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Newspaper article by Hon. F. LeCocq, Jr., December 25, 1907

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Fraudulent Organization of Douglas County

Being requested by the editors of The Globe to write a brief history of the so-called Bogus Browsnitate organiization of Douglas county, I have consented to do so, regretting very much that the limited space will necessarily shorten this article so that only the early history is given. Later on I may give you readers a history of our struggle in the courts and final success in annulling about \$100,000.00 worth of warrants issued by the socalled Brownsdale organization.

The old Territorial Code of Dakota provided that fifty or more legal voters residing in an unorganized county may petition the Governor for an organization and the Governor must organize such county and appoint three residents of the county as County Commissioners, and such commissioners are authorized to appoint all other county officers until an election of officers is held in the organized county.

In February. 1881, Walter H. Brown, a pretended resident of Douglas county, presented to Governor Ordway at Yankton (the seat of government) a petition for the organization of Douglas county. This petition, purported to have been signed by fifty or more legal voters of the county.

The winter of 1881 will be remembered as the winter of big snow storms when there was 3 to 6 feet of snow on those pradules, where the grass was not burned. Brown pretended to Gov. Ordway that the people were so anxious for the organization that he had walked through the snow from Douglas county to Springfield and the petition he had was so worn and faded that the Governor believed

The county was organized and Walter H. Brown, E. B. Hoyt, who was a resident of Ft. Benton at that time, and C. II, Stillwell, a resident of Bon Homme county, were appointed as the Board of County Commissioners.

Mr. Stillwell never qualified or acttook his seat on the Board.

with him and about this time pro- issued from the Charles Mix county ceeded to fill the vacancies in the Board of County Commissioners by appointing Frank Neese and Herman Losey as commissioners! These public spirited citizens duly qualified proceeded to appoint the other county officers. Brown's son was made Clerk of Courts and Register of Deeds, Thad Sutliff, Treasurer and Probate Judge, Edgar Berry, Sheriff, E. Harrington County Surveyor, and others whose names I have forgotten. Messrs. Berry and Harrington acted in entire g od faith, not knowing the state of affairs at the time they were appoint-

About this time the actual settlers of the county learned of this organization. The only settlements in the county were in the northeast part where Maj. Robt. Dollard, Wm. Palmer. Louis Bertram, Diesterhaupt and others had settled on government land, and in the southeast part where C. E. Huston, Micheal Donley, Dick Johnson, Mr. Manbeck and his son Jeff, Charley Holton and others had taken up land and made settlement.

These men, under the direction of Maj. Dollard, who owned land in the northeast part of the county, made a thorough investigation and the fact was developed that there were not more than twenty settlers and actural voters in the county the time of the organization and that none of the settlers had signed any petition or knew of the petition, also, that the names of some of the actual settlers had been forged on the petition. In addition to this the petition bore the names of about fifty fictitious persons. As soon as these men found out what Brown and his gang had accomplished they at once commenced legal proceedings to overthrow the bogus organization.

On the relation of Micheal Donley and other property owners, Major Dollard, on the 7th day June, 1881, ed as commissioner, in fact he refused obtained from Chief Justice Shannon to accept the office, and never an order for a writ of prohibition commanding the so-called commis-In April 1881 Brown and his family sioners to desist from executing the located on Andes creek near the south duties of their office. They were to line of the county and about 20 miles appear before the Judge on July 7th, from any other settlement in the of that year, to show cause why the writ should not become absolute.

Brown had his son and family move | Shortly after the above writ was court, which was served on Brown and other officers it was found necessary on some technicality, to set it aside and a new writ was issued also demanding the commissioners to desist from issuing warrants or other evidences of debt, and to cease executing the office of commissioners. On this order a writ of prohibibition was issued and which was seeved. Judge Shannon being in Washington at the time the case was contined from time to time and no headway was made to overthrow the pretended commissioners in a legal way. Brown was a "smooth jay." He had retained the best legal talent in Dakota Territory and was making a stubborn fight to remain in office, but finally a judgment was obtained ousting the pretended commissioners, but by changing offices with each other in the mean time, the judgement, while ousting the defendants, found them in possession of offices to which their title was not in question and the organization in as healthy condition as before and they were losing no time in issuing county warrants by the thousands and selling them for what they could get for

When it became apparant that Brown and his followers would stick to their organization and offices until driven into the "last ditch" Major Dollard secured the assistance of the Hon. W. M. Springer of Illinois, a member of Congress from that state, who presented to that body a petition from the residents of Douglas county, setting forth the history of their wrongs, their attempt to obtain justice in the courts, the defective condition of the law, etc., and praying for the passage of an act by Congress wiping out the Douglas county organization. This petition was by Congress referred to a committee of that body and Gov. Ordway, who happened (?) to be in Washington at that time was called before the committee to testify and upon his testimony the matter was left in such a condition as to practically cut off the people from any remedy in that quarter.

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In November 1881 an article appeared in the Chicago Times by the bonafide residents of the county, after it was ascertained that Douglas county warrants to the amount of about \$30,000 had been sold or offered for sale in Chicago. In which article a history of the bogus organization was given and the purposes of the gang fully explained.

This gave the Douglas county frauds publicity and resulted in bringing back for redemption thousands of dollars in warrants that had i been bought by innocent purchasers and also brought back to the gang \$5000 in warrants deposited in the Merchants National Bank of St. Paul, for sale. It was supposed at that time that about \$100,000 bogus warrants had been issued and sold.

About this time the writer in comand Arie Beukelman, in looking for government land for a Holland colony struck Brownsdale, the county seat, located in section 28-99-64. We were entertained by Mr. Brown and family, which consisted of himself, wife and two sens, and his old mother, then over 90 years of age.

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The town contained Brown's residence, the court house, a frame shack 12x14, that cost \$10,000, a school house 14x20, occupied by Mr. Neese and his family and one other building 10x10 with heavy doors and locks. in which we were told they kept the county records and seals. (I think the old court house is still used as a stable or shed on the old Keeton

After supper we were assigned to the court house for the night, where we spread our Buffalo robes and had a good night's rest.

In talking with Mr. Brown and son and Thad Sutliff about the reports in the daily press, relative to the organization of the county with fraudulent intent, etc., we were assured that all was misrepresented; that they had laid out school districts and had bonded the Brownsdale district for \$1,500 to build the school house occupied by Frank Neese. It was learned afterwards that they had issued \$15, 000 in school bonds but failed to find a market for them.

We were shown plats of the school districts that were bonded and in order to get outside of this bonded district, the Dutch people took their land in the western part of Douglas county.

When we asked to see the records of the county, the Commissioners' records and warrant book, they told us that owing to the hostility of the people in the southeastern part of the county, the books and blank warrants and seals were kept under lock and key and were only taken out when the Board was in session, also that we could see the records when the Board met in January. All these things confirmed to us the opinion that the stories we had read in the papers were true, but we were looking for government lands and did not take, the time to see any of the other setlers in the county. John Mattson, pany with Messrs. D. Van den Bos, who now lives at Armour, was living L. Van der Meer, Jacob Muilenburg on a claim east of Brownsdale and he came to one of our party and told us what was going on and warnedus to be careful with Brown and his gang, but John was very careful because he was all alone amongst the gang, 15 or 16 miles from friendly neighbors, and he had to be a little careful.

Westayed withour Brownsdale friends for about a week and made our selection of lands and returned to our homes in Iowa. Returning for permanent settlement in February of the year 1882.

As already stated the outstanding warrant indebtedness at that time was between \$35,000 and \$50 000. The plan followed by the gang was that to give the warrants legality, some service or benefit must be shown the county, and for that purpose they would throw 3 or 4 planks over Andes creek, call it a bridge and proceed to issue \$3000 to \$4000 in warrants to pay for the bridge. Another way they had was to "make county roads." This was done in the following man-ing. ner: Starting from Brownsdale they

pense was salaries of officers and perdium and mileage of the Board of County Commissioners, judging from the warrants issued they must have held sessions the year round. Then there was the expense of blanks and books. They had wagon loads of them. One load of blank books we found stuck in the lake bed about 12 miles south of Brownsdale.

As already stated we came back to this county and and made our first improvements on our lands on Feb. 13, 1882. The weather was fine all through January and February. During the winter the bona-fide residents of the county with Major Dollard at their head, had not been idle. They petitioned the Governor tore-organize the county and to take charge of the county property, and to oust the Brown organization from their offices. To this the Governor finally consented and in the spring of 1882 the county was re-organized and Chas. II. Huston, Chas. Holton and F. Diesterhaupt were appointed county commissioners. These men took hold

with a firm purpose of honestly conducting the affairs of the county and give the people an organization that would prove to be a benefit to them. But the Brownsdale click was holding forth and presumably they were still busy in issuing warrants and building roads and bridges. Suits in the courts had been started as we have seen, without any beneficial results. We now had one bogus and one legal organization. It became unbearable to the settlers and they determined to take the matter in their own hands for solution. Accordingly a secret meeting was called and early in May, 1882, a raid was made on the court house and all the books and records were taken and piled into wagons and deposited in a "dugout" near Huston, for safe keep-

In some way the Brownsdale officsurveyed a road to Wheeler in Char-cials had heard of the plan and had les Mix county and they would throw departed for "parts unknown." It up mounds of sod on prominent was found they had taken the blank points so that the mounds could be warrants and county seals with them seen and serve as guide marks. Such so as to be able to do business in case a road was also established to Plank the county currency should need ininton and one through the reserva- flation; they also took the records of tion to Choteau creek in Bon Homme Commissioners' proceedings, which county. These roads cost the county afterwards proved a great loss to \$12,000. Another heavy item of ex-the county when suit was brought for \$100,000.00 worth of bogus warThe records Taken proved of little Value and were some years afterware destroyed, but we were nid h of the road and bridge builders, that was relief enough for a while.

The new board was organized with Mr. Huston as chairman. They proceeded in legal manner to appoint a full set of officers, to call an election for locating the county seat, etc. The bona-fide settlers were glad to see hundreds of new settlers coming into the county in the spring of 1882, and a solemn resolution was registered that we would never pay the indebtness on the county created by the bogus organization.

At the first meetitg of the Territorial legislation after the re-organization of the county the said re-organization was legalized and in the fall of 1882, Grand View was selected by the voters as the County seat. temporary court house was built and the county machinery set in motion.

In the years that followed we found that it took 6 years of litigation in the courts and \$10,000 of the people's money to get rid of the bogus warrants.

The writer was elected a member of the Board of Commissioners in 1882 and took an active part in the legal battles to rid the county of the debt.

The history of the this litigation, the search for the missing records, the flight of Brown to New Mexico. and the efforts the county made to get posession of Brown and his gang, would make an interesting chapter, but lack of space will make it necessary for us to break off right here.

It will be remembered by the read, ers of my first article that Brown and his henchmen had taken the commissioners record, the blank warrant book and county seals with them in their flight from the county in the spring of 1882. This proved very unfortunate for the county in subsequently fighting the bogus bonds and warrants, as we had no record to prove that the board of commissioners (had never held a legal meeting, which was a fact, but the best proof of this would be records and next to the records was to prove this fact by competent testimony in court.

Under the able management of the cases against the county by Mr. E. W. Cline, then the district attorney, and Robt. Pollard, and Gamble Bros. of Yankton, several indictments were found against Brown in the district court of Yankton based on the frauds of Brown and his gang in this county. This was done in order to hold Brown in the Territory and use him as a possibly this package might contain

him to "squeal" as to their operations and thereby establish the fact that the warrants or part of them at least had been refunded and taken back by them from the people to whom they had sold them.

The county had for a long time made a fruitless search for Walter H. Brown but he was finally located in New Mexico, under the name of Walter H. Bailey, about the time that the suits were commenced. Knowing that Brown would not come voluntarily it was decided that our county sheriff-Harry Thompsonshould go after him and arrest him under the Yankton county indictments. All the necessary extradition. papers were arranged and Harry was authorized to take to take a detatchment of soldiers with him if necessary, to find and take Brown out of New Mexico, That country was "wild and wooley" and it was realized. that one man might have more trouble in making an arrest and capture than he could handle alone.

A special meeting of the board and the attorneys was held at Grand View to attend to all necessary arrangements and to provide the sheriff with funds. All felt that no trouble and expense should be spared to make this important capture. The next morning Sheriff Thompson started on his trip to New Mexico. He was instructed to stop at Yankton and get, from the clerk of courts there, proper warrants of arrest. Upon his arrival at Yankton "lo and behold" just three days prior to the start Sheriff Thompson, the indictments against Brown had been squashed and Harry had to come home on the "swearing train." The incident however opened the eyes of all of us and established the fact long suspicioned that there were high financiers in the state, who did not want Brown bought back. This was a disappointment but there was no help for it, we had to keep moving and take a fresh start.

The late Gen. H. J. Campbell was retained by the county and was commissioned to go to New York City to take some depositions by parties who resided there and who had, it was thought, some knowledge of Brown's operations and sales of warrants that would be of benefit to our side of the case. Gen. Campbell spent some four or five week in New York City and su ceeded in getting some testimony

that was of material value, but on a technical point it was thrown out of the case and thereby made worthless to the county.

An important find was made when C. J. Anderson of Plankinton, a friend of Douglas county, notified the board that shortly before Brown's flight from the saate he (Brown) had left a sealed package with Mr. Anderson and asked him to keep it until be called or sent for it. Thinking that witness for the county and induce some papers that would be of value to

the county in their struggle in the courts to get from under this fraudu lent debt, Mr. Anderson had concluded to turn over the package to the county, or at least have a legal examination made of its contents.

The writer and John Keeton were appointed by the board to go to Plankinton and investigate this package. After the necessary legal steps were taken the package was taken from the safe by Mr. Anderson and opened in the presence of several witnesses and what consternation and disappointment, the package contained nothing but blank Douglas county warrants.

All these disappointments may cause the reader to smile but in those days it was a serious matter. were looking for material and men to use in our fight, knowing by the advice of our lawyers what we would have to prove in court in order to come out victorious.

One consolation we had, and that was that the case was started in Douglas county court and that would at least give us the advantage of fighting on our own ground, but in this we were again disappointed. The plaintiff in the case sent to this county a shrewd attorney by the name of Frank M. Goodykountz, who with an Armour livery man quitely "slipped" through the county and interviewed the farmers in regard to the bogus warrants. He had no trouble to get such replies as "we shall never pay these warrants" "we shall fight to the last ditch," etc. After spending two days in the county, Mr. Shrewd attorney files an affidavit comfirmed by his driver, that the feeling in the county was such that an impartial trial could not be had in this county. In addition he filed sworn statements as to whom he had interviewed, giving names and residences and the conversation he had with the different parties. The court granted the application for a change and the case was taken to Dayision county, the home of the plaintiffs.

Notwithstanding all the discouragements and disappointments, our legal advisors went right along to prepare for the impending battle in the court. Depositions were taken from Gov. Ordway in Washington, D. C., from parties in New York, New Mexico and other places. A wagon load of evidence was obtained in this way from people who had bought some of the bogus warrants and from others who had some knowledge of the Brown organization of the county and methods of doing business.

opened in the district court of Davison county. The holders of the warrants had retained some of the best lawyers in the state on a contringent fee and the personal of our legal re presentatives gave promise of a brill liant battle, involving nearly(

In the nextarticle we shall give an account of this great be tle in the courts, terminating in victory for the county.

As will be remembered from my first article, Governor Ordway reorganized the county in the spring of 1882. Under this re-organization, Chas. H. Huston became chairman of the board of county commissioners' -the other members being: C. H. Holton, who still resides on his model in near Delmont; and Ferdinant Disterhaupt, who died some years aso. This board appointed a full set of officers at their first meeting under the re-organization, on July 24, 1882, viz: C. E. Huston, chairman; J. S. Bean, register of deeds; A. D. Mather, county treasurer; Wm. Palmer, probate judge; F. LeCocq, Jr., county surveyor; J. F. Keeton, assessor; C. F. Parker, sheriff; L. Van der Meer, D. Manbeck, G. S. Mathand D. C. Quay, justices of the peace; John Geidel, John Mathson, Joseph Lester and Jacob Muilenburg, constables.

The temporary seat of government was at Huston, located on the claim owned by Chas. H. Huston. There Constables:was a store and postoffice at said point. The new board entered from the government 160 acres of land under the townsite act; laid it out into lots and proposed to the people that the permanent location of the county seat be on said 160 acres; to be named Huston; that the proceeds realized from the sale of lots would be for the benefit of the county-to be used to help build a court house, etc.

Another candidate for county seat honors was Douglas City, situated in the northeast part of the county. At this point, Hon. E. W. Miller of Elk Point, (U. S. Attorney under the Cleveland administration,) had a store and postoffice, kept by a man named Hunt. Mr. Miller made a vigorous campaign-claiming that his town was more centrally located than Huston, and had the better chance of getting the railroad, etc. At that time the Northwestern was coming into the state.

Another candidate for county seat honors was Grand View-situated on section 13-99-64 -where K. G. Foster and Joseph Devy had "launched" a store and postoffice. Kin and his friends were out continuously among the people who would vote that fall. The inducement offered by Grand View was that one could stand in front of K. G.'s store and take a "grand view" of the entire surrounding country. (The hill is still there for those who want to try it.) They also agreed to build a court house, good enough for all county purposes. free of charge to the county This

1 U.I.V View-that place winning by a majority-of ten Stes over the other candidates.

At the election the following county officers were elected:

County Commissioners:-

District No. 1-F. LeCocq, Jr. District No. 2-D. C. Quay.

District No. 3-R. W. Johnson.

Webster Car

Register of Deeds:-

K. G. Foster.

Sheriff:-

John Donley.

Treasurer:

Wm. Palmer. Supt. of Schools:-

J. F. Mathews. Surveyor:- .

A. R. Wetlaufer.

Probate Judge: Joseph Fairfield. Assessor:-

John Geidel.

Coroner:--

Dr. T. M. Stewart.

Justices:-

James Little.
Joseph Hicks.

D. Van den Bos. . . J. F. Keeton.

John Mathson.

Charles Dewey.

Silas Landis.

1. 1883, in the new court house—a ple, when the bogus debt was wiped frame building 14x24—built by Fosout by judicial order, from which no ter & Co. at Grand View. One of appeal was taken. the most impressive ceremonies was that each officer was requested to stand up and register a solemn oath with uplifted hands, that not one dollar of the Brownsdale county warrants would ever be paid, or in any way or manner recognized as a claim on the county; that if ever these bogus warrants came up for payment, or if the county should ever be, sued on these warrants, that we would carry on the fight to the United States Supreme Court, if necessary. So bitter were the early settlers against the bogus warrants, that for years afterwards, if a man wanted to go to the legislature from this districtthe legislature from the country of a country of the country of th Mix and Aurora of existence—politically. This may seem somewhat harsh now, but in those days it was "cold blooded business," because if the county had paid one dollar of these bogus warrants it, would be so, had to pay the rants it would have had to pay the whole of the bogus debt; and this must be prevented at any cost. All you had to do in those days when a person was up for a county office was to circulate a report that at one time in his life he had been seen drinking with Walter H. Brown, and his "goose was cooked." It was argued by some that things

had moved too rapidly for Brown and his "gave" and that they had to

from; but knowing ones said "walt and see," and sure enough we did see; for just six months before the six year Statutes of Limitation had run on the warrants, the county was sued on them. One suit was started by Major Moore of Mitchell, who claimed to be the owner and innocent purchaser of some \$25,000 worth of these warrants-drawing seven per cent interest. At the same time another suit was started on about \$20,000 worth of these warrants—drawing seven per cent interest—by a man who owned a livery barn in Mitchell. The livery business in those days was as good as a bank. man had only been in the business a few years and came up with \$20,000 of his surplus invested in Douglas county warrants. These suits started the long expected fight, and brought to light the true amount of bogus warrants outstanding against the county.

The suits were started in Douglas county, but after some preliminary skirmishes they were changed to Davison county; and finally tried at Mitchell.

The attorneys retained by the county in the cases started were: Major Robert Dollard, of Scotland; Hugh J. Campbell, at one time U. S. Dis. Attorney for Dakota Territory; E. W. Cline, who was at that time county attorney; and Gamble Bros., of Yankton.

Afterwards the personnel of the legal representatives was changed from time to time as was necessarily required; and when the county finally won out in these suits-Mr

Dollard, of Scotland; Bartlett Tripp, of Yankton; E. S. Johnson; and W. E. Tipton, who was then acting as coun-All of the officers entered upon the discharge of their duties on January honor of winning the splendid victory and lasting gratitude of the people. When the bours debt.