

Michigan Southern and Northern Indiana Railroad.

The Michigan Southern and Northern Indiana Railroad extends from Toledo and Monroe, upon Lake Erie to Chicago at the head of Lake Michigan. It passes into or through the four States of Ohio, Michigan, Indiana and Illinois, from which States charters for the respective portions of the line have been from time to time obtained.

The portion of the road first built was that extending from Toledo to Adrian, 33 miles, which was constructed under the charter of the Erie and Kalamazoo Railroad, which was granted by the Legislature of Michigan, in April, 1833, with a capital of \$1,000,000, in fifty dollar shares, to extend from Port Lawrence, near Toledo, by way of Adrian, and thence on the most practicable route, to such point on the Kalamazoo river as they should deem most eligible. By a subsequent amendment, they were allowed to terminate the work at Adrian, and there to connect with the Michigan Southern road. The latter work was chartered in May, 1846, by an act providing for the sale of the line which had been constructed from Monroe to Hillsdale by the State, and the organization of the present company. By this act, the road and its equipment were to be sold for the sum of \$500,000, of which \$10,000 were to be paid within thirty days, and \$40,000 additional within three months, after which the company were to be put in possession of the work, on giving a bond of \$100,000 for the fulfilment of their contract. The remaining \$450,000 were to be discharged in eighteen equal semi-annual payments, with six per cent. interest; or failing to do this the company were dissolved, and the property reverted to the State. The payment of this sum might be made in cash, or State bonds at certain rates. The route of the new line was to proceed "from some suitable point, at or near the mouth of the ship canal in the city of Monroe, through the villages or towns of Petersburg, Adrian, Hillsdale, and thence to Coldwater, by way of Jonesville, if deemed the most practicable route; and thence to Lake Michigan, on the line heretofore established as the line of the Southern Railroad." A branch line was also authorized to be built, passing through Tecumseh and Clinton, to the village of Manchester in the county of Washtenaw. No other east and west roads were afterwards to be chartered, any portion of which should run within five miles of their line, or commence within twenty miles of Monroe, and proceed to Lake Michigan, within an average distance of twenty miles from their line. The road was required to be completed from Hillsdale to Coldwater within four years; from that place to a point on the St. Joseph's river in eight; and to the village of Niles within twelve years from date of charter. Three years were allowed for the construction of the Tecumseh Branch (this period was subsequently extended three years.) The rates of toll and transportation were not to exceed those established by the State for the Southern road, on the first of January previous. United States and State troops and munitions of war, when required, to take precedence of all other passengers. The company might own steamboats or other vessels, not exceeding six in number. The corporate stock was to consist of \$2,000,000, with the right of increasing the same to \$3,000,000, in shares of

\$100 each; but operations might be commenced on a subscription of \$500,000. The Directory was to consist of nine shareholders. The company were to pay an annual tax on their paid-in capital of one-half per cent. till 1851, and after that date, three-fourths per cent., for which they were to be exempted from all other taxes and charges whatever. The State taxes were to take precedence of all other demands. Citizens of the State were to have a lien to the amount of \$100 for demands contracted within its limits. The State might purchase the road and all its property, at any time after the first of January, 1867; by paying therefor the market value of the stock and ten per cent. additional,—the value to be fixed by the average price for the previous twelve months; but not to be less than the amount of capital actually paid in. The provisions of this charter were made liable to be altered or repealed, by a vote of two-thirds of each branch of the Legislature.

A series of amendments was passed in 1849 and 1850, authorizing the company to re-lay their road with a pattern of rail not less than 56 lbs. per yard, and extending the time of completing it, empowering them to issue bonds to any amount not exceeding the capital stock, and to create a guaranteed or 'construction' stock. By the 9th section, the company are to be compensated for all loss or damage resulting from a repeal of any section of the charter by the Legislature.

The Northern Indiana company was chartered by the State of Indiana, in February, 1835, with a capital stock of \$500,000, in shares of \$100 each, under the name of the "Buffalo and Mississippi Railroad company," to build a railroad from the eastern line of the State, in the direction of Maumee Bay, to the western line in the direction of the Rapids of the Illinois river. Rates of toll were left optional, the Legislature reserving the right to regulate the same, so as not to reduce the annual dividends below fifteen per cent. The counties through which the road passed were authorized to subscribe to its stock. The work was required to be commenced in five, and finished within twelve years. The right of borrowing money to the extent of \$200,000, was granted. The charter was limited to 75 years' duration; and the State reserved the right to purchase the road and fixtures, after 75 years, by paying cost and expenses, with 18 per cent. annual interest from its commencement.

By subsequent enactments, passed 1837—1853, the name of the company was changed to "The Northern Indiana Railroad Company"; the right to borrow money to any amount necessary to complete the road was conferred; the time allowed for finishing the road extended ten years; the route changed, proceeding by way of Michigan city towards Chicago; the corporation empowered to enter into running contracts, or to consolidate with other companies; a branch authorized to be built from La Porte, Goshen, South Bend, or Michigan city to Lafayette; and their capital stock permitted to be increased to the extent of \$15,000 per mile beyond the original amount; in addition to other provisions contained in the General Railroad Law of the State, passed in 1852.

The charter granted by the Legislature of Il-

linois, in June, 1852, authorized the Northern Indiana company to construct a railroad from the city of Chicago, in a south-easterly direction, to a point on the Indiana State line, where it would connect with the western division of the Buffalo and Mississippi road. Other provisions are contained in the General Railroad Laws of Illinois passed 1849—1854.

Under these charters the roads were completed, and the entire line from Toledo and Monroe to Chicago brought into use.

The road is 242½ miles long from its terminus in Chicago to Toledo, or 246½ to Monroe. The route is one of the most favorable to be found even in the Western country, consisting of long tangents joined by curves of large radii. The country traversed by the line is beautiful and productive, being almost a continuous line of small prairies and oak openings, particularly in Indiana and Illinois. The maximum grade going West is 40 feet, and East 30 feet per mile. West of Hillsdale no grade ascending East exceeds 25 feet. Hardly any serious engineering obstacles, as high hills or large rivers, may be said to exist.

The estimated cost of reconstructing the old line and extending it to Chicago, with a rail of 60 lbs. per yard, and a moderate equipment, was \$5,000,000. This included the \$500,000 of purchase money to the State. The gross earnings were put at \$1,683,750.

The first 70 miles of the road west of Monroe, had been constructed by the State of Michigan at a cost of about \$1,800,000. The work, however, was done in a very imperfect manner, the road being laid with a flat bar rail. In 1846, it was offered for sale, and purchased by a number of persons, principally residents of the State. Finding the re-construction of the old line, which was then very much out of repair, and the extension of the road further westward, to be rather more than their means enabled them to accomplish, a large portion of the stock was offered for sale in the early part of 1849, and purchased principally in this city. The next step was to secure the Erie and Kalamazoo line which was done by leasing it at an annual rent amounting now to nine per cent. This secured to the company the harbor of Toledo, one of the best on Lake Erie. In August, a new Board of Directors of the Southern Michigan road, was chosen, of whom George Bliss was elected President; Edwin C. Litchfield, Treasurer; and John B. Jervis, Engineer.

In July, 1852, Mr. Bliss was succeeded as President by John B. Jervis who continued in office until April, 1855, when, upon the consolidation of all the lines, he was succeeded by John Wilkinson. Mr. Litchfield has continued as Treasurer of the Michigan Southern and of the Northern Indiana road until the present time, and now holds that office in the consolidated company.

In December, 1849, a contract was made for the construction of the new line as far as Coldwater, 22 miles, to be finished by the following August. Early in 1850, the work as far as Sturgis, was put under contract, and during the summer, the greater part of the line within the limits of Indiana. Later in the season the re-construction of the old line was begun, the work on which was finished in time for the opening of the road.