

two parties at \$1 or \$1 25 per day; do not recollect which, say

1 25

With Col. Kearney the chief engineer there was found a recorded agreement and contract for the year, at the pay I have stated, and a list of such subordinate officers as he required, and which the board approved, being also annexed to the agreement, with the tariff of rates for pay as already stated.

At this stockholder and directory meeting much business was done. The whole code of by-laws which had been adopted were repealed, and a new one adopted in its place. The offices of general agent and inspector of timber were swept away. The thorough repair of Mr. Teakle's house, then going on, was stopped. The salaries of the president and secretary were reduced one-half—from 2000 to 1000, and from 1000 to 500.

When the State directors joined the board, as they did at its meeting in May, it was found that the engineers were all engaged as rapidly as they could be, preparing the southern end of the road for contract and construction, and this was deemed by the State directors, the wrong end to begin the work at, and they induced the general board to direct the corps of engineers to be divided, and one party to go on to prepare the road for construction and contract on the northern end, whilst the other should be engaged in like manner on the southern end. This was the result of compromise between what was regarded the interests of the State on one hand, and that of a majority of the private stockholders and their directors on the other, and was to be, by understanding on records confined to the *grading* of the road alone.— This mode of working the road at both ends, has been found, as was anticipated, to be expensive to the board and a heavy tax on its officers by being required to meet at different places, always far from the homes of some of the members; and it has added much to the expense of the engineer's department, by keeping two separate and distant parties at work at the same time. But although more expense has been incurred in this way in advance, than was actually required, much work has been done, which for the future is equally available to the company.

In the month of June of this year, Col. Gale resigned as president of the board, and Thomas Emory was appointed in his place.

During this year the company had a very heavy controversy resulting in an arbitration with Mr. Teakle, and Mr. Edw. Long and Mr. Crisfield, were employed as counsel, to the company.— What they received for their services this year I do not recollect, but am persuaded it did not exceed one or two hundred dollars each.

For professional services and in obtaining relinquishments of the right of way in Cecil county during this year, Mr. Ellis, of Elkton, has received in part payment of his charge against the company for two hundred dollars, the sum of one hundred and fifty dollars. I have no knowledge of any extra allowance to any officer this year, unless the payment of the travelling expenses of the