IN THE SENATE OF THE UNITED STATES.

DECEMBER 23, 1859.—Ordered to be printed.

Mr. YULEE made the following

REPORT.

[To accompany bill S. 22.]

The Committee on Post Offices and Post Roads, to whom was referred the memorial of John Scott, Hill W. House, and Samuel O. House, respectfully report:

That the committee refer to the report, (No. 39,) 1st session, 35th Congress, upon same memorial, and recommend the passage of the same bill for the relief of the memorialists which was passed by the Senate during its last session. They accordingly report a bill.

IN THE SENATE OF THE UNITED STATES, *February* 2, 1858.

The Committee on Post Offices and Post Roads, to whom was referred the memorial of John Scott, beg leave to report:

That the memorialist seeks relief from a judgment obtained against him and his sureties for failing to carry into operation a contract for the conveyance of the mail on route No. 3503, from New Orleans to Key West.

It appears that, in 1852, an advertisement was issued, inviting proposals for conveying the mail, by sea, between New Orleans and Key West, and that the contract was awarded to the said Scott for the sum of $20,000.

The route was a new one, and never having been in operation it was difficult to estimate the worth of the service, and the sum proposed by Scott proved, by the subsequent experience of the department, to be vastly less than was necessary for the support of the route.

This fact, however, is not adverted to as a basis for the relief of the petitioner, but as explanatory, in part, of the difficulty he experienced in organizing the means to carry his contract into effect as promptly as might otherwise have been practicable. Immediately upon being informed that the contract was awarded to him, the petitioner proceeded diligently to prepare for its execution, and in his efforts to

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obtain steamships suitable for the purpose, he visited New Orleans, and all the principal northern cities as far as Portland. Finding it impossible to obtain suitable steamers at any reasonable price, and the limited interval for commencing service not affording time to build them, he applied for and obtained an extension of time until the 1st of March. He alleges further, that having been unfortunately taken sick at Washington, he was unable to continue his efforts, and did not succeed in effecting an arrangement for a suitable steamer until the middle of March, when he arranged with Captain Montgomery, who had a new steamer nearly completed at Baltimore, and informed the department of the arrangement, and that the service would be commenced in five weeks.

Before the expiration of that time, the department gave the contract to Samuel S. Green, for $26,000 per annum, and instituted a suit against the petitioner for damages, which suit resulted in the judgment from which he seeks relief.

The contract was made December 9, 1852, and required the commencement of service on the 15th of January following, an interval of only five weeks. The petitioner appears to have employed that very brief time diligently in the endeavor to obtain a suitable steamer, and having failed, obtained an extension of six weeks more; but, in the meanwhile, being prostrated by sickness, he was disabled from pursuing his object, and did not effect an arrangement until a few days after the expiration of the time.

Upon an investigation of the history of the service since that time, it appears that no real damage was caused to the government, for the price at which the contract was awarded would have been totally insufficient to sustain the service.

It seems that the contract was transferred, first, to James C. Green, for $26,000 per annum, who, after performing the service very irregularly for a few months, failed, and it was relet to W. C. Templeton for $42,000, who also performed the service very irregularly; that it was afterwards let to E. G. Rogers & Co. for $41,800, who also failed; and the contract was successively refused by two parties at $48,000; that it was then let to J. M. Howell & Co. for $70,000, who likewise failed to put the service in operation; afterwards to John B. Camden at same rate, who failed; and finally to the present contractors for $70,000, and no damages have been sought against either of these other parties. Taking into view that the route was a new one, and that it was therefore difficult to estimate the proper value of the service; that the petitioner proceeded in perfect good faith, and with great activity and devotion, and at a good deal of personal expense, to give effect to his engagement; and that his failure to commence the service within the brief time allotted was owing to a providential visitation, which prostrated him with sickness in the midst of his efforts; and that he had, in fact, notified the department of his having made suitable arrangements before the contract was transferred to Green; and considering, further, that the experience of the service has demonstrated that it was not possible to be performed for any sum approaching that at which the contract was awarded; and that no damages have been sought against any of the subsequent failing con-

tractors, the committee have deemed it a suitable case for the application of a just public clemency, and accordingly recommend a remission of the penalty recovered against the petitioner.

A bill to that effect is herewith reported, and its passage recommended by the committee.

POST OFFICE DEPARTMENT, CONTRACT OFFICE,
January 22, 1858.

SIR: In answer to yours of the 19th instant, I have to state that, on the failure of John Scott to put the service in operation on route No. 3503, from New Orleans, Louisiana, to Key West, Florida, the department, on the 4th of April, 1853, ordered a contract with Samuel S. Green, of New Orleans, the next lowest bidder, at $26,000 per annum. He commenced the service on the 21st April, 1853, but ceased in February, 1854, his boat getting aground at St. Marks and being sold as unseaworthy. After an ineffectual effort by the department to induce him to resume, the route was advertised and let to W. C. Templeton, of New Orleans, the only bidder, at $42,000 per annum, from 1st October, 1854, to 30th June, 1855. He performed service till the close of this term. For the succeeding four years term, the route (under the number 6852) was regularly advertised with the other Florida routes, and at the lettings, E. G. & L. F. Rogers, of New Orleans, were the accepted bidders at $41,800 per annum. They put the service in operation accordingly, and continued it till September, 1856, when they failed. The next lowest bids were those of Brooks & Barden, at $40,000, and Walter L. Cozzens, at $48,000. Upon the failure of Messrs. Rogers, the contract was offered, successively, to both these parties and declined by them. The only other bid for the advertised service was at $70,000 per annum. On the 23d January, 1857, a contract was ordered with J. M. Howell & Co., at $70,000. Howell & Co. failing, up to the 14th of March, 1857, to commence the service, the order to contract with them was at that date rescinded, and a contract was ordered with John B. Camden, at the same rate. He failed, however, to comply with the conditions of the order, and the department proceeded to contract with the Southern Steamship Co., E. J. Hart, of New Orleans, president, on the same terms. They commenced service on the 12th May, 1857, and have continued to the present time.

Very respectfully, your obedient servant,

WM. H. DUNDAS,
Second Assistant Postmaster General.

Hon. D. L. YULEE,
Senate United States.