

Rockdale is at the intersections of U.S. Highway 79 and Farm roads 908 and 487, thirteen miles south of Cameron in southern Milam County. In 1873 George Green, B. F. Ackerman, and Frank Smith sold 400 acres of land to the International-Great Northern Railroad, which was laying track from Hearne to Austin. A sale of town lots was held on September 3, 1873, and the track was completed to Rockdale in early February 1874. The new town was named by Mrs. B. F. Ackerman for a nearby rock, which was twelve feet high and had a circumference of twenty feet. Rockdale was incorporated in 1878 and established an aldermanic government. The first major railroad town in Milam County, Rockdale quickly developed as a shipping and supply point for area farmers, who produced cotton, wool, vegetables, fruits, grain, hides, and livestock. By 1884 Rockdale had 1,700 residents, five churches, two schools, two steam gristmill-cotton gins, a 250-seat opera house, a private bank, a weekly newspaper, and other assorted businesses. Several coal mines established near Rockdale in the 1890s provided the community with an additional economic boost. In 1891 the San Antonio and Aransas Pass Railway completed the section of track between Lexington and Cameron, giving Rockdale the benefit of a north-south railroad as well as an east-west one. By 1914 Rockdale was shipping 7,000 railroad cars of lignite coal every week.

A shallow oilfield was discovered near Rockdale in 1920, prompting the establishment of a refinery on the outskirts of the city. The growth of the oil and natural gas industry in Texas from the 1920s through the 1940s undercut lignite in the energy market. As a result, the mines in the Rockdale area gradually lost most of their important leases and finally closed until lignite became a more viable energy source. In the early 1950s the Aluminum Company of America discovered an inexpensive method of converting lignite into electricity and decided to locate a new aluminum plant near Rockdale and the lignite mine at Sandow. The industry revitalized the area's economy and attracted many new residents; within six years of the establishment of the Alcoa facility, population estimates for Rockdale nearly tripled, rising from 2,300 in 1954 to 6,300 in 1958. During the same time the businesses increased from sixty to 122. The presence of the Alcoa plant prompted the Missouri Pacific to make improvements on its tracks and embankments in Milam County. Because the only rail access to the plant, the six-mile Rockdale, Sandow and Southern, connected with the Missouri Pacific, Texas and New Orleans petitioned to build its own feeder line to the facility. The Interstate Commerce Commission decided that the addition would merely duplicate existing service and denied the request. In 1959 Texas and New Orleans abandoned its track between Lexington and Cameron, thereby depriving Rockdale of its north-south rail line. Although the loss of one of its railroads was a significant economic setback for some of the city's businesses, the lignite industry continued to prosper, signing leases with Shell Oil and Texas Power and Light in the 1970s. Rockdale had a population of 4,481 in the early 1960s, but increased steadily from the mid-1960s through the 1980s; 5,810 residents and 130 businesses were reported in 1988. The population in 1990 was 5,235. In 2000 the population was 5,439.

