

Green Mountain saga

The Rutland Railroad was a colorful carrier for 119 years • By Jim Shaughnessy

The Rutland Railroad, like most others in New England whose roots dated to the 1850s, was comprised of companies chartered, built, bankrupted, reorganized, and merged before a functioning system resulted. The goal of most, driven by the railroad fever in the Civil War era, was to connect the Atlantic Ocean with the Great Lakes.

Timothy Follett, a Burlington, Vt., businessman and steamboat operator, received a Vermont charter for the Champlain & Connecticut Rail Road on November 1, 1843, to run from Bellows Falls on the Connecticut River north to Burlington, Vermont's largest city, on Lake Champlain. About the same time Charles Paine, a former Vermont governor from Northfield, secured a charter for the Vermont Central between White River Junction and Burlington. These two strong men and their railroads would be bitter business enemies for 50 years.

C&C reorganized as the Rutland & Burlington in 1847 and ran its first through train on Christmas Eve 1849. Connections to Boston from Bellows Falls were no problem, but relations with Paine's VC at Burlington were. Meantime banker John Smith, an associate of Paine, built the Vermont & Canada from St. Albans to the VC at Essex Junction, 7 miles from Burlington. R&B was blocked from expanding north by Lake Champlain, so it acquired the steamboat *Boston* and several barges to move, seasonally, freight from Burlington to friendly connections at Rouses Point, N.Y.

In 1867, R&B defaulted and was reorganized as the Rutland Railroad, led by local businessman John B. Page. He got capital, refurbished the property, and in spring '68 leased the 258-foot steamboat *Oakes Ames* from Champlain Transportation Co. and moved 1,100 cars a month across the lake to Plattsburgh, N.Y.

Page also looked west and built the 15-mile Addison branch west from Leicester Junction in 1871. He leased the isolated Ticonderoga-Port Henry, N.Y., section of the Whitehall & Plattsburgh and built a floating bridge from Larra-bees Point to the W&P at Ticonderoga.

Both the VC and the Vermont & Canada in St. Albans, now led by J. Gregory Smith, John's son, watched Page with



In *the iconic modern Rutland image, RS3 207, southbound with four of the 50 new 1954 PS-1 boxcars up front, poses on the Cuttingsville trestle over Mill River near East Wallingford, Vt.*

Jim Shaughnessy

concern. If he made his end run around them, they would lose traffic, so Smith offered to lease the Rutland for 20 years for an astonishing \$7,144,000, effective December 30, 1870.

Page was jubilant — this was guaranteed income and more than the railroad could make on its own. This gave VC access south to the New London Northern and a water route from New London, Conn., across Long Island Sound to New York City. Now VC had more than 12 railroads totaling 900 miles, plus two steamship lines, making it New England's largest railroad. Despite this, VC in 1873 was reorganized as the Central Vermont [Winter 2004 CLASSIC TRAINS].

Independence and expansion

CV's lease of the Rutland ended in 1890, but CV had to renew to block intrusion by others, notably the Delaware & Hudson, which seemed interested in expanding into northern New England. CV grudgingly agreed to a 99-year term at a lower annual rate of \$345,000, but the Rutland demanded to be paid in gold! The financial panic of 1894 helped force CV into receivership, and President

E. C. Smith, son of J. Gregory, terminated the lease in 1896.

D&H had been acquiring Rutland stock since 1887, and upon CV's exit had to subsidize it for two years. D&H's expansion interest had cooled, and Rutland banker Percival W. Clement acquired D&H's stock at a fire-sale price in October 1898. Rutland was again on its own.

With new resources, the 40-year dream of going north from Burlington was resurrected. The Rutland & Canada was chartered in 1898 and avoided the Central Vermont by striking north into Lake Champlain with a 3-mile causeway (one of two) on a 40-mile island-hopping line to Rouses Point. Rutland absorbed the R&C upon its completion in 1899.

Rouses Point offered connections with the two Canadian systems and the 118-mile Ogdensburg & Lake Champlain across northern New York. Rutland, in its strongest financial position yet, purchased O&LC in 1901, and in '02 extended its own south end by acquiring the Bennington & Rutland. All this formed a 280-mile L-shaped road that would be Rutland's heart for the next half century.

O&LC ancestor Northern Railroad

built from Ogdensburg — on the St. Lawrence River at the east end of Great Lakes navigation, and considered the west end of a Boston–Great Lakes land route — to Rouses Point in 1850.

The Northern was a pioneer on two fronts. It employed the first U.S. floating rail bridge, out of Rouses Point in 1852 using a 301-foot barge as the moveable section in a 5,290-foot trestle bridge, a joint venture with Vermont & Canada. It also ran likely the first refrigerator car, rebuilt with an inner wall and sawdust insulation, which in 1851 carried 8 tons of butter to Boston, crossing Champlain on the *Oakes Ames*. The Northern became the Ogdensburg Railroad in 1858 and O&LC in 1864. Its Northern Transportation ran six steamers up the lakes to Chicago. O&LC was part of the VC lease but resumed independence on CV's collapse; Rutland absorbed O&LC in 1901.

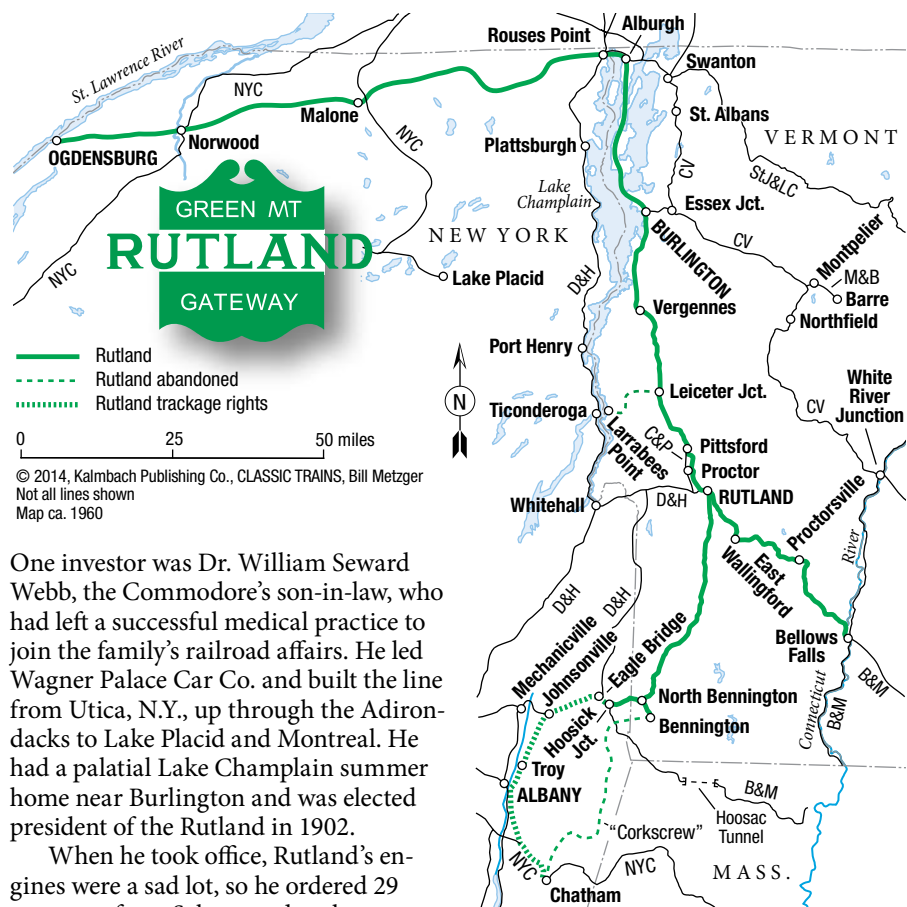
Meanwhile down south, the 57-mile Western Vermont opened in May 1852 from Rutland to North Bennington and west 2 miles to White Creek on the New York border to meet the Troy & Boston. In 1857, WV became the Bennington & Rutland and was leased by T&B, forming a roundabout Hudson River–Boston route via Rutland and Bellows Falls. When Hoosac Tunnel opened in 1875, this long route saw little through traffic except for high-wide loads and later, piggyback, until Hoosac was enlarged.

Boston & Maine ancestor T&B terminated its B&R lease, but an unlikely turn of events saw B&R leased in 1870 by historic adversaries John B. Page and J. Gregory Smith, making B&R part of the 900-mile Central Vermont.

B&R then looked south for a connection, finding one 57 miles away at Chatham, N.Y., north end of Vanderbilt's New York & Harlem. To connect Chatham, B&R's principal owner, Bennington businessman T. W. Park, filled the gap north to Bennington in 1869 with the Chatham & Lebanon Valley. Rutland leased it in 1899, then bought B&R in 1900 and C&LV in 1901. This southern reach of the Rutland would be known as "The Corkscrew Division" [Summer 2012 CT] for its curves south of Bennington to reach New York's Hoosick valley.

Central alignment

Rutland entered the 20th century in good enough shape, and enjoying sufficient traffic, for Vanderbilt's New York Central & Hudson River to show interest.



One investor was Dr. William Seward Webb, the Commodore's son-in-law, who had left a successful medical practice to join the family's railroad affairs. He led Wagner Palace Car Co. and built the line from Utica, N.Y., up through the Adirondacks to Lake Placid and Montreal. He had a palatial Lake Champlain summer home near Burlington and was elected president of the Rutland in 1902.

When he took office, Rutland's engines were a sad lot, so he ordered 29 new ones from Schenectady, whose tenders came lettered NEW YORK CENTRAL LINES, as would all equipment for a while. By 1904, NYC interests owned a majority of Rutland stock, and under management of Webb and successors, Rutland enjoyed perhaps its best years.

One hallmark was its milk train. Established in 1909 when the business grew to rate a dedicated train, it left Ogdensburg in early morning and picked up cars at creameries all the way to Rutland, often with two engines and up to 40 cars. Some were set out for Boston, but most went south to Chatham for the NYC to deliver in New York City next morning. Rutland's milk revenues exceeded \$1 million annually during 1923–26.

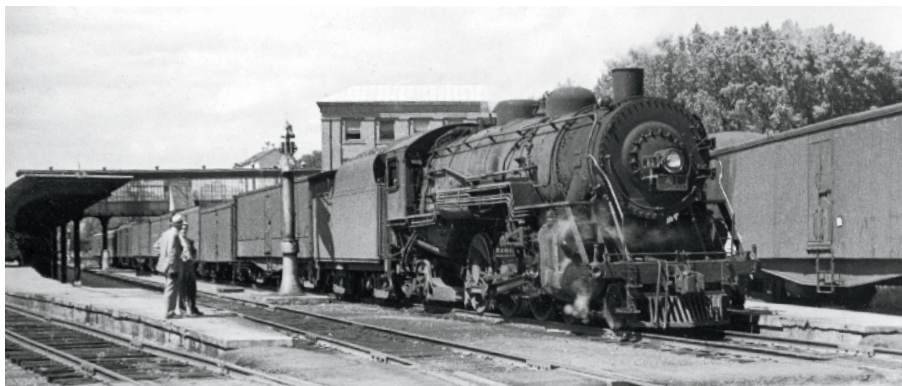
The New Haven became nervous about NYC's New England involvement with its 1899 Boston & Albany lease. The Central, meanwhile, seemed concerned about NH's New York, Ontario & Western holdings, although time would prove this of no matter. A controversial 50-50 stock swap in February 1911 diminished NYC's Rutland interest. More bad news came with the July 1915 Panama Canal Act, which forbade a railroad from owning or controlling a competing interstate water carrier. Rutland Transit Co. — for-

merly Northern Transportation, originated by O&LC — had to go, and with it went most Ogdensburg line traffic.

Then during World War I the United States Railroad Administration (USRA) took over, but for all the negatives concerning its seizure of all roads in 1918, USRA to its credit moved an extraordinary amount of tonnage over all lines. Railroads were returned to their owners in March 1920, with "almost as many battle scars as the U.S. forces in Europe." Rutland did get six new USRA 2-8-2s, Nos. 32–37, and 0-8-0s 109 and 110, all from Alco Pittsburgh, but the switchers worked for NYC in Buffalo during the war and only reached Vermont later.

A roller-coaster decade

On November 3, 1927, after raining off and on in Vermont for several weeks, it began to rain heavily and didn't stop for three days. When this biblical deluge ended, devastation was everywhere, with most communities isolated or heavily damaged. More than 100 of the state's covered bridges were swept away. The Rutland was overwhelmed, with 365 washouts and 17 miles of track gone or buried in landslides, and 263 miles of its



Milk train 88, with 4-6-2 No. 81 up front, pauses at the Burlington station in June 1948 on its 225-mile Ogdensburg–Rutland trek. Its cars were destined for both Boston and New York City.



Rutland steam has only a year left, and passenger service only two, as Ten-Wheeler No. 77 arrives in Rutland with the Boston section of the *Green Mountain Flyer* on September 14, 1951.

Two photos, Jim Shaughnessy

413 out of service. The three-span Win-ooski River bridge near Burlington collapsed; one-third of the Bellows Falls roundhouse floor fell into the Connecticut River; and milk train 88 was scattered on washed out tracks in Proctor.

For 17 days, 1,300 men in 22 work-train crews, plus two 100-man section gangs sent by NYC, labored to put the Rutland back together. The repair cost estimate of \$750,000, even in 1927 dollars, seemed low. Finally on November 20, a manifest train pulled out of Rutland with accumulated mail and express.

Despite all this — the Panama Canal Act effect, the war, inroads of private autos and trucks, the post-USRA rebuilding, and the 1927 flood — the railroad remained solvent into the mid-'30s. The Depression took its toll, though, and by 1937 bond payments ceased. Rutland went into receivership on May 5, 1938.

Management ranks were cut by 40 percent and employee wages by 15 percent. The city of Rutland was hit hard, as more than 800 residents worked for the railroad. After hearings that netted no progress, the judge told the bondholders

to assume control on August 4, which meant certain abandonment as they'd previously promised.

Traffic improved, though, as world tensions increased during events leading to World War II, and the operating unions felt they should be recouping their sacrificed 15 percent pay cut. They threatened a strike, the first in Rutland's 100-year history. With the outbreak of war, though, President Roosevelt voided the embargo notices announcing the proposed shutdown.

Coming: the Caverly years

A "Save the Rutland" booster club was formed, and a dedicated freight, *The Whippet*, was begun between Bellows Falls and Norwood, N.Y., to move Rutland's profitable overhead traffic to the NYC. The mechanical department gave 1913 Alco 2-8-0 No. 28 a coat of shiny black paint, installed silver-trimmed skirting, and lettered THE WHIPPET on her smokebox and tender. After 12 years of procrastination by the ICC and the courts, the Rutland Railway was created on November 1, 1950. Everyone con-

cerned, from Ogdensburg to Chatham, felt the road had been saved.

At the 1954 annual stockholder meeting, director and vice president of finance Gardner A. Caverly, a Vermonter and member of the Boston stock exchange, was named Rutland president. He'd worked as reorganization manager and had been optimistic about the road, spearheading Rutland's order of four 4-8-2s from Alco in 1946, the road's first new engines in 27 years. The beloved L-1 class arrived painted green with a gray smokebox and yellow trim.

They would have short lives, though, as Rutland committed to diesels in 1951. In that year, Rutland received one GE 70-tonner and six Alco RS1s, plus the first of nine RS3s that would end steam; all were painted green, of course. The 4-8-2s helped on the diesels' down payment. When the last four RS3s arrived in 1952, only 10 steam locomotives remained, 5 stored and 5 in service.

The year 1953 was pivotal. The 57-mile Corkscrew was abandoned in favor of rights on B&M and NYC via Troy, N.Y., to Chatham, yielding scrap income from 8,500 tons of rail and steel from bridges to pay for the diesels plus 547 new box, gondola, and hopper cars. Early in the year, Rutland held a public contest to design a new emblem. James Wolfe of North Bennington won the \$25 top prize for his "Green Mt. Gateway" scroll, which was applied to the diesels, plus in 1954, to 50 green-and-yellow PS-1 boxcars. The cars helped Rutland publicize itself and saved it money over hiring off-line cars for on-line traffic.

Caverly also would scrap the Addison branch, remove 15 miles of unused sidings, and cut up 180 old freight cars. His austerity efforts resulted in paying a \$1.25 dividend on preferred stock in 1957, unheard of for years. The non-operating unions now felt they should be earning regular pay scale, and when management said they could not afford it, a strike was called. The entire line was shut down June 26, 1953, the first stoppage in 105 years, but a 4-cents-per-hour pay increase was granted, ending the strike after 21 days. With the strike came the end of Rutland's passenger service, though.

Caverly left the railroad in 1957, and Rutland businessman William I. Ginsburg was elected president. Costs were still rising, so he proposed cutting three operating districts to two, with Burling-



Rutland's L-1 4-8-2s, Nos. 90–93, were pretty but short-lived, built in 1946 but cut up in 1955 to pay for new diesels. In August '52, No. 93 rolls through Proctorsville on one of her last trips.

Stanwood K. Bolton Jr.

ton being the crew-change point. Also, he would run trains only when sufficient cars justified it. This would eliminate crews and require most workers, who lived in Rutland, to drive 60 miles to work. The unions hit the roof; they were not going to set a precedent that could haunt rail labor elsewhere. A strike was called and began September 15, 1960; a Federal injunction ended it 21 days later, and added a one-year cooling-off period.

The situation remained deadlocked. An endless string of meetings, negotiations, and proposals for adjacent roads to take over various parts of the Rutland were held, but Ginsburg applied to the ICC December 4 to abandon the entire 331-mile railroad. After hearings all through Rutland territory, the ICC, in one 57-page document, on September 18, 1962, approved total abandonment, and 119 years of tough railroading ended.

Epilogue

The Rutland was dead, but much of it lived on. In August 1963, Vermont's legislature appropriated \$2.7 million to buy a majority of the track and right of way, and began looking for an operator to lease those portions. This was, at the time, a precedent-setting move which, in the decades since, has been adopted by other states. The line north of Burlington, with no traffic sources, was not included, nor was New York state trackage other than North Bennington–Hoosic Junction at the south end.

A private corporation, Vermont Railway (VTR), was formed by Jay Wulfson, a New Jersey shortline railroader, and began 125-mile Burlington–Bennington operations on January 6, 1964. Rutland–Bellows Falls became the Green Mountain Railroad, acquired by VTR in 1997.

The old O&LC's west end, from Norwood to Ogdensburg, N.Y., was immediately acquired by the Ogdensburg Bridge and Port Authority, which contracted VTR to run it; today it is the New York & Ogdensburg.

VTR now is the Vermont Rail System, operating 350 total miles including marble-hauler Clarendon & Pittsford, acquired in 1972; a line of the Delaware & Hudson to Whitehall, N.Y., in 1983; and the non-Rutland-related Washington County Railroad, the old Montpelier & Barre plus the former Boston & Maine-Canadian Pacific line from White River Junction north to Newport, Vt. Attesting to its success, Vermont Rail System is celebrating its 50th anniversary in 2014. William I. Ginsburg, alas, in 1963 said he was never going to be involved in the railroad business again. ■

Rutland fact file



(comparative figures are for 1929 and 1961)

Route-miles: 413; 391

Locomotives: 85; 15

Freight cars: 1,778; 465

Passenger cars: 138; 0

Headquarters city: Rutland, Vt.

Special interest group: Rutland Railroad Historical Society, Box 6262, Rutland, VT 05701; www.rutlandrr.org

Recommended reading: *The Rutland Road*, by Jim Shaughnessy (Howell-North, 1964; Second Edition, Syracuse University Press, 1997); *Rutland in Color*, by Philip R. Jordan (Morning Sun Books, 2003)

Source: *Historical Guide to North American Railroads* (Kalmbach, 2000)