CHAPMAN CENTER FOR RURAL STUDIES KANSAS STATE UNIVERSITY

Slender Rails, Big Risk

The Kansas Central Railway, 1871-1935

by Jessica Wheeler
Directed by Dr. M. J. Morgan
Summer 2013

This study examines the role of the Kansas Central Railway in promoting small towns in northeast Kansas. Although ultimately failing in its charter, the KCR was critically important for tiny settlements. Research is based on legal sources, railway records, focused articles and books about narrow-gauge railroads.

With even the most strategic plans it is impossible to predict exact outcomes. In 1871, Leonard Smith, Chief Executive of the Kansas Central Railway, had a strategic plan. His plan included creating a crucial link in a continental narrow gauge railroad system spanning from Leavenworth, Kansas, to Denver, Colorado. However, turning his vision into reality was more difficult than anticipated.

The Dream

On June 1, 1871, the Kansas Central Railway was chartered. As shown in Figure One, the line planned to begin in Leavenworth, Kansas and extend to Denver, Colorado, running mainly parallel to the Kansas Pacific Railway which had begun construction eight years prior from Kansas City, Missouri to Denver, and had been completed in 1870.² Given this information, the reader may wonder why anyone would invest in building a road that was a near replica of another that was already paid for and profiting. The answer is that the Kansas Central was not just another road; it offered a unique advantage. This road was to be built entirely in narrow gauge, meaning the rails would be a distance of three feet apart rather than the standard four feet, 8.5 inches.³

¹ I. E. Quastler, Kansas Central Narrow Gauge: Slim Rails Across the Midlands (David City, Nebraska: South Platte Press, 1999), 9.

² "Kansas Pacific Railway," *UtahRails.net*, last updated Nov, 18, 2012, http://utahrails.net/up/kansas-pacific.php.

³ Quastler, Kansas Central Narrow Gauge: Slim Rails Across the Midlands, 9.

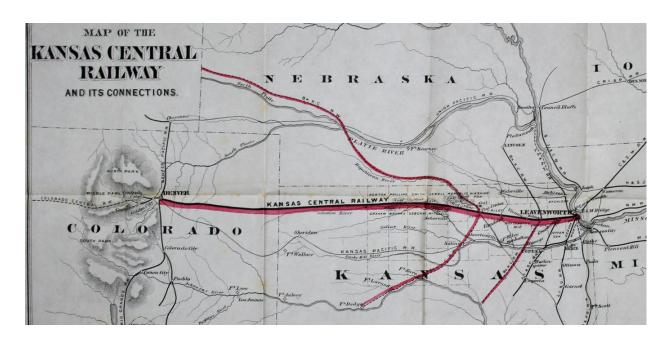


Figure 1. Highlighted in red you can see the proposed route and branch lines of the Kansas Central. The Kansas the Condition and Resources of the Kansas Central Railway from Leavenworth, Kansas, to Denver, Colorado, accessed June 8, 2013,

https://www.raremaps.com/gallery/detail/28441/Map_of_the_Kansas_Central_Railway_and_its_Connections_

According to *The Leavenworth Times*, the advantages of narrow gauge seemed almost endless. The newspaper claimed that due to lower construction and operation costs the Kansas Central could "be built for one half the cost of our present roads." In addition, it argued that the standard gauge roads in Kansas were perpetually running below capacity, resulting in higher costs. *The Times* claimed that the slim rails of the Kansas Central "would be capable of performing five times the work that any road is now doing in Kansas."

These arguments landed on optimistic ears. During the 1860s there were several cities along the Missouri River competing for regional dominance, but by 1869 Kansas City was in a firm lead due to its rail connections. The people of Leavenworth realized that if a continental narrow gauge took off, Leavenworth could surpass their competition and become the regional

⁴ "S. N. Wood and Narrow Gauge Railroads," *Leavenworth Times* (Leavenworth, KS), Aug. 10, 1871.

⁵ Ibid.

trade center.⁶ The same principle would have been true for the other communities along the Kansas Central Route which were competing with nearby towns on the Kansas Pacific Route.⁷

For the smallest towns, the narrow gauge was their only chance at any type of rail connection, as it would "enable poor and sparsely settled communities to gain railroad facilities, that with the broad gauge they could not hope for, at least not until population and wealth warranted the building." No matter the particular circumstances of each town on the line, the Kansas Central Railway was a glimmer of hope for each of them, offering them a chance at their wildest dreams.

Financing and Construction

The initial capital for the road was to be provided by the board of directors, each of whom would put up \$50,000 to \$100,000. Most of these men were prominent Leavenworth businessmen and politicians, among them were Leonard Smith, Lucien Scott, Paul Havens, Thomas Carney, and four others. However, it was evident that they would need local support to make their vision a reality.⁹

After the Kansas Central Railway was chartered in June, the company went to the Leavenworth County Commission seeking financial aid. The commissioners decided to hold a special election to determine if \$250,000 of stock previously invested in the Kansas Pacific Railway should be transferred to the Kansas Central Railway provided they complete the first 50 miles of track in one year's time and progressed 100 miles westward each year until reaching the

⁶ Quastler, Kansas Central Narrow Gauge, 7.

⁷ Golda M. Crawford, "Railroads of Kansas: A Study in Local Aid, 1859-1930," (doctoral thesis, Syracuse University, 1963) 27, 223.

⁸ "Narrow Gauges," *Leavenworth Times* (Leavenworth, KS), Aug. 3, 1871.

⁹ Harold Crimmins, "A History of the Kansas Central Railway, 1871-1935," *Graduate Division of the Kansas State Teachers College* 2, no. 4 (1954): 5-6,

https://esirc.emporia.edu/bitstream/handle/123456789/420/v.2no.4%281954%29.pdf?sequence=1.

Colorado border.¹⁰ This stock had originally been issued to Kansas Pacific in an attempt to lure their eastern terminus away from Kansas City, but instead it had merely been used to build a branch line to Lawrence.¹¹ This disappointment perhaps fueled the enthusiasm surrounding the Kansas Central.

Just four days before the election, *The Leavenworth Times* ran an article claiming that Smith had secured \$4 million in capital, enough to build 400 miles of track. This money would be available after the first 50 miles of privately-financed track were laid, at which point the road bed and stock could be mortgaged, possibly to mysterious investors in New York and Europe for enough to continue construction.¹² Even before this news it seemed likely that the county would vote in favor of aid, but now any other outcome seemed inevitable. On August 15, 1871, Leavenworth County voted overwhelmingly to grant the stock to the Kansas Central Railway.¹³

In the following months, Jackson County voted \$160,000 in bonds which would be donated back to the company in various increments upon reaching specific destinations: Holton (56 miles), Netawaka, which was supposed to be on a branch of the Kansas Central, and the western edge of the county. In Jefferson County, financial aid was sought from individual townships because county aid was highly unlikely due to existing connections with both the Atchison, Topeka & Santa Fe Railway and the Kansas Pacific. Is

Local aid was pivotal in determining the location of the line, sometimes at the expense of the most efficient route. As explained by *The Times*,

"Of course the Kansas Central Road will be governed in the location of the road to a great extent by the liberality of the people along the line, and the people or the section failing to secure the

¹⁰ Quastler, *Kansas Central Narrow Gauge*, 10, see also Crimmins, "A History of the Kansas Central Railway, 1871-1935," 6.

¹¹ Crimmins, "A History of the Kansas Central Railway, 1871-1935," 4.

¹² "The Money Raised," *Leavenworth Times* (Leavenworth, KS), Aug. 10, 1871.

¹³ Quastler, Kansas Central Narrow Gauge: Slim Rails Across the Midlands, 14.

¹⁴ Crimmins, "A History of the Kansas Central Railway, 1871-1935," 12.

¹⁵ Quastler, Kansas Central Narrow Gauge: Slim Rails Across the Midlands, 17.

location of the road where it will enhance the value of their property, will have to wait a long time before they can secure the advantages afforded by the Kansas Central Road."¹⁶

Jefferson and Grasshopper Townships, Jefferson County, recognized the advantages described by *The Times*, approving \$25,000 and \$40,000 bond issues, respectively.¹⁷

On October 10, construction began. By November, 600-700 men, mainly Swedes, Germans, and Irish, were employed to grade the road bed. The first part of the road directly west of Leavenworth had some of the deepest cuts, as seen in Figure Two. These cuts were made using a team of horses that pulled scrapers through the dirt and rock. The frozen earth frequently dulled and broke the tools. By December, enough road bed was graded to lay the first rails. December also brought the first sign of opposition to the road, when Pottawatomie County voted against \$325,000 in aid. 18

¹⁶ "Kansas Central Railway," *Leavenworth Times* (Leavenworth, KS), Aug. 10, 1871.

¹⁷ Quastler, Kansas Central Narrow Gauge: Slim Rails Across the Midlands, 17.

¹⁸ Ibid, 19-22.



Figure 2. This photo depicts "Big Cut" on Government Hill, Leavenworth County. The railroad on the right is the Kansas Central, to the left is the Atchison, Topeka, and Santa Fe. This photo was taken sometime after the Kansas Central had been converted to standard gauge. SOURCE: I. E. Quastler, *Kansas Central Narrow Gauge: Slim Rails Across the Midlands* (David City, Nebraska: South Platte Press, 1999), 20.

By February of 1872, the line had been surveyed to Holton and the first 10 miles were graded and bridged. April saw the first excursion train, which travelled a distance of seven miles to Hund. By May, 16 miles of track were down and construction workers numbered 1500. In July regular service began between Leavenworth and Grasshopper Falls (now Valley Falls) where passengers could connect to the AT&SF. In the same month, the Leavenworth County Commission granted the Kansas Central the stock from the Kansas Pacific even though they were five miles short of the 50-mile mark.¹⁹

¹⁹ Ibid, 22-27.

On August 23 the Kansas Central made it to Holton three days before the deadline to receive a \$60,000 donation in bonds. Jackson County ordered the delivery of 60 bonds for \$1000 each, for which they received 600 shares of railroad stock. This stock was then sold back to the company for one dollar, in effect acting as a donation. At this time the road was surveyed all the way to the Colorado border. Soon daily service began at a rate of four cents per mile, the lowest rate in Kansas. Up to this point private capital had been enough to finance the road which had cost \$700,000 so far, but now it was clear that the \$4 million Smith had "secured" was perhaps not as secure as *The Times* had lead its readers to believe.²⁰

Lack of funds caused construction to stop at Holton in the fall of 1872. It would not resume again until the spring of 1877. It quickly became evident that the line must extend westward if it were going to become profitable. Despite the economic depression, in the five years between forward progression there were numerous ploys to encourage local aid. One common report was of foreign investors ready to finance the line if only local governments would grant \$4000 in aid per mile. Fortunately, Kansans on the route had learned to be a bit weary of these reports in *The Leavenworth Times*, and no aid was granted based on these accounts.²¹

In 1876, the public became aware that the road had actually been constructed by the Washington Improvement Company, a corporation founded explicitly for this purpose and directed by the same men as those who served on the Kansas Central board. This came to light when the company filed an injunction against Kansas Pacific for not delivering the stock Leavenworth County had voted on back in 1871, claiming it was an illegal transfer as it was

²⁰ Ibid, 30-35, see also Crimmins, "A History of the Kansas Central Railway, 1871-1935," 14-15.

²¹ Quastler, Kansas Central Narrow Gauge: Slim Rails Across the Midlands, 38.

meant for the Kansas Central, not the Washington Improvement Company. This was the beginning of a lawsuit that would follow the railroad for quite some time.²²

In the same year, Vinton Stillings, a Leavenworth lawyer and close associate of Leonard Smith, proposed a bill to the Kansas legislator allowing counties, cities, and townships to purchase 30-year, seven percent first mortgage bonds. Interestingly, these were the exact bonds the Kansas Central had been unable to sell to "foreign investors." The final version of the law required approval by two-thirds of voters, allowed governments to issue 20-year bonds up to \$4000 per mile, and the railroad could mortgage the line for up to \$8000 per mile.²³

With the Stillings bill in place, Jefferson and Soldier townships, Jackson County, each gave \$18,000. This aid in addition to mortgaging the existing line allowed the company to build to the Vermillion River where Smith founded the town site of Onaga 25 miles west of Holton in Mill Creek Township, which offered \$13,000 in bonds. The railroad reached Onaga in December of 1877, and construction once again halted for another two years.²⁴

New Management

By this time, hopes of a continental narrow gauge were dashed. The company not only had failed to uphold their charter to progress 100 miles a year, but they also had never made a profit. Due to these facts, it couldn't have been much of a surprise when *The Times* first announced the Kansas Central's financial troubles on April 10, 1879, 10 days before it was to be sold at foreclosure. The mainline, which was appraised at \$268,422, was 74.44 miles long, covered 814 acres and had cost \$1 million to build and operate. The fate of the Kansas Central Railway was forever changed on April 14 when the company was bought at foreclosure and

²² Ibid, 40.

²³ Ibid, 37-38.

²⁴ Ibid, 40-45, see also Crawford, "Railroads of Kansas: A Study in Local Aid, 1859-1930," 227-254.

reorganized under the new name of Kansas Central Railroad for \$250,000 by Leonard Smith and C. K. Garrison, the man who owned the Missouri Pacific at the time. Locals couldn't have been more thrilled at Garrison's involvement, as they assumed the man had the capital and desire to extend the line in order to compete with the Kansas Pacific.²⁵

While this may originally have been Garrison's plan, it couldn't have been further from what actually happened. In reality Garrison extended the line only 14 miles to Blaine. In November 1879, Jay Gould, owner of the Kansas Pacific, began negotiations with Garrison that ended with Gould buying controlling interests in the Missouri Pacific. With these interests also came the Kansas Central, which he purchased for \$432,000. By the end of negotiations, Gould had expanded his empire to include the Kansas Pacific, Kansas Central, Central Branch, and St. Joseph & Denver railroads, all of which had originally been chartered to extend from the Missouri River to Denver. Now none of Gould's new purchases would ever achieve this end, as they would only compete with the Kansas Pacific. ²⁶

One good thing did come from this transfer. Before the company became part of Jay Gould's enterprises, they were still in the middle of a lawsuit over the \$250,000 in Kansas Pacific stock Leavenworth County had voted on back in 1871. KP was refusing to transfer the stock, the value of which had greatly increased since the time of the election, on the grounds that Kansas Central had not extended 100 miles each year as prescribed in the original terms of the election. When the two companies consolidated, the point became moot, and the case was dropped.²⁷

²⁵ Quastler, Kansas Central Narrow Gauge: Slim Rails Across the Midlands, 49.

²⁶ Ibid, 51-52

²⁷ Crimmins, "A History of the Kansas Central Railway, 1871-1935," 23.

In January 1880, the Kansas Central changed hands once again when the Union Pacific and Kansas Pacific were consolidated into the Union Pacific Railway. Although the Kansas Central was owned by UP, it continued to operate as a separate entity.²⁸ Now there was no reason to extend the line to Colorado; however, UP did extend it to Miltonvale via Clay Center, where it intersected another UP branch line. This construction was completed by April 1882, and it marked the end of expansion for the Kansas Central for a total of 166.35 miles of main line.²⁹

Under UP control, finances did not improve. Although earnings increased, so did expenses. In 1883, the yearly deficit was \$104,454.90. In 1884, it jumped to \$247,405.55. On December 31, 1894, a foreclosure suit was filed against Union Pacific. Perhaps the only surprise when the Kansa Central was once again foreclosed on in June, 1897, was that it had lasted so long at all. The line was purchased at public auction for \$200,000 and reorganized as the Leavenworth, Kansas & Western Railway Company. In the fiscal year of 1907-1908, the railroad finally turned a profit amounting to \$1,177.13.³⁰

In the same year, the Kansas Central re-consolidated with the Union Pacific, where it was renamed as the Leavenworth Western Branch. During this period most traffic along the line was sent via the closest UP branch to the mainline, greatly reducing business in Leavenworth. Finally, in 1935, 143.66 miles of track were abandoned. Only three miles west of Leavenworth were retained and added to the Leavenworth Branch, and 18.5 miles between Clay Center and Miltonvale were added to the Junction City Branch. In total, 24 towns were left without rail service.³¹

²⁸ Ibid, 25.

²⁹ Quastler, Kansas Central Narrow Gauge: Slim Rails Across the Midlands, 61.

³⁰ Crimmins, "A History of the Kansas Central Railway, 1871-1935," 31-32.

³¹ "Kansas Central Railway," *UtahRails.net*, last updated May 16, 2010. http://utahrails.net/up/kansas-central.php.

Gauge of Success

The Kansas Central Railroad never reached the Colorado border, and it was never part of a continental narrow gauge system. In this regard it failed. However, the Kansas Central did play an important role in the communities through which it traversed. In an era where towns were founded as quickly as they were abandoned, the Kansas Central lent stability to the towns it serviced by providing a connection to larger markets. Even after the dream of expansion was squelched, the line was in prime position to become a branch of the UP, a branch that continued to connect these towns to cities until 1935.³²

On a macro scale, the Kansas Central failed for the same reasons a continental narrow gauge system failed. It wasn't really half the cost of standard gauge to build and operate, the carrying capacity didn't allow for growth, 33 and most importantly, a network of federally subsidized standard gauge systems were already in place. 4 The Pacific Railway Acts of the 1860s granted railroad bonds and extensive land grants to certain railroads with plans to extend to the Pacific Ocean, including the Kansas Pacific. In Kansas, over four million acres were granted to the Kansas Pacific and the Union Pacific alone, and four million more acres to various other railroads. Many of these companies retained their property until the area became more developed and the value increased, allowing them to gain huge profits. In addition, they were granted the right-of-way essentially where ever they wanted it, and their routes were surveyed

³² Ibio

³³ Quastler, Kansas Central Narrow Gauge: Slim Rails Across the Midlands, 66.

³⁴ Douglas J. Puffert,"The Standardization of Track Gauge on North American Railways, 1830-1890," *Journal of Economic History* 60, No. 4 (Dec., 2000), 956, http://www.jstor.org/stable/2698082.

³⁵ George P. Sanger, *Statutes at Large, Treaties, and Proclamations of the United States Government*, Vol. 12 (Boston: Little, Brown and Company, 1863), 489-498.

³⁶ Homer E. Socolofsky and Huber Self, *Historical Atlas of Kansas* (2nd Edition), (Norman, Oklahoma: University of Oklahoma Press, 1988), 31.

over the easiest terrain. Furthermore, the acts stipulated that all federal land-grant railroads should be built in standard gauge.³⁷

All of these conditions greatly helped in the development of the west; however, they also made competition almost impossible. Not only did these companies begin with substantial capital, they also had the easiest routes. Compare, for a moment, the elevation map below to the map of the Kansas Pacific and Kansas Central. The KP followed almost exactly the Kansas River; this means that the constant elevation would have facilitated easier grades, and the river would have provided a water source for the steam engines. In contrast, the Kansas Central route was 32 percent curves, had 150 ascending grades with a total ascent of 3,334 feet, and 137 descending grades for a total of 2,723 feet. Only 20 percent of the main line was on level ground. In addition, the road had 181 wooden trestles and 16 wooden bridges.³⁸ It is possible the terrain might have been easier had the railroad not needed to rely so heavily on local aid.

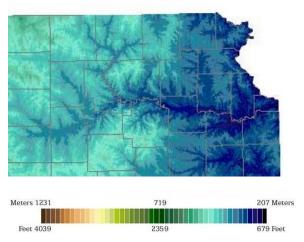




Figure 3. Note the dark blue line running horizontally across this map marks the Kansas River. SOURCE: "Color Elevation Map of Kansas," *Kansas Geological Survey*, last updated Feb. 9, 2005,

Figure 4. SOURCE: I. E. Quastler, *Kansas Central Narrow Gauge: Slim Rails Across the Midlands* (David City, Nebraska: South Platte Press, 1999), 48.

³⁷ Sanger, Statutes at Large, Treaties, and Proclamations of the United States Government, Vol. 12, 489-498.

³⁸ Quastler, Kansas Central Narrow Gauge: Slim Rails Across the Midlands, 61.

 $\frac{http://www.kgs.ku.edu/General/elevatMap.}{html.}$

After the Kansas Central accepted the reality that there was never going to be a continental narrow gauge, they also had to accept the reality of the exorbitant expense associated with transfering gauges. Farmers were forced to shuffle cattle and grain from one car to another upon reaching Leavenworth in order to reach bigger markets. In the earliest days of the railroad, this involved transfering the grain into wagons and taking it to the Missouri Pacific or Chicago, Rock Island & Pacific stations in Leavenworth. Not only was this inconvient, but it was also a time-consuming process, especially when differing train schedules are taken into account. In 1890, UP finally addressed this problem and began the conversion to standard gauge.³⁹

The Kansas Central may have been founded on the dream of being part of a continental narrow gauge with Leavenworth at its center, but too many unsurmountable obstacles prevented this from happening. The railway struggled with financing from the beginning. The geography was more difficult than what their main competitor, the Kansas Pacific, faced, and the KP held every advantage. They benefitted from federal subsidies, being established first, and having more connections. Despite not achieving national acclaim, the Kansas Central did provide an invaluable service to the small communities along its route by connecting them to larger markets, allowing for a stronger local economy and ultimately more stability. Even though the Kansas Central failed in terms of fulfilling their charter, I consider the services it provided to northeast Kansas a success.

-

³⁹ Ibid, 79.

Bibliography

- Crawford, Golda M. *Railroads of Kansas: A Study in Local Aid, 1859-1930.* Ann Arbor, Michigan: University Microfilms, 1963.
- Crimmins, Harold. "A History of the Kansas Central Railway, 1871-1935," *Graduate Division of the Kansas State Teachers College* 2, no. 4 (1954). https://esirc.emporia.edu/bitstream/handle/123456789/420/v.2no.4%281954%29.pdf?sequence=1.
- "Kansas Central Railway (1871-1879)." *UtahRails.net*. Last modified May 16, 2010. http://utahrails.net/up/kansas-central.php.
- "Kansas Pacific Railway." *UtahRails.net*. Last modified November 18, 2012. http://utahrails.net/up/kansas-pacific.php.
- Puffert, Douglas J. "The Standardization of Track Gauge of North American Railways, 1830-1890." *Journal of Economic History* 69, No. 4 (2000): 933-960. http://www.jstor.org/stable/2698082?origin=JSTOR-pdf.
- Quastler, I. E. *Kansas Central Narrow Gauge: Slim Rail Across the Midlands*. David City, Nebraska: South Platte Press, 1999.
- Sanger, George P. Statutes at Large, Treaties, and Proclamations of the United States Government, Vol. 12 (Boston: Little, Brown and Company, 1863), 489-498. http://memory.loc.gov/cgi-bin/ampage.
- Socolofsky, Homer E., and Huber Self. *Historical Atlas of Kansas* (2nd Edition). Norman, Oklahoma: University of Oklahoma Press, 1988.