

# Derailed: Tahawus rail line sale hits snag

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A section of the Tahawus rail line. Explorer file photo by Phil Brown

## Winning bidder overdue on paying initial deposit

By Tim Rowland

An apparent snag in financing has once again clouded the fate of the Saratoga & North Creek Railway, a bankruptcy court trustee said.

Carol McLean-Wright and her husband John Wright — operating as Doc N Dutchess Railway, a newly formed New Mexico-based LLC — [submitted the high bid for the line at a March auction](#), but the trustee, William Brandt Jr., said Wednesday that they failed to submit a timely deposit on the assets.

A variety of interests have been involved in a [tug of war over the line](#), which some believe can be restored as a useful piece of industrial infrastructure, but others feel should be converted into a recreational rail trail.

The railway filed for bankruptcy last year, and court administrators solicited a viable carrier to buy and run the rails.

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Now, Brandt said he is negotiating with the second-highest bidder, [a North Creek rail biking company](#), for sale of the line.

Brandt said there is still a chance that Doc N Duchess' bid could be executed, but that the opportunity was dwindling. "From my perspective, we're moving on, but there is a small window of time for Doc N Duchess to take advantage of, and secure, this opportunity — but only if they have real financing lined up," Brandt said in an email.

An email and phone call to Doc N Duchess were not immediately returned.

The Wrights bid \$3.3 million, well above the expected price for the 30-mile track, which has seen scant usage since a titanium mine, its primary customer, shut down in the 1980s.

Rob Harte, co-owner of Revolution Rail, said he could not discuss details of what he said was a fluid situation, but that his company "remains committed to running rail bikes on the line."

Brandt said there was no hard deadline for Doc N Duchess to submit the deposit, but if talks with Revolution Rail are productive "then events will overtake Doc N Duchess's ability to do anything."

A third bidder, the West Coast-based Sierra Railway, dropped out early in the bidding, and protested that it was the only legitimate freight hauler at the auction.

Revolution Rail had, however, said it was partnering with a short-line hauler which would run occasional loads of aggregate on the rails.

The Wrights have proposed a far-reaching plan that would run the gamut [from sifting through old mine tailings for rare-earth elements to astronomy-based rail excursions](#) that would take advantage of Newcomb's dark skies. In an earlier interview, Carol McLean-Wright indicated Doc N Duchess was seeking capital from outside investors.

Whether the latest development will increase the likelihood of an eventual rail trail on the line is unclear. The state Department of Environmental Conservation had petitioned the federal Surface Transportation Board to have the line declared abandoned, but the appearance of three potential haulers who said they could restore the tracks had diminished that likelihood, according to Town of Newcomb officials.

The Open Space Institute had offered \$1.5 million for the line with the idea of building a rail trail, which at the time was the best offer the court had. The nonprofit became ineligible because only legitimate carriers could buy the line, and OSI returned to the sidelines.