



## The Untold Story of Louisville's First Years



By J. Peter Lindquist

**M**ost accounts of Louisville's history hold that Louis Nawatny discovered coal seams on David Kerr's property in 1877, helped open the first coal mine in the area, and then recognized the potential for a nearby town. He purchased forty acres of land west of Kerr's property, platted a town, and immodestly named it Louisville. After running into financial difficulties, he disappeared. But the town survived.

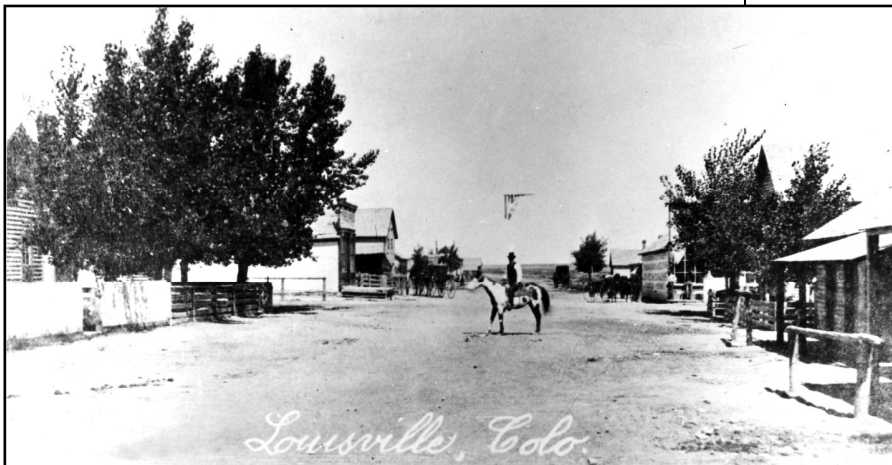
This storyline is partially true, but it ignores the underlying events that led to the founding of Louisville. Most significantly, it omits the crucial role of several wealthy businessmen who were competing for the profits they expected from Colorado's emerging railroads and northern coalfield. The more complete story of the founding of Louisville includes their entrepreneurial risk-taking and the secretive deal-making that brought disappointment to some and success to others. It includes an account of how the failure of one company and lackluster performance of another caused the demise of one town and led to the formation of another. It is a story of 19th century values, financial difficulties, sheriff's sales, shifting loyalties, labor unrest, and competing views of what an emerging coal town should become.

### The First Founding Fathers

The California Gold Rush was a bust for most but an extraordinary bonanza for others. During the first five years (1848-1853), an estimated 370 tons of gold (adjusted for inflation – nearly \$14.5 billion in 2010) were harvested. Successful prospectors were not the only beneficiaries. Large and small fortunes were made by thousands of vendors who provided them with food, supplies, transportation, and services.

Thus, it was not surprising that when gold was discovered in Colorado ten years later more than 100,000 adventurers scrambled toward the Rocky Mountains. It was a motley group, as described by one observer:

There was not a typical Fifty-Niner in the crowd. Hoosiers there were, Buckeyes, Hawkeyes, Badgers, Pennsylvania Dutch and Georgia Crackers. There were farmers in their faded jeans and slouched hats, clerks in their long-tailed blues, scolding mothers and their squalling babies, merchants, doctors, lawyers, millers, politicians, printers, bankers, and even a newspaper editor or two. Some among them were old, some young, some just approaching middle age. A few were hometown heroes. A few more were on the run from the law. And even though the great majority could rightfully be called "honest, industrious poor men," there were enough misfits among them to induce the editor of the *Nebraska City News* to later characterize the whole emigration as "a shiftless, lazy, lousy, scurvy, profane, insane and idiotic herd of rapsallions, nincompoops and ninnies."<sup>1</sup>



*Looking north on Front Street in the mid-to-late 1880s. The general merchandise store at the left-center of the picture is on the northwest corner of Front and Spruce Streets (today the location of the public library). It was originally owned by Louisville's first mayor, John H. Simpson. By 1885, he had sold it to Robert Loch. (Photo courtesy of Louisville Historical Museum, Louisville, CO)*

For most people the Pikes Peak Gold Rush turned out to be no more than an interlude. Roughly three quarters of those who struck out for the Rockies turned around before they got to the mine fields or headed home soon after they found out how challenging life in the "wild" west would be. Many others would barely eke out an existence. And a select few would realize the dream that all had shared when they first headed toward Colorado.

Among the early pioneers were three men who settled in Golden and would play important roles in the development of Louisville nearly twenty years later: William A. H. Loveland, Charles C. Welch, and William A. Davidson. All three were veterans of the California Gold Rush, and they were better prepared to capitalize on this new growth opportunity than they had been ten years earlier.

William A. H. Loveland (1826-1894) arrived in Golden Town in June 1859. He traveled from Illinois with a wagon train of merchandise and built Golden's first retail outlet (W. A. H. Loveland & Co's Cheap Cash Store). This was just a start, as he quickly expanded his interests. He became the town's leader, helped establish the Colorado territorial capital in Golden, built the first wagon road up Clear Creek Canyon to the mining camps, opened the first coal mine in Golden, secured a charter from the Territorial Legislature for the Colorado Central & Pacific Railroad from Denver to Central City, and later bought the *Rocky Mountain News* (then converted it from a Republican to a Democratic organ). Loveland served as mayor of Golden and lieutenant governor of Colorado. But, running as a Democrat in a heavily Republican state, he failed in his bids for governor and senator.

Loveland's personal initiative was matched by his close business associate, Charles C. Welch (1830-1908). Born in New York, by his thirtieth birthday Welch had already gained mining experience in California and Australia and had managed a real estate and brokerage business in Chicago for five years. He came to Colorado in March 1860, and over the next six years operated multiple mining and saw mill concerns in Gilpin, Boulder and Clear Creek Counties. He settled in Golden in 1867, where he founded a tannery and started a working relationship with Loveland that would last for more than 25 years. While each continued to be involved in independent business activities, their ventures together included commodities, fire insurance, toll roads, railroads, mines, and real estate developments. Although Welch was a Republican and Loveland a Democrat, they collaborated on the founding of the Colorado School of Mines and both contributed land on which the campus was built. They each served in the Territorial Legislature and vigorously promoted their common (and personal) interests.

Before William A. Davidson (1817-1892) arrived in Colorado he was a successful prospector, ditch-builder, farmer, and sawmill operator in Iowa. He moved to Colorado in the spring of 1859 and became a shareholder in the Golden Town Company. Davidson built the first irrigation ditch in Colorado (from Golden to the site of the first gold discovery at

Arapahoe Bar). In partnership with two other men, he operated the Ni-Wot mine and a large stamp mill, which crushed ore to prepare it for the extraction of precious metals. In 1865, Davidson purchased a large quantity of mining and milling equipment and escorted it across the plains in a convoy of 205 ox teams. At the time, this was the largest equipment purchase of its kind in Colorado history. Later, he built a beautiful home on his 600 acre farm east of Boulder near White Rocks. After determining that there were coal deposits throughout the area, he solicited funds from his friends back in Davenport, Iowa and proceeded to accumulate properties in the area. It was reported that by 1870 he had purchased more than 6,000 acres.

His expectation was that he and his partners would have a bonanza on their hands as soon as railroads were built to the area and the coal could be exploited.

More than any others, it was these three men who laid the groundwork for the founding of Louisville.

### The Davidson Coal & Iron Mining Company

Small-scale mining in Colorado's northern coalfield was underway by 1860, with most activity taking place around the future settlements of Marshall and Erie. At those locations coal seams tilted up to ground level, which allowed for shallow mining and required little capital investment. Coal mining on a larger scale, however, was not feasible until the arrival of railroads that could provide efficient transportation of large quantities of coal to population centers. Since railroads also required coal to operate, they were the key to unlocking the profits in the coal beds.

The Union Pacific Railroad was built through Julesberg (at the northeast corner of Colorado) and Cheyenne in 1868 before connecting with the Central Pacific Railroad near Promontory Point, Utah in 1869. Denver's first connection to the transcontinental railroad came the following year, and a spur to Erie was completed in January 1871. The importance of railroads to the coal mining industry was

confirmed the next year, when coal consumption in Denver more than quadrupled.

As president of the Colorado Central Railroad Company (CC), William Loveland had desperately wanted to be the first to connect Golden with the Union Pacific at Cheyenne and, thereby, establish his town's position as Colorado's dominant railroad and distribution center. However, financing difficulties delayed his plans and the CC did not even complete a line from Golden to Denver until 1872. Under the theory that late is better than never, Loveland, his partner and vice president, Charles C. Welch, and other CC principals decided to build a line from Golden through the northern

**Merchandise**

**W. A. H. LOVELAND & CO'S**  
Wholesale and Retail

**CHEAP CASH STORE**

WASHINGTON AVENUE,  
GOLDEN CITY,

THANKFUL to our friends and customers for past favors we invite the attention of all cash purchasers to one of the most complete

**Stocks of Goods**

in this market. Our facilities for purchasing, together with the large and commodious Store Rooms, prompt us to

**DEFY ALL OPPOSITION!**

To all who favor us with a trial, we guarantee **Entire Satisfaction and Cheap Goods,** as any other House can afford to sell. We keep constantly on hand

**All Descriptions of Merchandise** suitable for the Trade or Demands.

**STAPLE AND FANCY DRY GOODS, GROCERIES, BOOTS AND SHOES,**

Hardware, Queensware, Woodenware, Ready-Made Clothing, **GROCERIES AND PROVISIONS, MINERS' SUPPLIES,**

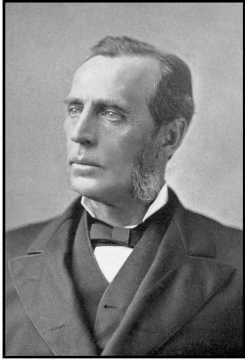
And in fact everything that any body wants. **IF TERMS STRICTLY CASH. 50**

June 28th, 1860. 1-1y

THE HIGHEST PRICE PAID FOR **Groceries, Provisions, Produce, MINING TOOLS, &c., &c., by W. A. H. LOVELAND & CO**

*This early newspaper advertisement was for W. A. H. Loveland's first Colorado business, which survived from 1859 to 1978. (Published by Western Mountaineer, August 16, 1860.)*

coalfield to Boulder, Longmont and on to Julesberg, where it would connect with the Union Pacific. This would give the CC the shortest route from the northern coalfield to Omaha and Chicago.



**William A. H. Loveland was president of the Colorado Central Railroad, which opened up the northern coalfield and created the opportunity for the birth of Louisville. (Published by Century Publishing & Engraving Co., Chicago, IL.)**

The CC formed a construction subsidiary (the Colorado Improvement Company) that was to be managed by T. E. Sickles, formerly chief engineer of the Union Pacific Railroad Company. Welch was one of the trustees of the new subsidiary and was given the responsibility for overseeing construction of the line in the absence of Mr. Sickles.

In April 1873, grading had been completed almost all of the way between Golden and Julesberg, and rails had been laid through Boulder and Longmont to the eastern border of Boulder County. Then construction was halted by the Panic of 1873. During the next three years, national unemployment reached 14 percent and nearly one-fourth of the nation's railroads went bankrupt. All of the railroads in Colorado struggled to survive.

These may have been difficult times for railroaders and many others, but it was an opportune time for William Davidson. Now that freight service was available, he could take advantage of his untapped coal seams. And his investors from Davenport were anxious to see results. They had invested with him more than three years earlier with high expectations and little fear of risk, as suggested in this piece from the November 30, 1869 issue of the *Boulder News*:

Several citizens of Davenport, Iowa, have bought 6,000 acres of land in the Boulder Valley, Colorado, wherein they claim is a richer vein of bituminous coal than that of Pennsylvania.... There is considerable interest manifested in the coal lands of this county, as it is surely one of the safest investments that a person can risk means on.<sup>2</sup>

This gross overstatement of the quality of the coal in Boulder County was matched by unrealistic expectations for the business prospects of Davidson's coal venture. An article that ran in the April 5, 1870 issue of the Davenport *Gazette* repeats the promotional pitch Davidson had used to persuade the investors to participate:

What demand must grow to in a few years, only those who know from experience of the vast country to be supplied can even

approximately estimate. A short line of [rail]road down the Boulder Valley, connecting the [coal] mines with the system of railroads now approaching completion, would create a practical monopoly of the entire fuel supply of the immense country between the Upper Missouri and the Rocky Mountains.<sup>3</sup>

Davidson, however, was not the only businessman who had speculated there would be handsome profits generated in the northern coalfield after the railroads arrived. In fact, his properties were surrounded by others owned by businessmen who were eager to capitalize on the emerging opportunity. Thus, despite his extensive land holdings, he was in no position to garner a monopoly.

Davidson apparently reasoned that it would be more advantageous to bring the potential competitors together (sharing risks and profits) than to allow unnecessary competition. He formed Davidson Coal & Iron Mining Company (Davidson Coal) and invited his wealthy neighbors to participate.

The Davidson Coal trustees formed a treasure-trove of resources. First, six of the seven trustees owned substantial landholdings in the coalfield adjacent to the new railroad. Second, they had the necessary capital to fund the new venture. Third, they had well-established business and political connections. And fourth, they brought a variety of technical skills. In addition to Davidson, the trustees were as follows:

Charles B. Kountze was the manager and vice-president (soon-to-be president) of the Colorado National Bank (formerly Kountze Brothers Bank) and an incorporator of the Denver South Park & Pacific Railroad.

William B. Berger was Charles Kountze's right hand man, brother-in-law, and cashier of Colorado National Bank.

Jonathan S. Smith was one of the original Iowa investors. After moving to Denver, he became a boot/shoe retailer and officer of Grey Eagle Construction Mining Co.

John Harper was a highly successful hardware dealer and former mayor of Denver.

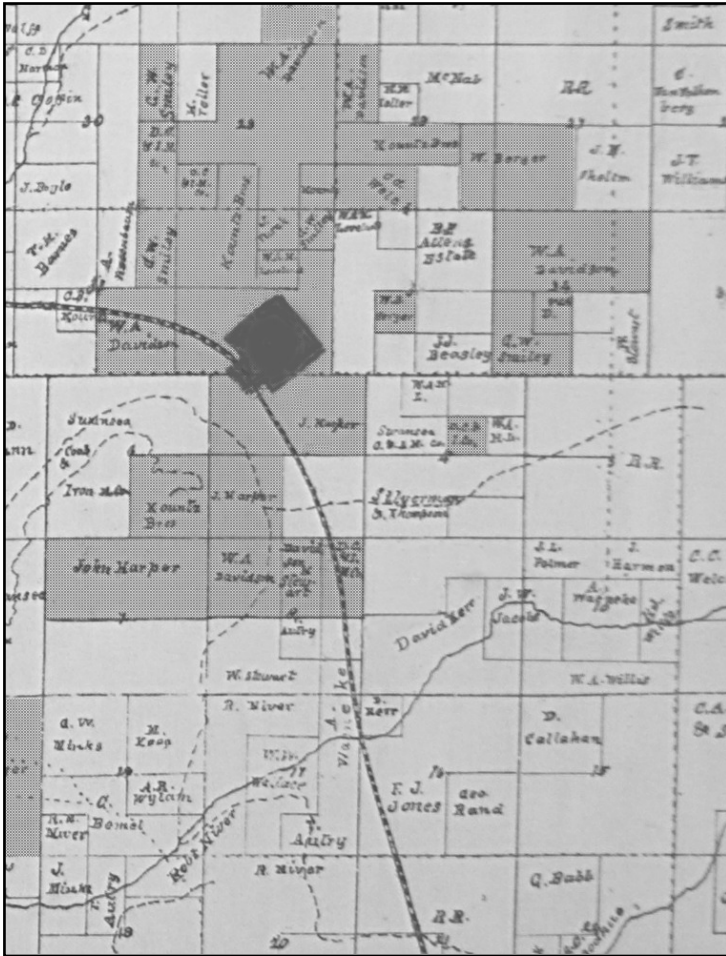
Charles Welch was the vice president and director of CC, a close associate of the influential William Loveland, and had extensive mining experience.

George W. Smiley was an independently wealthy, Denver-based real estate investor.

It was widely agreed that the leadership of Davidson Coal had all the resources they needed to take full advantage of the opportunity before them.

Davidson Coal's Certificate of Incorporation was filed with the Boulder County Clerk on April 24, 1873, shortly after the rails had been laid through the area:

The object of this Corporation is to mine for coal and iron and other ores in the County of Boulder Colorado, to construct and maintain canals, ditches & flumes for mining, manufacturing and agricultural purposes, to buy, sell and lease coal, iron, agricultural and other lands in the county of Boulder, Colorado.<sup>4</sup>

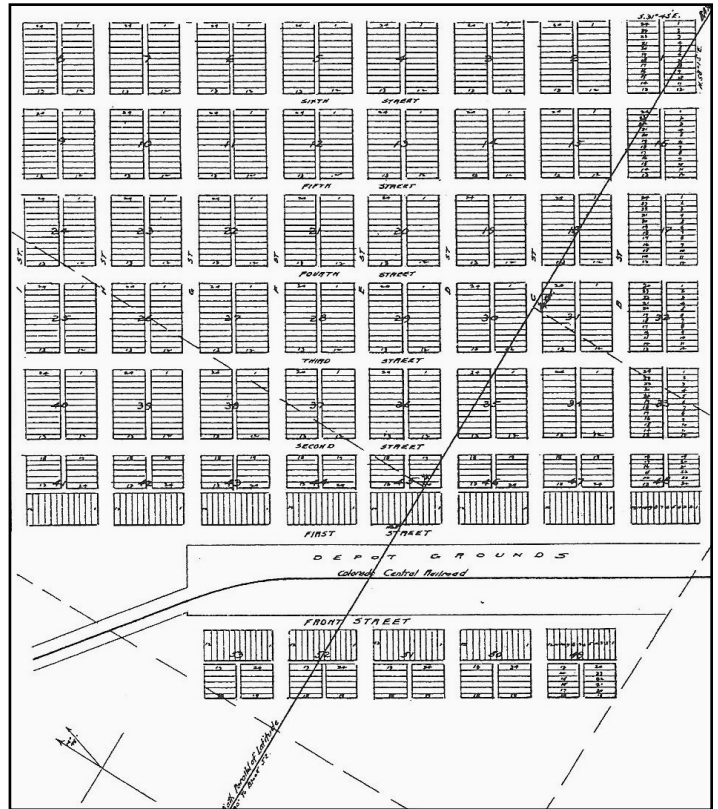


*The dark gray shaded areas show nearly 5,000 acres of Boulder County land owned by the Davidson Coal & Mining Company trustees in the early 1870s. The black shaded area (located at the intersection of Baseline Road and the Colorado Central Railroad) was the plat for the Town of Davidson (filed in 1874).*

The stated capital (contributed or committed by the shareholders) was \$160,000.

The most promising location for the company's first mine was on Kountze's property (east of the current North Louisville Water Treatment Plant), where a coal seam was accessible from the side of a hill (a horizontal entry called an adit). Mines of this type were more efficient to work than those with vertical shafts, and this location also had access to water from the Davidson irrigation ditch. In 1872 and 1873, the eleven

mile ditch had been constructed from South Boulder Creek across what later was named Davidson Mesa. The \$13,000 ditch was built to increase crop yields and supply the prospective coal mine.



*Few of the Town of Davidson's 1,272 lots were ever sold. However, one of the buyers was Louis Nawatny's wife, Katinka (Kate), who purchased the six lots on southwest corner of the town for \$5.00 each. (Note: The line running from the lower left to upper right on the above plat would later become Baseline Road. In the middle, it intersects with the Colorado Central Railroad.) (Provided by Boulder County Clerk & Recorder)*

With high hopes for a large and profitable enterprise, in November 1873 Davidson Coal purchased 128 acres (located south of today's Baseline Road at the intersection with the Burlington Northern—formerly the CC—Railroad) from John Harper. Davidson and Berger combined a portion of that property with other land that Davidson owned to the north and drew plans for the future town of Davidson. Since they expected to employ a large labor force, the plans were grandiose. In July 1874, they filed a plat of the town of Davidson with the Boulder County Clerk. Davidson, Colorado would have 1,272 lots (24 lots on each of 53 blocks) on 150 acres.

The large size of the proposed town strongly suggests that the Davidson trustees believed that the first Davidson mine would be followed by other mines that would spring up in the area. The town was centrally located so that miners who lived there could work at any of several properties owned by the Davidson shareholders.



Work on preparing the Davidson mine for operations progressed steadily. The support facilities were built. A spur from the CC railway was constructed. The work crew was hired. And, finally, advertisements in the *Rocky Mountain News* and the *Denver Daily Times* announced: "On and after MONDAY, Oct. 26<sup>th</sup>" Davidson Coal "screened and delivered" would be available to customers in Denver for \$5.50 per ton. In the fall of 1874, Davidson Coal was under way.

**EDW. B. LIGHT,**  
169 WAZEE, bet. 18th and 19th Sts.

# Coal. Coal. Davidson Coal.

On and after **MONDAY, OCT. 26th**, old and new customers of the **DAVIDSON COAL** will please leave orders at my office  
**Cor. Wazee and 17th Sts.**

This Coal is considered by all who have used it superior to any in the market, and they will use no other when this can be had.  
This coal is free from dirt and slate.  
Full receipt guaranteed.

**PRICE.**

2,000 lbs., screened and delivered,	<b>\$5.50</b>
1,000 " " " "	<b>3.00</b>

**TERMS ET.**

Orders left with  
A. J. WOODSIDE & CO., 359 Larimer st.,  
J. K. SEATON, 307 16th st., opp. Guard Hall,  
ROLLINS & BOND, 244 15th st.,  
M. SPANGLER, 293 15th st.,  
L. M. BANTA, cor. Champa and 16th sts.,  
And at my office, at Wright & Alexander's  
new brick sale and feed corral, cor. of Wazee  
and 17th sts., promptly filled.

024-1m      **J. B. SHAW, Agent.**

*Rocky Mountain News* and *Denver Daily Times*,  
October 26, 1874

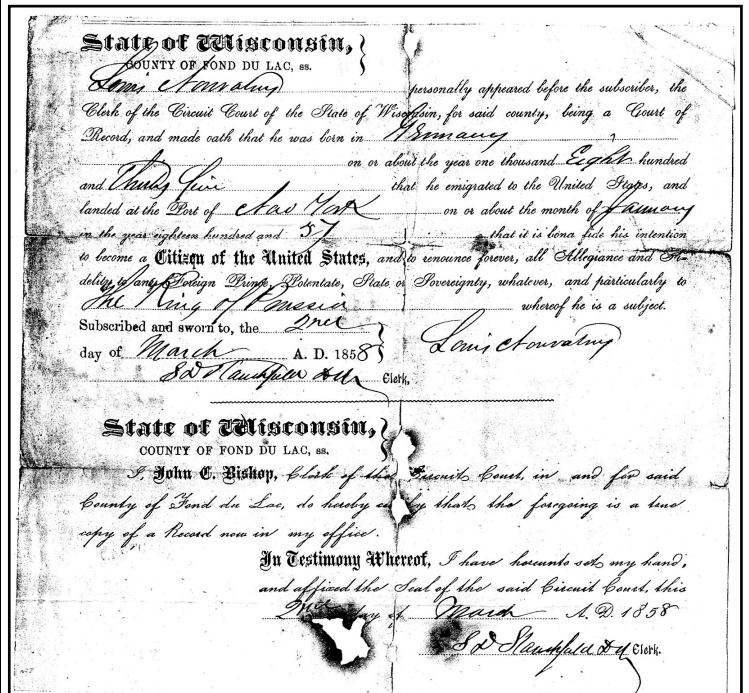
### Louis Nawatny and the Excelsior Coal Company

Of the seven Davidson Coal trustees in 1873, two were not among the original incorporators – John Harper and Charles Welch. These two probably performed their required functions for Davidson Coal honorably, but they felt no moral obligation to avoid competing with Davidson Coal should the opportunity arise. In recent years, this duplicity would be considered dishonorable, but such behavior was common in the 19<sup>th</sup> century. It was a time when it was generally accepted among businessmen that each man was responsible for taking

care of himself and his family—and in that quest each opportunity was to be exploited however possible.

Ten months after agreeing to serve as a Davidson Coal trustee and two months after selling the land to Davidson Coal on which a portion of the town of Davidson was platted, Harper entered into a lease agreement which granted the mineral rights on one of his properties for ten years to the partnership of George Arndt and Gallus Woeber. Inexplicably, the description of the land Harper leased, located east of Davidson Coal's first mine, included the 128 acres he had previously sold to Davidson Coal.

Arndt and Woeber formed the Excelsior Coal Company (Excelsior) and quickly decided where their new mine would be located. It appears that Arndt and Woeber were never active in Excelsior's daily operations and, instead, relied heavily upon Louis Nawatny to act as their manager.



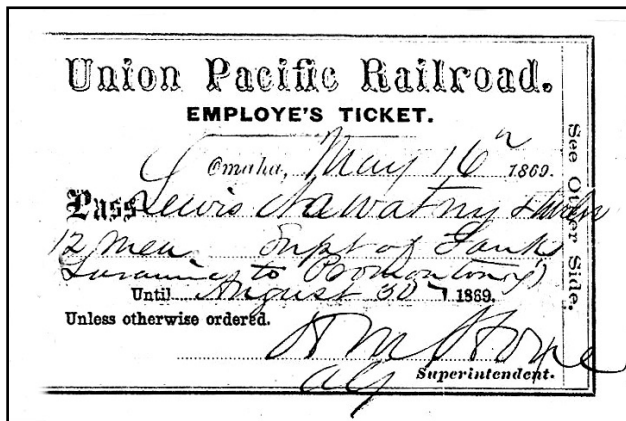
### Louis Nawatny's notice of intention to become a U. S. citizen.

The story of how Arndt, Woeber, and Nawatny came together is not fully known, but certain facts are available. Louis Nawatny was born in Germany in 1835, immigrated through the port of New York in 1857, and applied for U.S. citizenship at Fond du Lac, Wisconsin in 1858 (where he renounced "forever, all Allegiance and Fidelity to any Foreign Prince, Potentate, State or Sovereignty, whatever, and particularly to The King of Prussia whereof he is a subject"). He moved to Davenport, Iowa, a town with 11,000 residents, of which more than 20% were of German heritage.

It is not certain when Nawatny married Katinka (born in 1846) or what her maiden name was. She later became known as Kate, and their only child, William, was born in Iowa in 1864. Nawatny probably met George Arndt and Gallus Woeber when they all lived in Davenport in the 1860s. Like Nawatny,

Arndt and Woeber were German immigrants. In Davenport, Arndt was employed as a chandler (candle maker) and Woeber ran a carriage manufacturing business with his two brothers.

Nawatny left his family in Davenport when he joined the thousands employed by the Union Pacific as they raced to meet the Central Pacific in constructing the first transcontinental railroad. By 1869, he was based in Bitter Creek, Wyoming working as a Union Pacific department head. Records show that he was Superintendent of Tanks, meaning that he oversaw a team of twelve or more men who built the water tanks needed to supply the steam engines at various points along the line. Large quantities of lumber, spikes, nails, flooring, and pipe were shipped to him regularly, and occasionally his department was audited. As reported by his great grandson, Dave Nawatny, family lore holds that Louis was one of the people pictured at the driving of the Golden Spike near Promontory Point on May 10, 1869. This may be true, as the Union Pacific extended invitations to the ceremony to a wide range of employees.

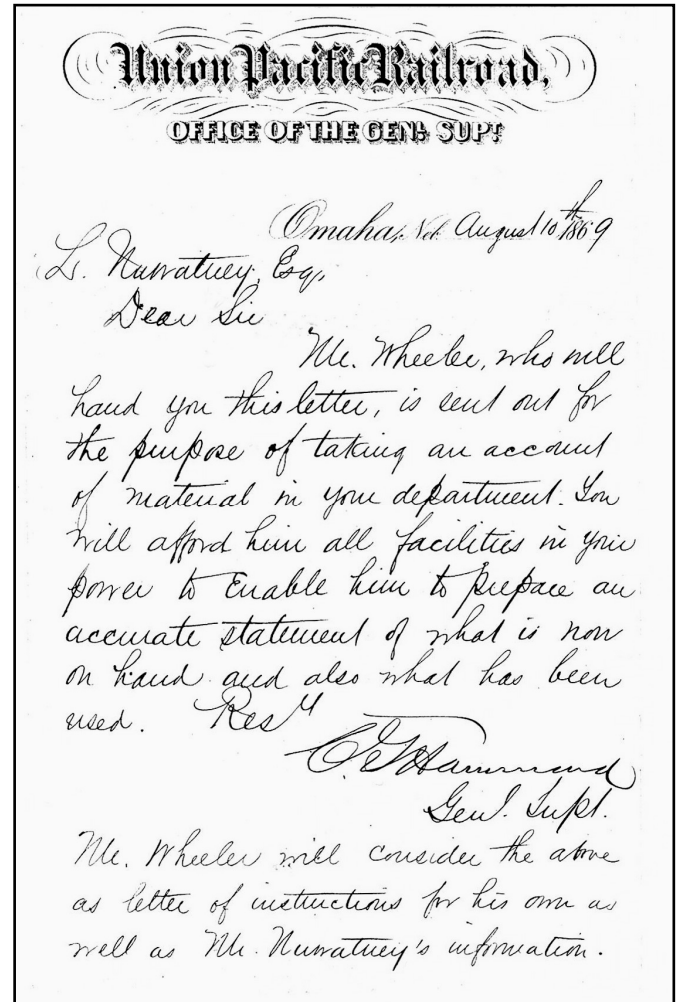


*The first transcontinental railroad was completed near Promontory Point, Utah on May 10, 1869. This Union Pacific Railroad pass from Laramie to Promontory for Superintendent Nawatny and twelve workers was good from May 16 to August 30, 1869.*

While Nawatny was working for the Union Pacific, Arndt moved to Denver, started a butcher shop, and became active in Republican Party politics. In the early 1870s, Woeber also moved to Denver and worked with one of his brothers in a new branch of the family carriage-making business. Nawatny came to Colorado after 1870, and some authors have stated that he ended up working as a surveyor for the Colorado Improvement Company as it constructed CC's line through the northern coalfield. It is certainly possible that Nawatny did work for the Colorado Improvement Company. He had experience in railroad construction and, in fact, had been one of T.E. Sickles' underlings at the Union Pacific. So the theory makes sense, though no records could be located to confirm this.

If Nawatny did work for the Colorado Improvement Company, his previous experience suggests that his duties may have been in construction rather than surveying; but whatever his role was, he would have been discharged when the Panic of 1873 hit.

Nawatny ended up working at Arndt and Woeber's Excelsior Mine, located near the Davidson Mine. (Exact locations of mines that operated before Colorado became a state are not available because there was no state agency to monitor mining activities.) According to a Notice of Miner Lien filed by Nawatny on December 26, 1874, he worked from January 28, 1874 to December 8, 1874 without receiving any compensation. In the Notice of Miner Lien, Nawatny claimed compensation due of \$1,099 for unpaid wages (\$3.50 per day for 314 days of labor).



**The Union Pacific Railroad's notification of an audit of Louis Nawatny's department.**

We cannot know for certain exactly what took place, but we can make an educated guess. At the time, the going rate for miners was \$2.50 (not \$3.50) per day. And since Nawatny had a history as a department manager for the Union Pacific, it is doubtful that he would have sought work as an entry-level miner. In addition, records show that during this time Arndt and Woeber continued to live in Denver, Arndt operating his butcher shop and Woeber working with his brother. Thus, it is likely that Arndt and Woeber supplied the money and Nawatny supplied the sweat equity for this start-up coal mining operation. Following this line of reasoning, it is quite possible that when Nawatny was out of work he did the initial prospecting for coal and then, after discovering a potential

mine, went to his friends in Denver for financial support. But this is conjecture. What we do know is that after filing the miner lien Nawatny was awarded a one-third interest in the partnership (most likely in lieu of the claimed wages).

If she was not on the scene before, Kate Nawatny had arrived by mid-1874. In August, one month after Davidson Coal filed its plat for the town of Davidson, Kate purchased six Davidson town lots for \$30 (\$5.00 each) and declared those properties to be her homestead. The lots were located on block 49 at the southwest corner of the town site, which was the block closest to the Excelsior Mine. The same month, Louis Nawatny purchased (payable on or before February 10, 1875) three cows, two horses, 36 hogs and pigs, and a horse wagon for \$600 from Jacob Drumm.

By comparison to Davidson Coal, Excelsior was a modest operation. But it was able to start producing as quickly as Davidson Coal. Nawatny was apparently responsible for preparing the mine site for operations (including locating and digging the shaft, constructing the engine house, and building the bunkhouse for the miners), while Arndt formed George G. Arndt & Co. to handle the partnership's sales efforts in Denver. Ads for "screened" Excelsior Coal started running in the *Rocky Mountain News* in October 1874, the same month that Davidson's ads appeared.

**Excelsior Coal**

**\$5.50 per Ton - \$3 per 1-2 Ton**  
**Screened.**

LIBERAL DISCOUNT ON CAR LOAD.

Leave orders at the office of

**The Excelsior Coal Comp'y,**

Corner 10th and Wazoo Streets.

FULL WEIGHT GUARANTEED, the weigher having no interest in, or commission on the sales.

**GEO. G. ARNDT & CO.**

*Rocky Mountain News, October 16, 1874*

It is unknown why Harper selected a thinly capitalized company like Excelsior as the lessee of his mineral rights. One possible answer is that Harper and Arndt were both active in the Denver Republican Party, where they undoubtedly knew each other. Harper served as Denver's mayor and Arndt was a member of the party's committee on resolutions. Another possibility is that Nawatny met Harper when he was prospecting for coal.

In any case, the Excelsior Mine did not survive for long. There were indications as early as 1873 that Arndt was experiencing financial difficulties. In August, he filed for an injunction to restrain the Arapahoe County sheriff from selling his real estate. If that did not contribute to the firm's demise, the death of Gallus Woeber in 1875 did. Excelsior's coal advertisements in the Denver newspapers stopped running in April 1875, only seven months after they had started.

At that time, partnerships were automatically dissolved upon the death of a partner, with each partner jointly and severally liable for all partnership liabilities. It is not known what Woeber's financial position was at the time of his death, but the information available indicates that neither Arndt nor Nawatny was financially sound. Lawsuits were filed against Arndt and/or Nawatny by Henry C. Jenson, Edward Bannick, and the Woeber family on behalf of Woeber's five orphaned children (his wife had died three years earlier). In February 1876 the Sheriff of Boulder County placed levies upon the Excelsior Coal Mine's assets and advertised that a sheriff's sale would take place on March 10<sup>th</sup>. The Excelsior assets to be sold included Arndt and Nawatny's interests in the unexpired mineral lease and all tangible assets, described as follows:

one boarding house, one blacksmith shop and anvil and bellows, one engine house, one grind stone, one vise, twelve coal cars, one set Fairbanks' scales, one steam pump and fixtures, one derrick and pullies, 200 feet of wire rope, two cages, one small lot of round and sawed timber, and one coal shoot.<sup>5</sup>

An entry on April 12, 1880, in the Boulder County Clerk records shows that on March 16, 1876 (following the sheriff's sale) the Bannick judgment of \$590 "was satisfied as to the sum of \$426" and the Woeber judgment of \$2,002 "was satisfied as to the sum of \$1,251.63." If the Excelsior Mining Company continued to operate under new management, it did not do so for long. Before Colorado became a state (August 1, 1876), the second coal mine in the local area was history.

### **The Fate of the Davidson Mine**

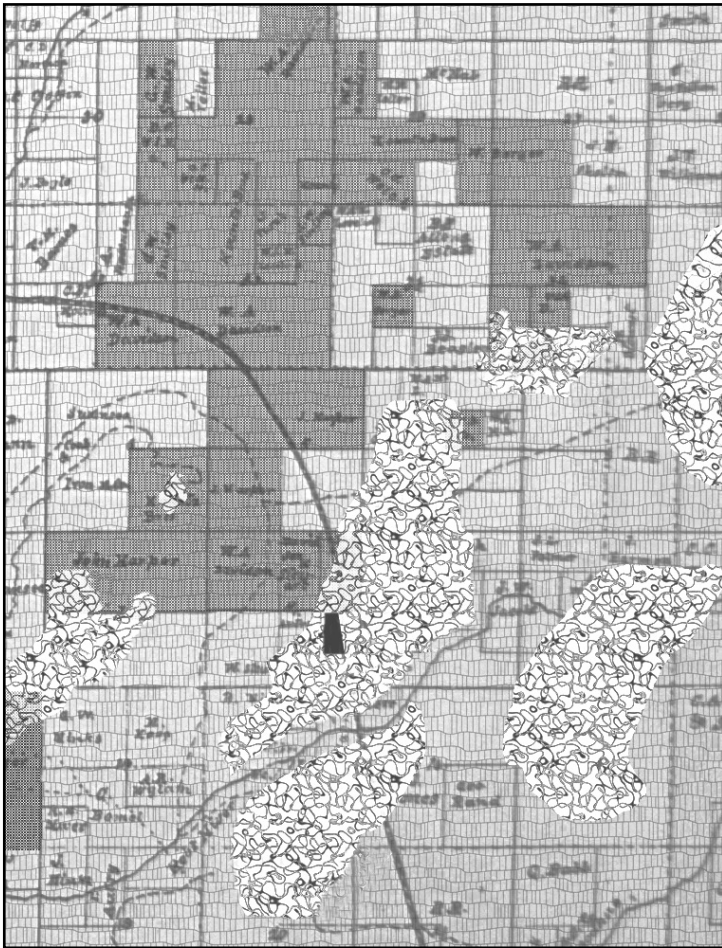
The Davidson Coal mine continued to operate, but not without interruptions. As with most mines at the time, safety was a constant concern, and in July 1875 a Davidson Coal miner was killed when an eight-ton wall of coal collapsed and crushed him. Inadequate safety procedures, poor working conditions, and disputes with management resulted in work stoppages, as noted in the June 8, 1877 issue of *Boulder County News*:

The striking Erie coal miners have induced the miners at the Davidson [coal] bank to quit work, and we understand have sent a delegation to Golden to induce the colliers there to suspend.<sup>6</sup>

In addition, on at least one occasion the mine was forced to close because of flooding.

Beyond these difficulties there were two other issues that threatened the long term viability of Davidson Coal. The first involved the location of their initial mine. The Kountze property had been selected, at least in part, because the coal at that location was relatively shallow and less expensive to mine than deeper deposits. This, however, created a problem rather than an opportunity.

The coal in the Louisville area is subbituminous with high moisture content. When brought to the surface and exposed to air, it begins to crumble and turn into slack. The problem is compounded with shallow coal that is less compacted. Once mined it cannot be inventoried for long, making it less attractive to buyers than harder alternatives. The logical answer to this problem was to open one or more mines on other properties with higher quality coal deposits. This, however, was the major problem that faced Davidson Coal. For all its money, skills, and foresight, Davidson Coal lacked the one thing most critical to a successful coal mining operation. High quality deposits at any depth.

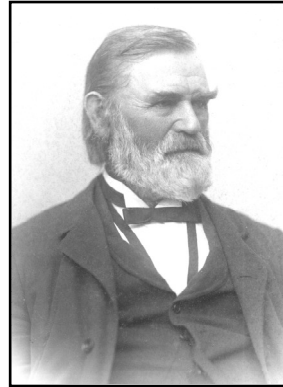


*As established by the U.S. Department of Interior in the 1990s, the lightly-shaded areas show the location of coal mines abandoned after eighty years of mining in the region. The dark gray-shaded areas indicate the location of the Davidson Trustees' properties. If coal was their objective, the Davidson trustees purchased the wrong land! The black shaded area was the plat for the original Town of Louisville (filed in 1878).*

In the 1990s, the U.S. Department of Interior conducted a geological survey of the northern coal field to determine the location of abandoned coal mines. The resulting map shows that the areas that were successfully mined during the coal era fell almost entirely outside of the property boundaries of the Davidson Coal shareholders. The principals of Davidson Coal had been right to speculate that there were vast quantities of

coal in the northern coalfield, but they purchased the wrong properties!

In time, William Davidson became disappointed with his coal venture and sold the mine so he could focus on agriculture. The company never opened a second mine. The town of Davidson, which at its peak consisted of only a few buildings, withered and disappeared.



*William A. Davidson, after whom Davidson Mesa and the Davidson Ditch are named, was the promoter of Davidson Coal & Iron Mining Company and the Town of Davidson. The disappointing performance of both of these ventures led to the development of the Welch Mine and the founding of Louisville. (Photo courtesy of Carnegie Branch Library for Local History, Boulder, CO.)*

Still, during his life Davidson was highly regarded. As one of his acquaintances said, "He was not loved by all, and even heartily disliked by many, but was respected... for his vision, energy, faith and love of the west."<sup>7</sup> For the rest of his days, he and his family lived in their elegant home with at least four domestic servants, and he traveled in a large, shining carriage, unmatched by any other in the region. But Davidson's empire had been built using other people's money, and after his death in 1892, "creditors came from everywhere..."<sup>8</sup> His estate took five years to settle and turned out to be surprisingly modest. After selling his 2,400 acres of land, horses, cattle, farm implements, family home, organ, and piano, and paying off his debts, the residual value was only \$5,000.<sup>9</sup> His wife, Mary, and her sister moved to Boulder and opened an upscale boarding house. Davidson's obituary cited his many accomplishments, but it made no mention of his humbling coal mining venture or the reduced situation in which he left his family.

In the end, William Davidson did not have a direct role in the founding of Louisville, but the lackluster performance of his Davidson Coal Mine put the process in motion.

### **The Welch Coal Mine**

William Loveland and Charles Welch had not built their railroad through the northern coalfield for the prospect of shipping coal from a couple of marginal mines. They needed coal for the CC, they wanted the freight revenue that would be generated by high volume mines, and they expected miners to move into the area and increase other railroad traffic. In addition, by 1877 the Union Pacific had set a precedent by taking over control of all the coal mines that supplied its railroad, and the CC's managers likely wanted to emulate this successful strategy.

In early 1877 Welch was still a trustee of Davidson Coal, and it must have been evident to him that Davidson's mine would not meet expectations. He concluded that it was time to take

matters into his own hands, and it is likely that Loveland was his silent partner from the beginning of his deft maneuvers.

The lack of coal revenue on the CC's northern line, however, was not the only thing on Welch's mind. During the mid-1870s, at the height of the Panic of 1873, there was a battle for control of the money-losing CC between rival shareholder factions (the Union Pacific versus minority shareholders led by Loveland). Eventually, the Union Pacific offered a compromise that would benefit both sides and Loveland's group accepted. The Union Pacific provided funding for construction of a new line from Longmont (which for four years had been the terminus of the CC's northern line) to Cheyenne where it finally connected with the transcontinental line. Welch was put in charge of the construction project and completed the job by November 1, 1877. At the same time, Welch and Loveland were involved in several other business ventures. And, at the age of 47 and still a bachelor, Welch had taken an interest in Rebecca Jeannette Darrow, a woman 18 years younger than he.



***More than any other person, Charles C. Welch was the driving force behind the Welch Mine and the Town of Louisville. (Photo courtesy of Representative Men of Colorado, Colorado Railroad Museum.)***

With all of these competing interests, if Welch was to locate and start a new coal mine in Boulder County, he would need a front man to do the ground work for him. Of all the many skills he demonstrated over the course of his successful career, his ability to identify and surround himself with qualified associates was among his best. In this case, he selected Louis Nawatny.

Nawatny had lived in the area for at least three years. He knew the residents and had gained their respect. He had experience with construction and managing small groups of men. He had demonstrated some entrepreneurial initiative (working without an income for almost a year) and had managed a start-up coal

mine in the vicinity in which Welch wanted to locate a new mine. On top of this, Nawatny was not beholden to any of the Davidson Coal shareholders.

In short, there was probably no other man in the area better suited to operate quietly on Welch's behalf than Louis Nawatny. And in retaining Nawatny, confidentiality must have been one of Welch's objectives. He would not have wanted the Davidson Coal group to be aware of his plans. If he was fortunate enough to locate a new mine site with good profit potential, he wanted no competitive bidding.

We do not know the exact terms of the arrangement made between Welch and Nawatny, but the paper trail leaves no doubt that Nawatny was working under Welch's direction. We also don't know how many properties were surveyed as possible locations for a new coal mine. But on July 25, 1877, Louis Nawatny leased from David Kerr for a period of 15 years the exclusive right to mine coal on Kerr's property (240 acres northeast of the current intersection of Highway 42 and 96<sup>th</sup> Street). In return, Kerr would receive a royalty of five cents per ton.

Nawatny had no intention of operating a mine on Kerr's property because he did not have the financial resources to do so. The following day, he assigned the lease to Welch for consideration of one dollar. Welch followed this transaction up with another that confirmed his confidence in the prospects for the mine. One month later, on August 26<sup>th</sup>, he entered into a land contract to purchase 240 acres north of Kerr's property for the inflated price of \$4,800 (\$20 per acre). It is probably for reasons of confidentiality that the two Kerr lease transactions were not filed with the Boulder County Clerk until after Welch's purchase of the adjoining property. He wanted both of the properties fully under his control before he allowed public disclosure of his coup.

Nawatny, who had been struggling financially for some time, demonstrated his own confidence in the future. He built a two-story house on U.S. government land, just west of the railroad tracks that ran past David Kerr's property (currently, the southwest corner of Front and Pine Streets). This was not uncommon; Americans had been settling and improving government land extralegally for decades.

The speed with which Welch (most likely with Loveland's full agreement) moved to capitalize on the new opportunity was exemplary. The October 19, 1877 issue of the *Boulder County News* announced:

David Kerr is all right. On his land has been found valuable veins of coal. The same has been leased to C.C.R.R. men and a plant is in process of erection, engine on the ground, etc. The principal vein lies only 210 feet from the surface, and ere long coal from the Kerr mines will be in the market. L. Nawatny did the prospecting, and you may rest assured it was done right.<sup>10</sup>

With the preparation for operations well underway, there was one other bit of paperwork that Welch needed to finalize. In an

indenture made on February 11, 1878 Welch replaced the previous lease between Kerr and Nawatny with a new lease from Kerr to Welch that extended the term of the mineral rights from 15 to 75 years. This greatly increased the value of his investment in the mine and reaffirmed his confidence in the long-term potential of his new venture.

Welch appointed Nawatny the first superintendent of the new mine. As the operation grew, however, Welch found he needed a manager with more extensive coal mining experience. A new superintendent was hired and Nawatny redirected his energy to developing the town of Louisville, as will be discussed in the following section.

In the first few months, Welch ran the new mine as a sole proprietorship, but during 1878 he incorporated. The three trustees were Welch and two of his half-brothers (sons of his father's second marriage), as reported in this item from the July 24, 1878 *Colorado Transcript*:

The Welch Coal Company filed articles of incorporation with the secretary of state yesterday morning. The company organizes for the purpose of acquiring by lease or purchase, coal lands and coal mines in the counties of Boulder and Jefferson, and in any other county within the state of Colorado. Also to work and operate the same, to dispose of the coal taken there from, and to purchase and sell coal, etc. The capital stock of the company is to be \$50,000, divided into 1000 shares of \$50 each. The company is to exist twenty years, and its affairs are to be managed by a board of trustees chosen annually. The board the first year are to consist of C.C. Welch, Luther J. Welch and Frank Welch. The operations of the company are to be carried on in Boulder and Jefferson counties, with the principal office at Golden.<sup>11</sup>

There is no indication that Luther and Frank Welch were shareholders in the Welch Coal Company.

The mine had not been in operation long when it was threatened with labor unrest. This notice ran in the September 6, 1878 issue of the *Boulder County Courier*:

We learn that a party of about sixty miners from Erie went over to Louisville last Saturday, with a view of stopping the miners from working in the coal bank at that point. They made no violent demonstration, however; and now the Louisville folks are building a high board fence around their property and preparing for standing out against a regular siege, should one be undertaken.<sup>12</sup>

We found no records suggesting that the Welch mine experienced major labor problems during the 1870s, although it did in the 1880s. Indeed, in its early years the mine ran

smoothly, as described in this September 26, 1879 article in *Boulder News and Courier*:

### The Welch Coal Mine

Last week we visited this now famous mine, situated at Louisville, on the Colorado Central Railroad, about 8 miles south-east of this town. Arriving at the mine we were met by the Superintendent, Henry Green, who conducted us about the premises and through the workings. We first visited the engine room where we saw the large double engine of 160 horse power at work hoisting the cages loaded with cars of bright coal. Steam is supplied by two boilers, one 16 feet the other 24 feet long. The hoisting rig is an immense drum upon which runs a wire cable 1½-inches in diameter to the two cages, so arranged that one descends while the other ascends. Securing a rubber coat we were escorted to the breaker, where the coal is transferred from the coal cars to the flats [railroad cars]. Mr. [F.L.] Welch the Secretary of the Company, is in charge of this department. He attends to the weighing and keeps the accounts with the miners. Stepping into a cage we descended to the workings 175 feet from the surface. Here we found a busy world shut out from the light of day. Cars were constantly arriving and departing, drawn by mules, on either side of the shaft. Taking a lamp we were conducted to the end of the workings west some 600 or 700 feet past a number of rooms where men were working in pairs taking out the shining mineral. Then we made a trip to the south, and north, always surrounded by the same black walls of coal varying from 6 to 8 feet in thickness. There are 13 entries with 21 rooms now being worked, in and through which about 4 miles of track are laid. The workings extend north, south and west from the shaft, the immense mass of coal on the east not being broken into yet, because the down grade runs east, and larger pumping facilities would be required. We visited the stables where the mules are kept, who apparently enjoy living in their underground homes, looking sleek and fat and munching their food contentedly.

The mine is kept free from water by a 20-horse-power Knowles steam pump, located near the landing. The main shaft is sunk about 20 feet below the workings and affords a capacious sump, from which the water is cleared once or twice a day, requiring only three or four hours with the pump. About 90 men are employed on the premises, a part of whom work at night timbering the mine, laying track, and doing other work which cannot be done while the coal is being moved. When Supt. Green took charge, the mine was



in a fearful condition. But he is fast putting it in shape, retimbering, fixing the grades of the track, planking the center between the rails, and doing many other things to make the mine secure. No man in Colorado knows how to do the work better than Mr. Green, and we congratulate Mr. Welch upon securing his services. Mr. Green is ably seconded in his work of putting the mine in shape by Mr. Frank Welch, foreman of the night shift. Returning to the surface, we asked about the product of the mine, and were informed that about 20 flats per day (240 tons) were loaded, of which the K.P. [Kansas Pacific Railroad] takes 5, the C.C. 5, Black Hawk 2, and Denver 8. When cold weather sets in the mine will be in shape to produce from 300 to 500 tons per day. The property comprises about 240 acres belonging to C.C. Welch and others, and 160 acres belonging to David Kerr, upon which the plant is located. The Company is paying Mr. Kerr a royalty of 5 cents per ton. That's what makes Dave so aristocratic lately, as he has been seen in town several times with a white dickey, and collar to match. The plant is enclosed with a high board fence, which contains besides the plant, stables, sleeping-rooms, blacksmith shop, etc.<sup>13</sup>

The above article carried no byline, but the unnamed writer's description clearly shows that by 19th century standards the Welch Coal Mine was well managed. By later day standards, however, the treatment of the miners (and mules) would be considered inadequate. Health and safety standards were poor, employee benefits were non-existent, and miners who flirted with the idea of a union were dismissed. With a steady stream of new immigrants to exploit, miners were considered necessary costs, not people—or even valuable resources. This was typical of the mining industry throughout the country and would lead to frequent battles between mine owners and miners over the ensuing decades.

Welch was less interested in managing Welch Coal Mine than he was in the cash flows it could generate. In an indenture dated November 1, 1878, he transferred his mineral rights to Welch Coal Company in return for a retained 12½ cent per ton royalty interest (from which the five cent per ton royalty to Kerr was paid on coal removed from his property). This put Welch in a position to sell or lease the Company's operations, retain the future cash flows, and move on to other business opportunities.

This may have happened faster than he expected. On February 20, 1879, the CC leased its railroad to the Union Pacific's controlling shareholder and Wall Street wizard (many would say ruthless, conniving and unrepentant rascal) Jay Gould. Later that year, Gould swept up the Welch Coal Mine as well. But before that happened, Welch needed to formally transfer Loveland's hidden interest to him.

On August 19, 1879, Welch sold one-half of his interest in his coal mining investment to William Loveland for \$2,000. This

was clearly a "sweetheart" deal, as the mine was generating more than \$8,000 per year in net royalties to Welch. And projected future cash flows were substantially higher. This transaction may have reflected consideration for other dealings between Welch and Loveland, of which there were many. Alternatively, Loveland may have previously made secret capital contributions to the venture. (In 1878, Loveland ran for governor of Colorado on the Democratic ticket. For political purposes, he may have wanted to keep some of his financial interests confidential. In any case, he was defeated.)

On August 30, 1879, eleven days after selling one-half of his interest to Loveland, Charles Welch consented to the transfer of the Welch Coal Mining Co. to the coal division of the Union Pacific. The sale was reported in the October 3, 1879 issue of the *Boulder News and Courier*:

#### Sale of the Welch Coal Mine

This week was consummated the sale of this famous mine to Jay Gould. The price paid was a handsome advance on cost, Mr. Welch still owning the ground, and receiving a royalty for the coal for the coal extracted. We congratulate Mr. Welch and wish him continued prosperity. As immense amounts of coal will be required to supply the Northern lines under Mr. Gould's control, the facilities will necessarily be increased, and a large population will be added to the county.<sup>14</sup>

On another occasion the same newsman wrote, "We rejoice in (Welch's) prosperity, having known him since the days of '63, and know of no man who is more deserving of success."

#### The Birth of Louisville

The Welch mine entrance on Kerr's property was north of today's Empire Road and west of the present-day Louisville Waste Water Treatment Plant. The Company's miners had no interest in purchasing residential lots in the foundering town of Davidson almost two miles away. Many bunked in Welch Coal Company's housing near the mine entrance. However, while these living arrangements may have been adequate for the single men who made up more than half of the workforce, they were unappealing to families.

In his 1880 book entitled *History of Clear Creek and Boulder Counties*, Amos Bixby observes that Louisville was named after Louis Nawatny. This was also acknowledged in the *Boulder County News*:

#### A New Town

Has sprung up at the Welch coal mine on Coal Creek, and has been christened Louisville, in honor of Louis Nawatany [sic], to whose judgment that part of the county, as well as the company, owe their prosperity in the coal business. Long live Louisville!<sup>15</sup>



*Louisville was named after Louis Nawatny, who was the front man for Charles C. Welch. Nawatny discovered coal on David Kerr's property, became the first superintendent of the Welch Mine, and developed the Town of Louisville. Most of the financial rewards went to Welch and Loveland, but Nawatny's first name is memorialized by a town that 130 years later would be awarded*

*the title: "Best Place to Live in America." (Photo courtesy of Louisville Historical Museum, Louisville, CO.)*

It is not clear whether it was Welch or Nawatny who came up with the idea to develop the town. In either case, Nawatny could not have done it without Welch's help. On February 18, 1878, for \$100 Nawatny purchased from the federal government the 40-acre parcel on which his home was situated. (This was a bargain price of \$2.50 per acre versus the \$20 per acre that Welch had paid for land directly to the northeast.) Three days later (February 21<sup>st</sup>), he sold the same parcel to Welch for \$400. That same day he bought back the half of the property located west of the railroad tracks for \$200. This series of transactions appeared to have the same result as if Nawatny had purchased the land for \$100 and sold the eastern portion to Welch for \$200. Why the strange deal structure?

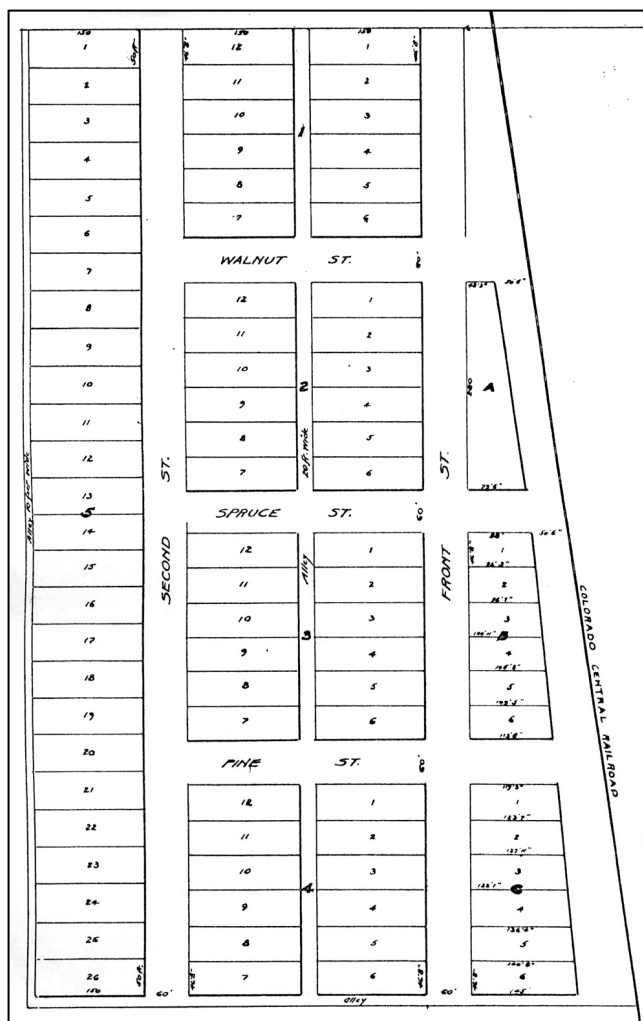
There are two explanations and both may have played a role. First, the convoluted series of transactions may have been contrived because Nawatny was still experiencing financial difficulties and was subject to liens against any real estate held in his name. Thus, the purchase and sale of the 40 acres on February 18 and 21 were duly recorded with the Boulder County Clerk on February 22. However, Nawatny's repurchase of the twenty acres west of the railroad was not recorded until October 17 (eight months later). This gave Nawatny time to put his financial affairs in order.

The other explanation is that Welch was funding the entire operation and he wanted the mineral rights on all 40 acres that Nawatny had purchased from the government. In fact, in the transaction in which Welch resold the western half of the property to Nawatny, he retained the mineral rights for himself.

At the end of these transactions, Nawatny had gained \$100 plus the surface rights to the land on which the original town of Louisville would be built. (Today's defining boundaries: the railroad on the east, South Street on the north, the alley west of Main Street on the west, and Elm Street on the south.) This may have been part of his compensation from Welch for locating and starting the new mine. The close working relationship between the two would continue for at least three more years.

The May 7, 1878 application for a local post office shows that the unincorporated village emerging in the area was called Louisville and had approximately 75 residents. (Prior to this time, the area had been known as Coal Creek Station, referring to the railroad stop located near the Pine Street intersection.) It also states that the proposed Louisville Post Office would replace the Davidson Post Office, which closed in October 1878, and that Kate Nawatny would be the postmaster.

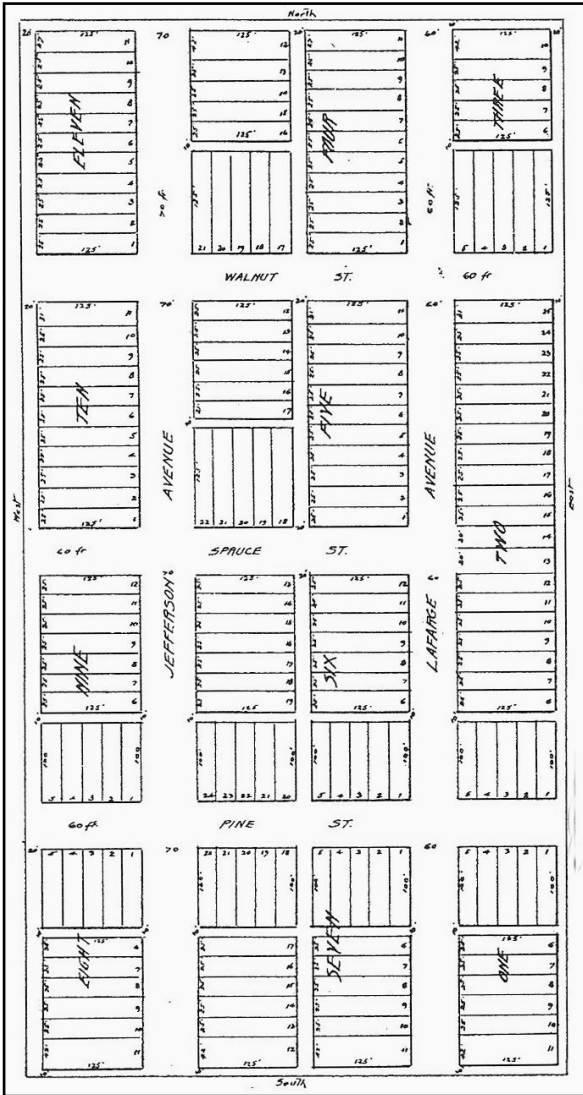
Before filing the Louisville town plat with the Boulder County Clerk, Nawatny and Welch engaged in a little insider dealing. On May 20, 1878, Nawatny sold 11 lots in the proposed town to Rebecca Jeannette Darrow for \$500. The average price per lot was \$45, less than half the average price of \$100 on subsequent sales. Eight days later, Welch married Miss Darrow. The plat of the town of Louisville (85 lots on 20 acres) was recorded with the Boulder County Clerk on October 24, 1878. Of the 85 lots, 18½ (22 percent) were sold to Welch, his wife, or one of their relatives.



*The boundaries of the original town of Louisville were: the Colorado Central Railroad on the east, South Street on the north, the alley west of 2<sup>nd</sup> (Main) Street on the West, and Elm Street on the south. (Photo provided by Boulder County Clerk & Recorder.)*

Welch had as much confidence in the success of Louisville as he did in his Welch Coal Mine. On February 1, 1879, he purchased the 40 acres west of Louisville from Edward Autrey for \$1,600 (\$40 per acre). Out of respect for Nawatny's plan to sell his Louisville lots, Welch did not file a plat on the property until October 12, 1880, after nearly all of Nawatny's Louisville lots had been sold. The east 20 acres of Welch's new property then became Jefferson Place (the first addition to Louisville).

In 1879, Nawatny sold 44 Louisville properties (lots and half lots) in 36 transactions for a total of \$4,392. And between January 1, 1880 and August 20, 1880, he sold an additional 27 properties in 22 transactions for a total of \$3,600.

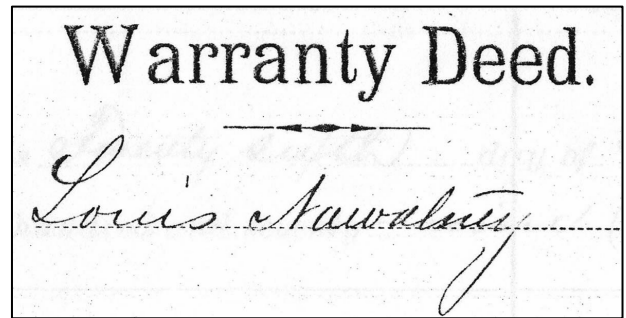


**Charles C. Welch filed the plat for Jefferson Place, the first addition to Louisville, in October 1880 – after nearly all of the original Louisville lots had been sold. (Photo provided by Boulder County Clerk & Recorder.)**

In most cases, the warranty deeds (which transferred titles to the new owners) were filed with the Boulder County Clerk

within two months of the dates they were executed. However, in certain situations filings were delayed for as much as two years. At the time there was no loan market for unimproved land because it was too hard to resell after a foreclosure and too hard to rent until resold. Thus, the deferred filings most likely reflect extended payments against the agreed-upon selling prices, with filings delayed until after the final payment had been made. At the time, it was fairly common for property to be paid for over a two year period, with one-third down and the balance paid in equal installments at the end of the first and second years.

In numerous cases Nawatny's signature line on the warranty deeds shows the seller as "Louie" Nawatny. Several long-time residents recall the town being referred to as "Louieville."



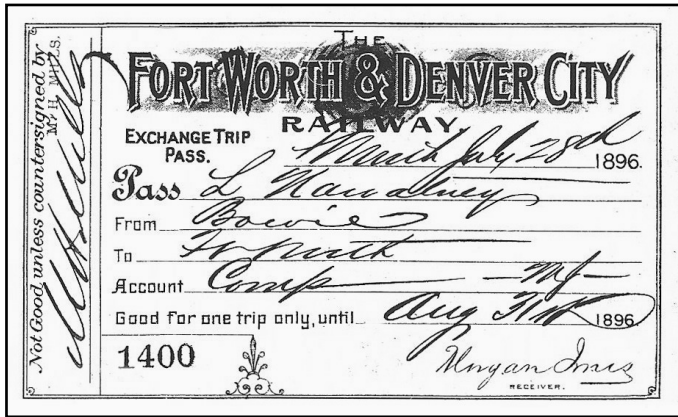
### Nawatny Moves On

After Welch and Loveland turned their interests in the Welch Mine over to Jay Gould, Nawatny shifted gears. In early 1880, he started prospecting for coal for the Kansas Pacific Railroad. Then, on April 4, 1880 he sold his home and lots 1, 2, and 3 on block 4 (on the southwest corner of Pine and Front Streets) to Dennis Callahan for \$1,000. Later that month he purchased a house in Denver at 211 9<sup>th</sup> Street (in present-day Auraria) for \$1,775.

In the 1880 U.S. Census, Louis, Kate, and William are listed as residents of Denver. They had a boarder who was from England. Nawatny's stated occupation was "mining prospector" and one of his clients was none other than Charles Welch. Between October 15 and October 26, 1880, Nawatny purchased 400 acres of Douglas County land in three separate transactions for a total of \$900. On October 27<sup>th</sup>, he sold the properties to Welch for \$1,500.

For the next three years, Nawatny is listed in the Denver City Directory as a mining engineer. After that we lose track of him. He moved from Denver, but we don't know where. In 2008, his family provided copies of railroad passes that had been issued to him between 1880 and 1896, a period during which he apparently worked for different railroads in Missouri, Texas and Nevada prospecting for coal. His son, William, joined him in the business and later became an industrial engineer.

hundred tons a day. The men are drawing large pay and seem well pleased.<sup>16</sup>



*Louis Nawatny's 1896 pass on the Fort Worth & Denver City Railway shows that he lived beyond the age of sixty. Where he lived after he left Colorado remains a mystery.*

We are left with one mystery that may never be solved. Pictures provided by Nawatny's descendants show that he lived past the age of 60, but in an Affidavit of Heirship filed with the Boulder County Clerk on June 11, 1896, George Metcalf stated that "he was well acquainted with one Louis Nawatny during his life time...that he knew the family of said Nawatny, that said Nawatny died about ten years ago, (and) that he left him surviving as his sole heirs at law Kate Nawatny, widow, and William Nawatny, his son." If this had been true, Nawatny would have died when he was about 50. He didn't.

Was this an honest mistake? Did Nawatny move away and fake his death to escape creditor problems? Was this story manufactured so that Kate and William could sell properties in his name? We simply don't know.

On January 12, 1904, William Nawatny executed a deed in Hunt County Texas, co-executed by Kate Nawatny on January 20, 1904 in Canadian County, Territory of Oklahoma, as a result of which a small triangular tract of land north of Block A in Louisville was sold to Harriette Lemon for \$10. It was the last parcel of Nawatny land in Louisville.

In the 1910 U.S. Census, Kate A. Nawatny is listed as a 64 year old widow living with her 67 year old sister, Maud Delano (also a widow), in Cuba City, Missouri (80 miles southwest of St. Louis). No further information about her is available.

### Louisville Takes Shape

By 1880, the Welch Mine was under the control of Jay Gould and was the largest mine in Colorado. More growth was expected, as noted in this January 30, 1880 item in the *Boulder News and Courier*:

Business is good. The Welch coal mine is working to its full capacity. About one hundred and fifty men are employed. A new and large working shaft is to be sunk as soon as the machinery arrives, which will increase the output of coal to six or seven



*Katinka (Kate) and Louis Nawatny, long after they left Colorado. (Photo courtesy of Louisville Historical Museum, Louisville, CO.)*



*This 1881 view from the railroad tracks looks west down Pine Street toward the mountains. Behind Bonton Resturant [sic] is Van Darrow's store and, in the distance, the new schoolhouse on Spruce Street. The white house (south of Pine) was owned by Louis Nawatny until he sold it and moved to Denver in 1880. (Photo courtesy of Carnegie Branch Library for Local History, Boulder Historical Society Collection.)*

The amicable relations between the miners and the mine superintendant that had existed during Welch's ownership did not last under Gould. But early in 1880 the mine was growing and Louisville flourished. Notes about happenings in Louisville from the January and February issues of *Boulder News and Courier* give us a flavor of the town at the time:

Stokes & Co., contractors and builders, are having all the work they can do. Five houses are to be built this coming week.

Mr. Nawatny has just returned from prospecting for coal on the K.P.R.R. Results not known.

Pay day passed off very quietly. No rows or quarrels occurred.

The next improvement to our town is to be a barber shop with Mr. V. Plain as proprietor.

A.T. Henry & Co. are doing a very fine business. They have recently built an addition to their large and pleasant sample room (saloon), which will add much to the pleasure and comfort of this place.

Simpson Bros. are building an addition to their (general merchandise) store. That looks like business.

The Board of Trade meets regularly at twelve o'clock Sunday nights to eat oysters and drink beer.

Dr. King is doing very nicely here, and has had splendid success. We hope his stay will be a long one and profitable to him.

Wm. Heidrich has his large addition to his house nearly completed. [Heidrich was a saloon owner with a wife and seven children.]

The new organ is very fine.

Died on Saturday morning at four o'clock, little Anna, daughter of Mr. and Mrs. Chas. Neihoff, of Louisville. Little Anna, aged six years, was taken sick Thursday morning with pneumonia and lived only two days. The family has the heartfelt sympathy of us all.

Mr. Nawatny has sold his house and three lots to Mr. D. Callahan.

David Kerr has been quite sick, but is now slowly recovering.

We know a young fellow who expects to receive one hundred valentines on the 14<sup>th</sup> inst.

And still the work goes on. The next house to be built is for Mr. Murphy.

Leonard is laid up with a sore toe. Poor boy!<sup>17</sup>

In 1880, Louisville was a rough and tumble town of almost 500, with another 130 living on the surrounding farms. Without the Welch mine, the town would not have been founded, much less have survived. More than half of the 179 miners were single, and several of the families that built homes took some of these miners in as boarders to help with their family budgets.

**Louisville Business Directory**

**A. L. KEACAW,**  
Dealer in General Merchandise.

**SIMPSON BROTHERS,**  
Dealers in Dry Goods, Boots and Shoes, Groceries, Hardware, Produce, Lumber, Doors, Bash and Shingles.

**C. C. DONALDSON,**  
Meat Market.  
All kinds of Meat kept constantly on hand, and Game in season.

**P. EGGLESTON,**  
Bakery.  
Bread, Pies, Cakes, and Crackers. Cigars and Tobaccos. Fresh Bread delivered daily.

**GEO. W. COWDERY, M. B.**  
Livery, Feed and Sale Stables, corner Main and 16th streets. Rigs rented to responsible parties at reasonable rates. Stables heated by wind.

**DANIEL SOLANDER,**  
Billiard Room.  
Dealer in Pure Foreign and Domestic Whiskies, Wines, Lager Beer, Cigars, etc.

**MITCHELL & LOCK,**  
Dealers in Imported Wines and Liquors, and Pure Whiskies, Cigars, and Lager Beer. A fine Billiard and Pool Table.

*1882 Louisville Business Directory ad in the Boulder News and Courier.*

In the early years, water quality and availability were problems. Rain water was collected and water was also drawn from small irrigation ditches that ran through town (diverted from the Goodhue ditch near the east bridge in current-day Walnut Park). Each family filled barrels in which the water was left to settle, but unsanitary conditions resulted in Louisville's first typhoid epidemic in 1881.

For most miners, coal mining was seasonal. Production was cut back substantially during the warmer months when there was no need to heat homes and businesses. In the off-season, some workers were retained to supply the railroads. Later, however, the railroads replaced local coal with higher quality coal from southern Colorado that provided greater heat value and did not degrade as rapidly. At that point, the local mines fell dormant in the late spring and summer months. During the summers, many homeowners planted gardens on their lots to feed their families and generate small incomes from sales to other residents or businesses in Boulder and Denver.

The Louisville business district consisted of false-fronted wood stores in the nineteenth century style, with the saloons on Front Street serving as the town's social center. Single men gathered, drank, and tussled with one another. Married men were more likely to stop at the saloons on their way home from work and fill their lunch pails with beer to take home.

There were conflicting visions of what the citizens wanted Louisville to become. Those with families generally looked forward to developing a clean, safe community where their children would grow up with wholesome values. Single and transient miners were more inclined toward an open, carefree, and fun-filled haven, unhampered by regulations and law enforcement officers. After the community leaders' first attempt to incorporate the town in 1880 failed because of a technicality (improper legal description of the land involved), the coarser sentiment was expressed in the May 6, 1881 issue of the *Boulder News and Courier*:

We do not want our town incorporated, for it might be cleaned up if it was, and it would make less business for the MDs. Also whisky would cost more.<sup>18</sup>

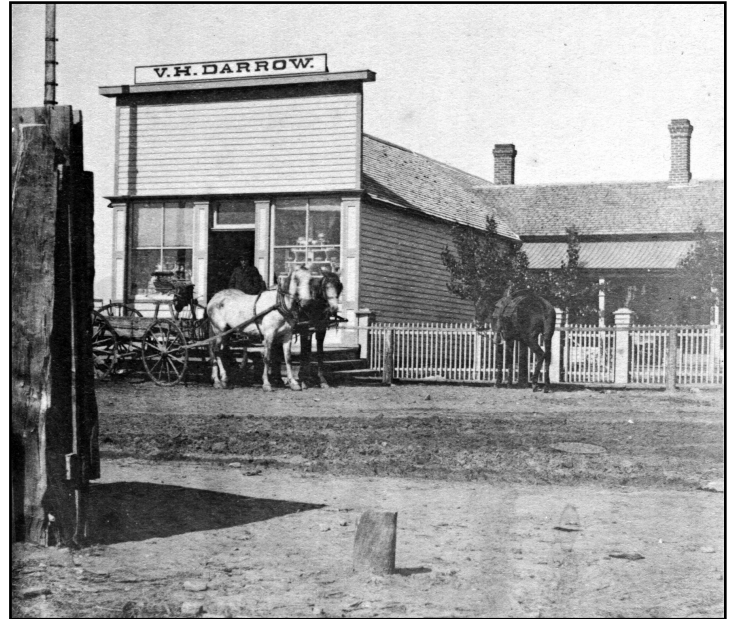


**Looking west on Spruce Street in the 1880s. Robert Loch's general merchandise store is listed in the Louisville Business Directory from 1884 through 1889. Andrews & Chambers general merchandise store (right) is on the east side of Front Street. The school tower is visible in the distance on the property now known as Memory Square Park. (Photo courtesy of Louisville Historical Museum, Louisville, CO.)**

The more staid faction won out, however, and the town of Louisville was legally recognized on May 26, 1882. John H. Simpson, a successful retailer of dry goods, boots, shoes, groceries, hardware, produce, and building materials, was elected the first mayor.

By 1882, there were four general merchandise stores (in addition to the Miner's Co-operative Store) and eight saloons. While most businessmen thrived in the expanding market, not all fared as well as Simpson. One unfortunate example was Van Darrow, Jeannette Welch's brother. Several transactions involving Darrow and Welch indicate that Darrow borrowed increasingly large amounts from Welch to finance the growth of his general store (located on the northwest corner of Pine

and Front Streets). In time, his indebtedness grew to \$6,314. As a result of his apparent inability to meet his obligations, Darrow ended up losing his business, as reported in the August 30, 1881 issue of the *Rocky Mountain News*: "V.H. Darrow, the Louisville merchant, was compelled to turn over his goods under mortgage yesterday to C.C. Welch of Golden." Blood may be thicker than water, but in this case cash flow was thicker than blood.



**Van Darrow borrowed increasingly large amounts from his brother-in-law, Charles C. Welch, to finance the growth of his general merchandise store on the northwest corner of Pine and Front streets. When he was unable to meet the terms of his loans in 1881, Darrow had to turn his property over to Welch. (Photo courtesy of Carnegie Branch Library for Local History, Boulder Historical Society.)**

Meanwhile, Gould's aggressive management style was causing problems at the mine. Looking for a competitive advantage, Gould ordered his superintendent (Adolphus Eurgens, who had replaced Henry Green) to set the miners' wages below those offered by his competitors. The following letter and editorial response were published in the January 14, 1881 issue of the *Boulder News and Courier*:

*Dear Sirs:* Being a reader of your valuable paper, I would like to correct a misstatement that appeared in your last issue regarding the day wage men at Louisville. The last writer on the subject is under a delusion regarding the underground workmen's wages, and therefore I wish to contradict the statement, being one of those men.

The day wage men of Louisville went on a three days strike for the wages the owners around Marshall were paying, and called a meeting at the end of the three days to attempt to modify the relations existing between the Superintendent and the men. A



committee was appointed to go to Marshall and Erie along with Mr. Eurgens, to investigate the prices the workmen at those points were receiving. The committee ascertained that at Marshall the following schedule of wages were paid: Drivers \$3, track-layers \$3, top-men \$2.50. At Erie the Jackson mine was paying drivers \$3 and top-men \$2.25. At the Star mine, drivers \$3.25, pushers \$3.25, trackmen \$3, cagemen \$3, and water pushers \$2.50.

Now, all the workmen at Louisville wanted was just what they were paying at those places, and nothing more. The wages of all workmen at Louisville are \$2.50, no distinction whatever.

Mr. Eurgens has offered his trackmen \$2.75, drivers \$2.75, and night men, some of them, \$2.75. Now, where in the world is any one getting three dollars?

Hoping that you will insert this, and not blindfold the public, I remain your devoted servant.

#### FAIR PLAY

Editor's Response:

Certainly no injustice was intended, and we were misinformed when we made the statement alluded to. It is our desire to see capital and labor walk hand in hand, realizing such a state of things as the desideratum of human happiness. "The laborer is worth of his hire" is a saying as trite as true, and we are pleased to set the public at rights on this subject, having no desire to "blindfold" our readers in anything.<sup>19</sup>

Poor relations between labor and management would continue to plague the Louisville coal mining business for decades to come.

Louisville survived, however, and Welch continued to play a huge role in the town's growth. Following Nawatny's departure from Louisville, Welch developed Jefferson Place, Louisville's first addition. Between 1880 and 1900, he was involved in 154 real estate transactions in Boulder County, most of which represented his sale of the 170 Jefferson Place lots. During that time, he also donated the property for Louisville's first permanent school, platted another Louisville addition (Pleasant Hill), lobbied for the installation of a water works system, settled property damage claims from subsidence caused by the Welch Mine's undermining of Louisville properties, and periodically reappeared as a party in interest in various coal mining disputes.

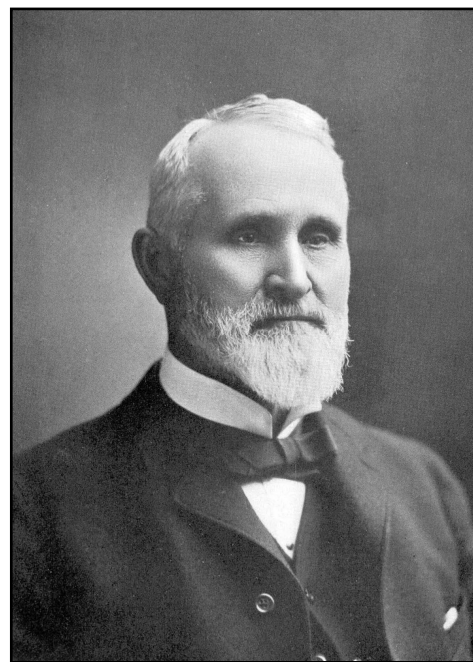
By no means were Welch's activities during this period restricted to Louisville. He organized and managed ditch

companies, railroads, mining companies, and agricultural businesses across the state. He was a founder and director of the town of Carbonate in Garfield County. He was also elected president of Cambria Fire-brick Company in Golden. Meanwhile, his associate Loveland bought the *Rocky Mountain News* and was the principal owner of the Fanny Barrett, which according to Amos Bixby was "believed to be the largest and richest mineral deposit in the State."<sup>20</sup> Loveland was also honored when a new Larimer County town was named after him.

In addition to their individual pursuits, Welch and Loveland combined on several other ventures, including founding the 13 block country town of Lakewood. In 1889, after 40 years in Golden, Loveland moved to Lakewood, where he lived the last five years of his life. The mercantile business he founded in Golden in 1859 continued in operation until 1978, one of the longest tenures of any business in Colorado history.

In the 1890s, Welch moved to Denver, but he retained his interest in Golden where he was a 32<sup>nd</sup> degree Mason, a member of the Golden City Lodge, and a member of the Society of Sons of the Revolution. He remained a dedicated philanthropist until his death after a short illness in 1908.

The association of these two entrepreneurs paid off handsomely for both of them, and each left an indelible mark on the state of Colorado. But no place owes more to them than Louisville, which without their railroad and their coal mine would not have been born.



*Charles C. Welch - a philanthropist in his later years. (Published by Century Publishing & Engraving Co., Chicago, IL.)*





*In 1885, the Marshall Consolidated Coal Mining Company replaced the Union Pacific as operator of the Welch Mine in Louisville. This backside view looks southwest toward the mountains, with the town of Louisville on the right. (Photo courtesy of Carnegie Branch Library for Local History, Boulder, CO.)*

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- <sup>1</sup> Richard Gehling, *The Pike's Peak Gold Rush*, 1999, Chapter 8.
- <sup>2</sup> *Boulder County News*, November 30, 1869, p. 2.
- <sup>3</sup> *Boulder County News*, May 4, 1870, p. 2 (citing an article in the *Des Moines Gazette*).
- <sup>4</sup> *Boulder County Clerk and Recorder*, Book X, p. 142.
- <sup>5</sup> *Colorado Banner*, February 10, 17, and 24 and March 2, 1876.
- <sup>6</sup> *Boulder County News*, June 8, 1877.
- <sup>7</sup> Flora Ewing Youmans, *The Ewing Family, Pioneers of Boulder County*, p. 6.
- <sup>8</sup> *Ibid.* p. 56.
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## Acknowledgements and Bibliography

A special thank you goes to Bridget Bacon, who was instrumental in gathering and interpreting the information contained in this review. Louisville is fortunate to have such competent leadership at the museum. Thanks also to David Nawatny, who provided key information about Louis Nawatny, Anne Dyni who provided information about William Davidson, and Harold Christopher who adapted the historic maps that are presented. Other sources of information include:

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**Before retiring, J. Peter Lindquist owned Quist Financial, a business valuation and securities analysis firm in Boulder, Colorado. He is one of the founders of Life Puzzles, LLC, a Louisville-based firm that helps clients produce limited edition life story and family history books. For more information, visit [www.lifepuzzles.org](http://www.lifepuzzles.org).**

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