



A CENTURY OF HOMETOWN SERVICE



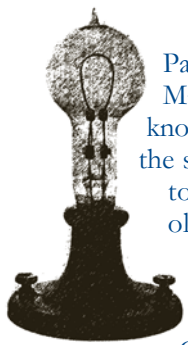
NEW ULM PUBLIC UTILITIES
1903-2003



million.² The tract comprised some of the finest agricultural lands on the North American continent.

In late 1853, a group of Germans in Chicago began examining the idea of creating a colonization society to settle a new community on the frontier. The “Chicago Landverein” advertised in Chicago German newspapers and set dues of 10 cents per member per month. The organization sponsored several dances to raise money, and by the spring of 1854, the new society had amassed a treasury of more than \$300.³

The Chicago Landverein first sent members to investigate potential settlements in Iowa, Michigan and Missouri. In the summer of 1854, they came to Minnesota where a great amount of land was open to settlement by the 1851 treaties of Travers de Sioux and Mendota. By late September, about thirty members of the Chicago group had arrived at Lesueur, anxious to make settlement before winter. They looked over suggested nearby sites and none were quite right. Bitterly disappointed, the group began to disagree on where to search next. Four of the members decided to make one more search farther up the Minnesota.



The Four, Christian Ludwig Meyer, Alois Palmer, Athanasius Henle, and Frank Massopoust, made their way to what is now know as Brown County. They traveled through the site of present New Ulm. Traveling upstream towards Fort Ridgely where they came across an old fur trader, Joseph La Framboise. La Framboise told them of a place he considered superior to anything in the valley. It lay on the west bank of the Minnesota above the Cottonwood. They found the recommended site ideal except for a lack of trees, but on their returning to those waiting, all immediately started upstream.

With winter approaching the group from Chicago took refuge across the river from La Framboise Fur Trading Post. The first winter was winter was plagued with fire, that took the one log building they completed, hunger, sickness and hardships.

THE TURNERS ARRIVE

During the winter of 1854-1855 surveyor Christian Ludwig Meyer drew the first plat of New Ulm and in the early spring of 1855, the pioneers began building the community. The settlers named the community New Ulm in honor Ulm Germany, which is in Wurttemberg where many of the original settlers were from and also reorganized as the German Land Association of Minnesota.

In the spring of 1856, a group of Cincinnati Turners, members of a German social and athletic club common at the time, led by Wilhelm Pfaender joined the small group at New Ulm and merged with the already formed German Land Association. During the next several years, the community grew quickly, building several sawmills, a hotel, brewery and later a flour mill. By 1858, the settlers had brought in



From the Civil War to World War I, the Eagle Roller Mill was one of the largest country flour mills in the nation. (Brown County Historical Society Photo)

their first crop of wheat. The infant community boasted 440 residents, a newspaper and a Turner hall.⁴ In 1860, New Ulm had 635 residents with the majority being of German descent.⁵

The outbreak of the Civil War in 1861 would put New Ulm to its sternest test. Many of the community’s male residents volunteered for service in the state regiments that were forming to fight in the far-flung Union armies. Those remaining behind in New Ulm would face a trial by fire that was as bloody as any of the combat experienced by those in Union blue.

LITTLE CROW’S WAR

Residents of New Ulm had enjoyed amiable relations with the Dakota bands that still roamed the short-grass prairie of the Minnesota frontier. For the Native Americans, however, the influx of German and other settlers into their former hunting grounds was alarming. Some of the Dakota bands had settled down to farming. They suffered a disastrous harvest in 1861, and many of the Native Americans in southern Minnesota were perilously close to starving by the summer of 1862.⁶



Four of the 14 men who founded New Ulm. Nov. 11, 1856 were (LR) Eugene Gerstenhauer, William Pfaender, William Hummel and John C. Toberer. (Brown County Historical Society Photo)



than the \$30,000 bond issue approved by the voters. The Fort Wayne Electric Works, an Indiana firm that built some of the finest boilers and generators then in use, won the bid to provide the new plant with equipment. Ground was broken at the site in the spring of 1902. Work was completed by mid-summer of 1903. The City Council took possession of the new plant on August 18, 1903.

At the time the plant broke ground, the Council hired New Ulm resident Adolf Wagner as the city's first municipal electric superintendent. Wagner would serve in the position for nearly seven years, until 1909. During his tenure, Wagner oversaw the electric system's rapid expansion. With the new plant, New Ulm could finally enjoy all-night streetlighting. Wagner also aggressively marketed incandescent and daylight power service to the community's shops, factories and homes.

SAFE, CLEAN WATER

The 1902 selection of 300 First North Street as the site of the new municipal light plant had a precedent in New Ulm's utility past. Prior to the late 1880s, New Ulm, like most of the communities along the Minnesota River, had taken water directly from the river. Fear of cholera epidemics and other diseases prompted the City Council to begin investigating the sinking of wells, as well as construction of a pumping station and a water storage tower.

In September 1889, the Council advertised for bids for the construction of a complete waterworks system. The first well in the community had been dug in May 1888, and work on the waterworks pumping station at 300 First North Street – immediately adjacent to the intersection with German Street – began in the spring of 1890. At the same time, crews from Fairbanks, Morse & Company in St. Paul started the construction of a brick and steel water storage tower on North State Street just north of Center Street adjacent to the Union School. Other crews commenced digging up community streets to lay water mains and install fire hydrants.

On August 19, fire department personnel attached hoses to the hydrants on Minnesota Street and raised a stream of water over the shop buildings lining the city's main business

street. The brick and steel water tower on North State Street soared 104 feet above the community and had a capacity of 26,000 gallons, more than enough to serve the community's needs for the immediate future.

By 1895, New Ulm had invested more than \$40,000 in its waterworks, which was considered one of the finest such facilities in the Minnesota River Valley. At the time, the city boasted five miles of water mains and 47 fire hydrants located strategically throughout the community. That year, the waterworks recorded a total volume of 11.8 million gallons of water pumped to 182 customers. The average cost of pumping water was 2.5 cents per 100 gallons. Rates fluctuated between 1 cent and 4 cents per 100 gallons, allowing the city to recover costs associated with operating the system and turn a small annual profit.

In 1898, New Ulm published a comprehensive ordinance for the regulation of public sewers in the community. Ordinance No. 59 established assessments and rules for the use of sewers, although a modern sewage treatment facility would not be constructed in New Ulm for another 40 years.¹³



Dr. Charles Weschke was mayor of New Ulm in 1903 when the city entered the municipal power business. (Brown County Historical Society Photo)



By the time the electric light plant began operation under city ownership in the summer of 1903, New Ulm had two essential utility infrastructures under municipal control. During the next 20 years, the community would expand its water and electric service and add a third municipally-owned utility service.

This brick and steel water tower on North State Street was New Ulm's first water reservoir in 1890. (Brown County Historical Society Photo)

¹ Arnold J. Koelpin, *The Hermann Monument: A Prairie Tale in the Annals of Americans* (New Ulm: Hermann Monument Cornerstone Centennial Committee, Revised Edition, 2001), pp.16-17
² *Ibid.*, pp.5-6
³ Robert Friedel, Paul Israel and Bernard S. Finn, *Edison's Electric Light: Biography of an Invention* (New Brunswick, New Jersey: Rutgers University Press, 1987, pp.193-194
⁴ Henry G. Prout, *A Life of George Westinghouse* (New York: Arno Press, 1972, pp.233-247
⁵ Elroy E. Ubl, *Historical Notes: A Glimpse At New Ulm's Past* (New Ulm: The Author, 1983), v.II, p.162

⁶ *Ibid.*, p.163
⁷ News Item, *New Ulm Review*, May 15, 1889
⁸ News Item, *New Ulm Review*, September 11, 1889
⁹ *Ibid.*, September 11, 1889
¹⁰ News Item, *New Ulm Review*, August 13, 1890
¹¹ "Will Submit it to the People," *New Ulm Review*, March 6, 1901
¹² "State & Local Electric Utilities," *Public Power*, January-February 1998, pp.100, 104
¹³ New Ulm, Ordinance No. 59, September 10, 1898; See Also, Ordinance No. 60, September 13, 1898



sota was devastated by the Great Depression, town and city residents increasingly viewed the convenience of electric power service as a necessity. A second factor impacted kilowatt-hour sales in New Ulm. Franklin Delano Roosevelt's election to the presidency in 1932 ushered in a host of new social programs designed to get the economy moving again.

Utilities transferred hundreds of thousands of dollars to other city funds to help underwrite municipal government. By 1938, the electric department reserve fund was approaching \$500,000, and the department sinking fund showed a balance of \$104,500.



Christmas in New Ulm has always been colorful, thanks to the lights strung about the community by New Ulm Public Utilities crews. (Brown County Historical Society Photo)

For its part, the electric light department kept rates as low as possible. The department passed along rate decreases to ratepayers in 1933, 1935, 1936 and 1939, helping to ameliorate the effects of the Depression on residents. The City Council in 1935 also embarked upon an innovative energy planning process designed to sharply increase the output of the municipal light plant.

In 1936, New Ulm signed an agreement with the Eagle Roller Mill for backup electric power. The huge flour mill had generated its own electric power since early in the century, and the agreement with the city was simply a means for both parties to ensure a ready source of emergency power. New Ulm bore the \$5,000 cost of building an underground, high-voltage transmission line between the municipal light plant and the mill.



With backup power ensured, the City Council went ahead with an aggressive four-year expansion of the municipal light plant that resulted in effectively rebuilding the 20-year-old facility. Between 1936 and 1940, the city spent nearly \$400,000 for new turbine-generators, boilers, stokers, coal-handling equipment and associated switchboards and transformers. When the project was completed in 1940, New Ulm had one of the most modern electric utilities in Minnesota and the Upper Midwest.

One of the more significant programs was the 1935 creation of the Rural Electrification Administration (REA). Overnight, hundreds of farmer-owned electric cooperatives began building lines to serve farms in Minnesota and nationwide. In 1937, the Brown County Rural Electric Cooperative (REC) signed a contract with New Ulm. The city would provide the 1,500 members of the cooperative with substantially all of their electric power needs for nearly 15 years.

The result of signing the Brown County REC contract was a virtual explosion of Kwh demand on the New Ulm municipal system. In 1927, prior to the installation of new high-efficiency boilers and the 200-foot smokestack, the municipal light plant's output had slightly exceeded 1.8 million Kwh. In 1935, demand had more than doubled to 3.8 million Kwh. The next year it shot up again to 4.7 million Kwh, and in 1937 demand exceeded 6 million Kwh, a sixfold increase since 1921.

"The plant occupies a unique place in the municipality," a reporter for the respected American City Magazine wrote in 1943. "It does more than generate electricity for the city and its industries; it furnishes heat as well. Visitors are impressed by the cleanliness of the downtown business district and the lack of smoke and soot – all made possible by this civic utility and resulting in improved values that can not be measured strictly in dollars and cents."



During the Great Depression, the electric light plant proved to be the best investment ever made by the City of New Ulm. From 1933 to 1938 alone, the electric, water and heating departments showed a profit of more than \$354,000. During the 1920s and 1930s, New Ulm Public