is \$360,000, which makes the indebtedness of this road to the city \$1,860,000. The Baltimore and Ohio Road has had possession of this road for the four years, in which this interest has been accumulating, and up to the present time has failed to render an account thereof. Some action should be taken by which she should be compelled to pay the entire amount.

The Baltimore and Ohio Road has recently offered \$750,000 for the city's interest in this road, which is about 40 cents in the dollar, while at the same time she has purchased the first mortgage of the Central Ohio Railroad at 100 cents in the dollar.

The city of Baltimore owns one-third of the Baltimore and Ohio Road, and yet her influence is so small that the other two-thirds purchase a foreign first mortgage at 100 cents in the dollar, and still refused to give but 40 cents in the dollar for a first mortgage in which all the partners are interested. I am fully satisfied that the time has arrived when the city should sever her connection with this road, or exert more control in its management; for I am confident no gentleman would allow his private means to remain in such a firm. The Northwestern Virginia road cost \$8,000,000 and it certainly must be worth \$1,860,000.

You are again called upon to make provision for six months' interest due the 1st of January, amounting to \$45,000; thus accumulating at the rate of \$90,000 a year, which renders some action necessary on the part of the Council. I would renew the recommendation made in my last annual message for an application for a decree to sell the interest held by the city, as it is the impression of the Baltimore and Ohio Road that as this road is tribu-

tary to theirs, they alone can work it, and thereby secure it on their own terms. I am assured that if a decree was procured a purchaser could easily be found. The bed of the road, cross-ties and rail are in good condition, propping in the tunnels will last five years longer and can be renewed, while the rolling stock is the worst the Baltimore and Ohio Road can place there. The best quality of Bituminous coal is furnished the road at one dollar and twenty-five cents per ton.

The boats going up the Ohio River take freight at much less price to Parkersburg because they have to lighten at that point in low water; and the citizens of Parkersburg say that there is a large amount of freight there at all times which the Baltimore and Ohio Road do not forward as rapidly as they should.

PITTSBURG AND CONNELLSVILLE RAIL ROAD.

I have considered with the respect due to a co-ordinate branch of the city government, the resolution of your Honorable Body of the 6th instant, requesting me to suspend proceedings already instituted under my direction in the State Courts of Pennsylvania, against the Pittsburg and Connellsville Rail Road Company, for the purpose of compelling them to pay the interest now largely in arrears to the city.

I understand your resolution to be a request to me to discontinue the proceedings alluded to, or rather inviting me to assign the reasons why I deemed it proper to enter suit against the company. This I will proceed to do, and I feel convinced that when your Honorable Body shall have considered the reasons, you will agree with me that the delinquency of the company is without excuse.

The Pittsburg and Connellsville Railroad Company borrowed from the city of Baltimore, in June, 1856, one million of dollars. For the security and punctual payment of the interest annually, and the ultimate payment of the principal by a sinking fund, they executed to the city a mortgage upon its road, rolling stock, and property and revenue. From that day to the present, not one dollar of interest or sinking fund has been paid, but has accumulated as follows: