

**SENATE, NO. 59; REPORT ON THE
HOOSAC TUNNEL AND TROY
AND GREENFIELD RAILROAD, BY
THE JOINT STANDING
COMMITTEE OF 1866**

Published @ 2017 Trieste Publishing Pty Ltd

ISBN 9780649024674

Senate, No. 59; Report on the Hoosac Tunnel and Troy and Greenfield Railroad, by the Joint Standing Committee of 1866 by Various

Except for use in any review, the reproduction or utilisation of this work in whole or in part in any form by any electronic, mechanical or other means, now known or hereafter invented, including xerography, photocopying and recording, or in any information storage or retrieval system, is forbidden without the permission of the publisher, Trieste Publishing Pty Ltd, PO Box 1576 Collingwood, Victoria 3066 Australia.

All rights reserved.

Edited by Trieste Publishing Pty Ltd.
Cover @ 2017

This book is sold subject to the condition that it shall not, by way of trade or otherwise, be lent, re-sold, hired out, or otherwise circulated without the publisher's prior consent in any form or binding or cover other than that in which it is published and without a similar condition including this condition being imposed on the subsequent purchaser.

www.triestepublishing.com

VARIOUS

**SENATE, NO. 59; REPORT ON THE
HOOSAC TUNNEL AND TROY
AND GREENFIELD RAILROAD, BY
THE JOINT STANDING
COMMITTEE OF 1866**

SENATE.....

.....No. 59.

REPORT

ON THE

HOOSAC TUNNEL AND TROY AND
GREENFIELD RAILROAD,

BY THE

JOINT STANDING COMMITTEE

OF

1866.

BOSTON:

WRIGHT & POTTER, STATE PRINTERS,

No. 4 SPRING LANE.

1867.

Eng 778.67
✓

HARVARD COLLEGE LIBRARY
GIFT OF
CHARLES M. TAYLOR
April 23, 1924

Commonwealth of Massachusetts.

Hon. JOSEPH A. POND, *President of the Senate.*

SIR:—I herewith transmit to the legislature the Report of the Joint Standing Committee of 1866 on the Hoosac Tunnel and Troy and Greenfield Railroad.

I am very respectfully
Your obedient servant,

TAPPAN WENTWORTH, *Chairman.*

R E P O R T .

The Joint Standing Committee of 1866 on the Hoosac Tunnel and the Troy and Greenfield Railroad, authorized to visit the tunnel and railroad, examine into the condition and progress of the work, and to report fully the result of such examination respectfully

R E P O R T :

That since the adjournment of the legislature the Committee in a body visited the tunnel and railroad in June, and again in October, and they continued their examination of the condition and progress of the work by sub-committees in the months of July, August, September, November and December; (one of the examinations being exclusively devoted to the operations on the railroad which were commenced late in October;) the others to the tunnel and the various structures and mechanical operations connected therewith, including an examination of the existing contracts, and an inquiry into the general organization adopted to carry out the laws and purposes of the State in regard to the enterprise.

The Committee have also examined the records and the doings of the directors of the Troy and Greenfield Railroad from the organization of the corporation until the surrender of the railroad to the State, and have made extracts from the records to show the financial condition of the corporation, its dealings with the contractors for constructing the road and tunnel, and also the embarrassed condition of the contractors and corporation from 1855 to 1861, which finally led to the practical abandonment of the contract on the part of Messrs. H. Haupt & Company, and the surrender of the road to the State under the mortgages which had been given to secure the loan advanced by the Commonwealth in aid of the road and

tunnel. These extracts from the records, with extracts from some of the laws passed upon the subject of the railroad and tunnel, together with remarks of the Committee upon the legislation of the State, the doings of the directors, and their efforts and those of the contractors to prosecute the enterprise being too long for the body of this Report, will be found in the Appendix at A. And a synopsis of the action and condition of the corporation at the time of, and previous to the surrender of the road, and the relation of the contractors to the corporation and to the State, will be stated before entering upon the particular description of the condition and progress of the work the present year, as observed by the Committee.

The charter of the Troy and Greenfield Railroad was granted in 1848, authorizing the construction of a railroad from a "point on the Vermont and Massachusetts Railroad, at or near Greenfield," to the line of the States of New York or Vermont, to connect with any railroad that might be constructed from or near the city of Troy in New York. Its capital stock was limited to \$3,500,000. Authority was given in the charter to contract with any contiguous railroad leading from either of the above-named States, for the use of the same or any part thereof, or for operating the two roads conjointly, or for hiring such other railroad, or for letting their own railroad to the owners of any other road which should compose a part of the railroad line between Troy and Boston, of which the Troy and Greenfield Railroad should be a part.

The corporation was organized June 1, 1848. April 11, 1849, the directors voted an assessment of three per cent. upon its capital stock, and this assessment was the only one that was substantially collected, and on the first day of October, in the same year, they voted to put the construction of the road under contract as soon as sufficient subscription should be obtained therefor, commencing at Pownal, Vermont, and Greenfield. In January, 1850, \$2,203.94 had been received into the treasury, and \$2,203.57 had been expended with the approbation of the president of the corporation, leaving in the treasurer's hand \$0.37.

Sundry assessments was voted from time to time, the last vote being in May, 1852, amounting in all to 75 per cent. upon the subscriptions, but they were rescinded in July, 1858, and a

new series of assessments were afterwards made which the Committee understand were as unproductive of beneficial results as were the former, upon which only partial payments had been made by a portion of the subscribers.

A contract for constructing the road was made with Messrs. Gilman and Carpenter in October, 1850. At the close of the year 1850, stock to the amount of \$250,800 had been subscribed, of which \$72,000 was payable in land damages, and \$50,000 was taken by the contractors.

At this period in the history of the corporation, with \$188,800 of available cash subscription, of which three per cent. had been paid, the corporation applied to the State for aid by a loan to enable it to prosecute the enterprise it had assumed, and this application was continued without success until 1854, when the legislature passed the Act authorizing a loan of \$2,000,000, upon conditions which are particularly set forth in the Loan Act, (see Appendix A and B,) which, modified by subsequent legislation, discloses the policy of the State in granting its assistance to the undertaking.

It is proper to state, that at the time this loan was granted, there was no prospect of opening this line of travel by individual efforts, and the amount of the loan, taking into consideration the then assumed estimates of its probable cost, shows that the State assumed to defray the cost of an enterprise to the completion of which available individual means had proved inadequate.

In 1855, a contract for the construction of the road and tunnel was made with E. W. Serrell. The capital stock of the corporation was fixed at \$1,500,000. This contract was changed two or three times, and finally ended in one executed by H. Haupt and Henry Cartwright. For an account of these changes, and of the votes and transactions of the directors and the contractors, reference is made to Appendix A, where the same will be found in detail.

Upon a careful examination of these votes and transactions, the Committee come to the conclusion that the financial embarrassments of the corporation from the year 1855, when the first contract with E. W. Serrell was made to the time of the suspension of the works under the last contract with H. Haupt & Co., are apparent. And it is also apparent that during the

same time, the contractors assumed, to a very great extent, the control and responsibility of the enterprise.

Under the first contract, and on the day of its acceptance, the direction of the engineering operations within the tunnel was left with the contractor, excepting measuring for estimates and the final acceptance of the work; and on his subscribing \$300,000 to the capital stock, \$300,000 (less the new subscriptions,) was added to the contract prices for the work.

Under the second contract with Serrell, Haupt & Co., the directors voted to substitute bonds for stock in payment of the work until 2,000 feet of the tunnel was completed, and to pay the discounts and losses to which the contractors might be required to submit, not exceeding fifteen per cent. per annum; and also, to issue to the contractors bonds to the amount of \$100,000 in addition to payments. Said bonds were to be sold or pledged by Haupt & Co., to enable them to raise means to carry on their operations under the contract.

On the dissolution of the firm of Serrell, Haupt & Co., in July 1856, Serrell resigned his office as director and was chosen consulting engineer. At the same time, W. A. Galbraith, one of the contractors in the following contract, was chosen a director. Thereupon a new contract was made with H. Haupt, W. A. Galbraith, C. B. Duncan and Henry Cartwright. Under this contract the estimates were to be made by the company's engineer. In July, 1857, the records show that no payments had been made the contractors for more than a year, and that the work could be carried on only by the continued efforts and personal credit of the contractors.

In February, 1858, the contract was again changed, and Messrs. Haupt and Cartwright engaged with the corporation to complete the road and tunnel. At this time, the records show that no payments had been made under the previous contracts "for more than two years; that the work could only be carried on by the continued efforts, increased expenditures, and personal credit of the contractors."

By a provision of this contract, any revenue arising from the use of the road, or any portion of it, was assigned to the contractors until their claims upon the company were adjusted; and the payment of all the company's debts was to be deferred until that of the contractors was satisfied; and Haupt & Co.