Union Pacific was not an isolated case, for 22,074 miles of track were discontinued between 1932 and 1943. *Loc. cit.*
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