

History of The Adirondack Railway Company

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The Adirondack region, frequently termed the Great Northern Wilderness and occupying the triangular area in northeastern New York that is roughly bounded by the Mohawk river on the south, Lake Ontario and the St. Lawrence river on the north and west, and Lake Champlain and the Hudson river on the east, was practically unexplored and undeveloped during the first half of the Nineteenth century, while other portions of the state were growing and developing with rapidity and largely through the expansion of railroad facilities. This immense area was heavily timbered and known to contain large deposits of iron ore, so that its possibilities in the production of lumber and iron were frequently brought to the attention of the Legislature in efforts to obtain state assistance in opening it by supplying means of transportation. As early as 1826, Silas Wright, then a member of the Senate, urged the construction of a canal, or other channel of communication, in order to make this tract accessible. Others followed him in advocating the opening of this wilderness by canal or railroad, but it was not until 1848 that any such project assumed tangible form.

The first railroad enterprise in this territory was authorized on April 1, 1839, by an act to incorporate The Adirondack Railroad Company for the purpose of construction a railroad from the Adirondack Iron Works, in the town of Newcomb, to Clearpond, in the town of Moriah, in Essex county. Archibald McIntyre, David Henderson and Archibald Robertson, with others, were authorized to construct this railroad but nothing came of the project. In 1848 the Adirondack Iron and Steel Company was formed by McIntyre and his associates. This company purchased about one hundred thousand acres of land, embracing ore beds, ample water power and wood, limestone and other natural resources. A highway thirty miles in length was built, iron ore was transported over the mountains to Lake Champlain, and steel works were erected in Jersey City for the utilization of the ores. These steel works produced a quality of cast steel which was highly rated and considered better than that imported from England; it was awarded a gold medal at the World's Fair in London in 1851. In 1854 the actual location of the railroad, which is mentioned hereafter, induced the iron company to enlarge the works at its mines. Accordingly, a blast furnace was constructed costing \$43,000. Apparently reciprocal anticipations were entertained, by the proprietors of the iron works that their prosperity would be greatly increased by the construction of the railroad, by the railroad that it would derive a large revenue from transporting the output of the iron company. Unfortunately the cessation of work upon the railroad, in 1854, caused a stoppage of all work at the mines and the project, as originally begun, has never been revived.

On December 20, 1845, a meeting was held at the Railroad House in Saratoga Springs to discuss constructing a railroad from Sacketts Harbor to Saratoga Springs. On April 10, 1848, an act was passed by the legislature authorizing certain residents of that portion of the state to associate for the purpose of building such a line from Sacketts Harbor or Carthage to a connection with the Saratoga and Schenectady railroad in the town of Milton or in the town of Saratoga Springs. This authorization was dependent upon the proper incorporation of a company under the then existing general railroad law of the state and also provided that, upon such corporation being formed and paying into the state treasury the sum of \$5,000, the company would be given preemption rights to purchase from the state up to two hundred and

fifty thousand acres of land in Herkimer and Hamilton counties, payment for this land to be at a rate of five cents per acre. By subsequent amendments to the statute a time limit of three years after the passage of the acts was fixed for starting construction, and completion of the road within ten years was required. On March 29, 1851, the Legislature specifically imposed the condition that the company become incorporated under the general railroad law of April 2, 1850. To advance the enterprise a meeting was held at the Exchange Hotel, at Sacketts Harbor, on November 6, 1851, at which A. F. Edwards, the chief engineer, made a preliminary report. Finally, on February 23, 1852, articles of association of the Sacketts Harbor and Saratoga Railroad Company were duly filed in the office of the secretary of state, having for their object the construction of a railroad, about one hundred and forty miles in length, from Sacketts Harbor, at the eastern end of Lake Ontario, to a connection with the Saratoga and Schenectady railroad, in the town of Milton or in the town of Saratoga Springs, and specifying that the proposed road should pass through the counties of Jefferson, Lewis, Herkimer, Fulton and Saratoga. Thirteen directors were named in these articles, seven of whom were residents of Boston and vicinity while the remainder resided in towns along the line or were owners of adjacent lands. The first president was William Coventry H. Waddell and A. F. Edwards was the first chief engineer, the latter receiving his appointment on March 10, 1852, and having been previously employed by the promoters.

Very little was known of the topography of the country through which the line was to run and much effort was necessary to determine a practicable location. By May 10, 1852, there were three surveying parties in the field and work was progressing favorably but the limited resources of the company did not permit continuing the expenditures and two of the parties were disbanded after but eighty miles of line had been investigated. Mr. Edward's report, dated October, 1853, tells of his difficulties in the following language: "* * * thus leaving the entire survey to be completed through the wilderness by the remaining party, a Spartan band, who as a forlorn hope connected the preliminary lines to Lake Ontario on the 10th of January; having actually run a chain and instrument 423 miles, aside from miles of lateral examinations and explorations." His resident engineer, A. R. Field, tells in his report a few of the difficulties encountered in making this survey. He relates that the average distance covered weekly by his party, while in the wilderness, was about nine miles, and adds: "We were encamped ninety-seven days and most of that time were many miles from any habitation. We found no roads, no paths, no marks even to show us that men had ever preceded us in those wild regions. Our only communication for months with the inhabited world was through our packmen who, necessarily, were obliged to convey our provisions, sometimes twenty-five miles."

The preliminary reports of the surveys made in 1852, showing the feasibility of constructing a railroad in this territory and the alluring reports of immense forests and extensive ore deposits attracted the attention of E. C. Hamilton who came to the aid of the company by subscribing to \$200,000 of the stock and by paying down \$20,000 which made possible the payment of its debts and resumption of the surveys. By the middle of May, 1853, the engineering department was reorganized and further surveys were undertaken. By the latter part of September there were seventy men employed and instrumental examination of upwards of one thousand miles of line had been made. All these lines were preliminary locations intended to insure the selection of the best route for the railroad and they involved two general location; the northerly one following the Hudson river to its headwaters, after striking across country from Saratoga Springs, thence down the Beaver or Moose river to the Black river and by the latter to Lake Ontario; the southerly line starting near Ballston Spa, following the Sacandaga valley and passing south of Piseco lake, crossing the valley of Canada creek and entering the Black river

valley. Each location had its adherents and considerable controversy resulted between landowners on the respective routes, but finally the northern location was adopted. This line was one hundred and eighty-two miles long, about twenty miles longer than the other, and its estimated cost, \$5,761,000, was about \$140,000 greater than the estimate for the shorter line. More favorable grades were the determining factor causing adoption of the northern line, there being only one summit and no grade exceeding forty feet per mile. Upon the adoption of the northern route it was found that the line crossed corners of Warren and Essex counties, neither of which were included in the original articles of association but this difficulty was overcome by a legislative act approved on April 15, 1854, permitting the road to traverse those counties.

Actual location of the line was begun in May, 1854, and on June 5 contractors broke ground in the town of Hadley, about twenty-five miles from Saratoga Springs. Work was soon started at several other points. The directors of the company entered into a contract with Hamilton to build and equip the entire road and he sublet the work to Gilmore, Jewett & Company. Hamilton was to receive stock and bonds of the company as compensation and agreed to procure money to pay the subcontractors by selling these securities. His arrangement with the subcontractors was that they should be paid in cash and have the right to discontinue work in case he was unable to dispose of the securities as rapidly as cash was required, or at their option they could continue work accepting their compensation in the bonds of the company. It was expected the road would be completed by November 10, 1856, and the eastern portion, from Saratoga Springs to the Adirondack Iron Works, by the end of 1855. Grading sufficient to provide for some thirty miles of track was completed, although in disconnected sections, when the company became financially distressed and work was suspended for several years. On September 12, 1854, a mortgage of \$4,000,000, at seven per cent interest, had been executed to John G. Forbes, John Vanderbuilt and Henry Wager, trustees, covering the railroad and all owned estate, and subsequent mortgages, of January 24, 1856, and February 11, 1857, were issued to secure the same debt but included additional land. The last mortgage was executed on behalf of the company by Elisha C. Litchfield, as president, he having succeeded Waddell in that position. When the company could proceed no further, owing to its financial difficulties, additional legislation in aid of the project was sought and by an act of April 6, 1857, its name was changed to The Lake Ontario and Hudson River Railroad Company, and authority granted to extend the proposed railroad to tidewater at Albany or Troy.

J. R. Briggs was then elected president of the company but the efforts of the management to obtain funds for continuing the work were of no avail. Negotiations were opened with a group of English capitalists, among whom was Thomas Brassey, and English railroad contractor largely engaged in the construction of railroads in England, on the continent and in South America. A special commission of two experienced railroad men, Messrs. Bidder and Cobb, came to this country expressly to investigate the enterprise. Their report was favorable but the affairs of the company were so seriously involved that interest on its three mortgages could not be paid and the default resulted in a judgment of foreclosure which was entered on February 23, 1860. The court appointed Edward A. Brown, as referee, with authority to sell the property to satisfy the mortgages, the principle and unpaid interest amounting to \$2,693,150.16. Sterling bonds, held in London and payable there, constituted a large portion of those secured by the third mortgage. The property was sold in foreclosure on June 23, 1860, to Alrick Hubbell, of Utica, who purchased for himself, Henry A. Fish, L. D. Coman, H. A. Johnson and George H. Pierce. On July 30, 1860, the purchaser transferred an undivided two-fifths of the property to Hezron A. Johnson.

On August 11, 1860, articles of association of the Adirondack Estate and Railroad Company were filed with the object of construction a line from a connection with the Saratoga and Schenectady railroad in the town of Milton or in the town of Saratoga Springs, or in the neighborhood of the city of Troy, to a point near the Adirondack Iron Works, thence to Sacketts Harbor, and also a branch from near the Adirondack Iron Works to Ogdensburg. The total length of the projected line was about three hundred miles. The directors of this company were largely men of New York, but six were residents of London, England. The property of the Lake Ontario and Hudson river, held by Hubbell and Johnson, was acquired by deeds dated August 18 and September 26, 1860. On September 6, 1860, A. F. Edwards was appointed chief engineer and land agent of this company. On October 8, Edwards entered into a contract with Albert N. Cheney to purchase from the latter some fifty-four thousand acres of land, and a similar contract with Enoch H. Rosekrans for the purchase of additional acreage. A small initial payment was made on each contract, and, in December, Edwards was sent to England to secure money necessary to make additional payments as they became due. The English capitalists with whom he undertook negotiations formed an association under the English statutes, called The Adirondack Lands and Railway Company, Limited, and on the return of Edwards, early in 1861, this association sent with him Sir Dominic Daley, as agent, with full power to negotiate. Daley was elected as a director of the company but became unwilling to commit his English associates to a purchase on account of the disturbed condition of the country, just then accentuated by the attack on Fort Sumter. In the Summer of 1861, the English company sent C. Searle Hayne to this country to examine the affairs of the company and he was also made a director. By this time it was evident that the United States were to be involved in civil war and the English company, in consequence, declined to provide funds to meet the payments on the land contracts. No actual work on the railroad project had been accomplished at this time and the company was unable to make the payments on these contracts, so that sundry judgments against it were entered. On June 9, 1862, N. Edson Sheldon, of Glens Falls, was appointed receiver of the property, at a special term in Clinton county, and, shortly thereafter, Alexander Seward, of Utica, was also appointed receiver by the special term in Oneida county. Later Andrew Dexter, of Utica, succeeded Seward, and, on December 16, 1862, receivers Dexter and Sheldon sold the entire property to Albert N. Cheney, with whom was associated Enoch H. Rosekrans.

On April 27, 1863, an act was passed by the New York Legislature, authorizing Cheney and others to organize a railroad company. Under this authority articles of association were filed on October 24, 1863, by the Adirondack Company, which proposed to construct a road one hundred and twenty miles long to extend along the valley of the upper Hudson, from some point in the town of Hadley to a point in the town of Newcomb, with the privilege of connecting with the Saratoga and Whitehall railroad of the Rensselaer and Saratoga railroad. The property of the earlier companies, which was held by Cheney and Rosekrans, was deeded to the Adirondack Company on November 11, 1863. In 1865 further legislation was passed permitting the company to extend its railroad to some point on Lake Ontario or the St. Lawrence river and in 1868 authority was granted also to construct a branch from some point in the town of Thurman to a connection with the Whitehall and Plattsburgh railroad.

The Adirondack Company was financed largely by New York City capitalists and its first president was George T. M. Davis of that city. This company was fortunate enough to have interested Thomas C. Durant and it was largely through his perseverance and financial assistance that railroad construction, starting at Saratoga Springs, was finally carried through to the present terminus in the Adirondack region. Mr. Durant was, at this time, vice-president of the Union Pacific Railroad Company and his courage and financial ability contributed largely to

the success of that great undertaking. He it was who, with Governor Leland Stanford of California, drove that last golden spike which symbolized the uniting of the eastern and western shores of this great country by continuous bands of steel across the continent. During the year 1865 twenty-five miles of the Adirondack road were completed and regular operation was undertaken from Saratoga Springs to Wolf Creek. By 1869 the line was opened to Thurman, a total of thirty-seven miles, and in 1870 service as far north as Riverside was established. The road was completed to North Creek in 1871 and since that year, no extension of the line then opened has been made. Throughout this work the company was continuously seriously hampered by lack of funds and, therefore, unable to proceed with rapidity, especially as the earnings from the partially finished road did not suffice to aid the construction. In 1870 an attempt was made to obtain financial assistance from the state in extending the road from North Creek to Ogdensburg, on the St. Lawrence river, and a law was passed authorizing a contribution of \$10,000 per mile toward the cost of the extension, but this act was vetoed by Governor Hoffman. No state aid was ever granted to this company other than provisions for relief, for a period of years from July 10, 1870, from taxation on its wild lands.

On July 1, 1872, the company executed a mortgage to secure \$6,000,000 raised to pay for the extensions that had been authorized and also to fund and consolidate the debt already assumed for construction to North Creek. The panic of 1873, however, intervened so quickly that no progress was made and the company defaulted on the interest under the mortgage, with the result that on December 15, 1874, Thomas C. Durant was appointed receiver of the property. As receiver, Durant operated the railroad until October 20, 1881, and obtained a fair degree of success owing to improved commercial and financial conditions. During the continuance of this improvement many supporters of the company felt that its success could be assured by continuing the line to the St. Lawrence river. Accordingly, on April 30, 1880, a reorganization agreement was entered into, by the bondholders, stockholders and creditors, providing for the surrender of their securities and claims and acceptance in lieu thereof of bonds and stock of a new company which was to be incorporated. On June 28, 1881, the mortgage of \$6,000,000 was foreclosed and John L. Barbour was appointed referee with power to sell. Under this authority, by deed, dated October 21, 1881, he conveyed all the property to William W. Durant and William Sutphen, trustees under the reorganization agreement. They appointed Thomas C. Durant as agent, and he operated it under this agency until November 24, 1882, when Durant and Sutphen deeded it to The Adirondack Railway Company, incorporated on July 7, 1882, by filing articles of association with the secretary of state. This company, of which Thomas C. Durant was the first president, had power to issue share capital to the amount of \$4,000,000 and proposed to construct a railroad one hundred and eighty-five miles long from Saratoga Springs to Ogdensburg on the St. Lawrence river, utilizing as part of this road the completed line between Saratoga Springs and North Creek. The persistence of the idea that a railroad through the wilderness would prove profitable is explained by the general belief in the immense value of the timber and mineral products of the Adirondack region. The estimated of the profits which would accrue to any railroad that could transport these products ran into millions.

In September, 1885, an editorial in the *Boston Journal* enlarged upon another ground for confidence that the ownership of this railroad would prove valuable and advised Boston capitalists to obtain control of it and to complete its construction to the St. Lawrence river. The editorial urged that this would give Boston and New England an outlet across the northeastern part of New York to a connection with the Grand Trunk railway and the steamship lines on the Great Lakes. In detail, the argument was that the Boston, Hoosac Tunnel and Western railway, which had been constructed to connections with the Delaware and Hudson at Mechanicville and

the New York Central at Rotterdam Junction, was entirely dependent on other companies for its western connections and that if Boston capitalists should obtain control of the Adirondack line a connection could be made at Saratoga Springs with the Hoosac Tunnell line and thus placing that line in an absolutely independent position so far as western traffic was concerned. Nothing came of this suggestion, however, and in 1889 the Delaware and Hudson purchased a majority of the stock of The Adirondack Railway Company, on June 11 of that year assuming control of its railroad, but not at once taking over its operation. The road was actually operated by its own organization until November 5, 1902. The property which the Delaware and Hudson acquired by this stock purchase did not include the wild lands owned by the Adirondack Railway Company, which were sold to Francis W. Osborne and Robert W. Cromley and transferred by deeds dated, respectively, October 6, 1887, and June 1, 1889. By certificate of the Board of Railroad Commissioners, filed on May 5, 1902, the company was relieved of obligation to extend the road beyond North Creek. On November 5, 1902, The Adirondack Railway Company was merged with The Delaware and Hudson Company, by certificate of merger filed with the secretary of state of New York, and it then disappeared as a separate railroad and the corporation passed out of existence.