President's records. Northern Pacific Railway Company records.

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Version 3
August 20, 2018

N. P. 1757
6-24

OFFICE OF Executive Vice President

FILE NO. 89-10

SUBJECT:

Auburn Reconsignment & Holding Depot.

Contract with U.S.Government, dated Oct.18, 1943, covering spur track to serve Auburn Reconsignment & Holding Depot.

RECEIVED
NOV 8 1944
SEATTLE, WASH.

Docket No. 18260
St. Paul, Minnesota
October 28, 1944

Mr. H.E. Stevens, Vice President
Mr. F. R. Bartles, General Manager, Seattle
Mr. Robert S. Macfarlane, Vice President-Asst. to President, Seattle
Mr. L. A.Behler, General Auditor (3)
Mr. H. G. Hanson, District Accountant, Tacoma
Mr. J. E. Thames, Industrial Agent
Mr. V. E.Williams, Industrial Agent, Seattle
Mr.R. W. Clark, Vice President
Mr. J. L. Burnham, Western Traffic Manager, Seattle
Mr. C. H. Burgess, Superintendent, Tacoma
Mr. Bernard Blum, Chief Engineer (2)
Mr. J. T.Derrig, Asst. Chief Engineer, Seattle
Mr. G. I. Hayward, District Engineer, Seattle

Referring to letter dated June 23, 1944 enclosing agreement dated October 18, 1943 between United States of America and Northern Pacific Railway Company, covering construction, maintenance and operation of spur track to Holding and Reconsignment Point Depot and Army Air Force Supply Depot at Auburn, Washington; also, supplement dated November 15, 1943, modifying same:

Attached hereto is copy of revised supplement which please substitute for the one mentioned above.

Kindly acknowledge receipt on the enclosed form.

A. M. Gottschald
Secretary

mm
attach

Form No. 19
WAR DEPARTMENT
ENGINEERS

Modification No.1
Contract No.W45-108 eng-270

SUPPLEMENTAL AGREEMENT

This supplemental agreement entered into this 15th day of November, 1943, by and between the UNITED STATES OF AMERICA, FJG hereinafter called the Government, represented by the contracting CHB officer executing this agreement, and the Northern Pacific Rail- FRB way Company, a corporation organized and existing under the laws of the State of Wisconsin, hereinafter called the Railroad, WITNESSETH That:

WHEREAS, On the 18th day of October, 1943, the parties hereto entered into contract No. W-45-108 eng-270 for the construction, maintenance and operation of a railroad track from the main line of the Northern Pacific Railway Company, to the Holding and Reconsignment Point Depot and the Army Air Force Supply Depot at Auburn, Washington, and

WHEREAS, the Railroad may be unable to accomplish the construction of that portion of the track lying within the Railroad right-of-way as provided in Article 2 of said contract, and

WHEREAS, it may be necessary for the Government to furnish labor, materials, equipment and supervision and construct such track.

NOW, THEREFORE, The said contract is hereby modified in the following particulars, but in no others:

Page 1 of the contract, at top of page add the following statements.

"Payments under this contract shall be made to or by the Finance Officer, U. S. Army, 1400 Textile Tower, Seattle, 1, Washington."

Page 1 of the contract, at the end of Article 2, change the period to a comma, and add

GPG "except as provided in Articles 23 - 25 inclusive hereof."
CED.

Page 4 of the contract, add the following provisions:

"23. In the event the Railroad is unable to construct or maintain that portion of the track referred to in Article 2, the Government shall accomplish such required construction and/or maintenance work.

24. The Railroad shall reimburse the Government for the actual cost of such work as outlined in Article 23 above and evidenced by proper cost breakdowns setting forth the cost of materials, labor and equipment plus 5% for engineering and supervision.

25. Payment shall be made by the railroad as soon as practicable after receipt of proper cost breakdowns as set forth in Article 24."

There is no change in contract commitment as a result of this modification.

It is understood and agreed that all other terms and conditions of said contract as it heretofore may have been modified shall be and remain the same.

THIS SUPPLEMENTAL AGREEMENT shall be subject to the approval of the Chief of Engineers, United States Army, and shall not be binding until so approved.

IN WITNESS WHEREOF, The parties hereto have executed this agreement as of the day and year first above written.

2 Witnesses:

H. J. Sackett

St.Paul,Minn.
(Address)

E.L. Ledding

St.Paul,Minn.
(Address)

THE UNITED STATES OF AMERICA,

By Grant P. Gordon
Major, Corps of Engineers,
Contracting Officer.
(Official Title)

NORTHERN PACIFIC RAILWAY COMPANY
(Contractor)
By C. E. Denney
Title: President
St.Paul,Minnesota
(Address)

Approved _____
(Date)

AIRMAIL:

Seattle, Wash., January 15,1944

Mr. C. E. Denney,
President

For your current information:

1. The Auburn Holding and Reconsignment Point is supposed to be receiving cars for unloading beginning today. I am informed that four warehouses have been turned over to the Army. It will take another thirty days to complete the trackage, which has been delayed on account of soft dirt, etc. I am also informed that a 500-car cold storage warehouse is being constructed in the southwesterly part of the area. This is in addition to the cold storage warehouse being constructed at Seattle.

2. The way seems to be cleared for the construction of the additional trackage at the Port of Olympia. Lend Lease will make the necessary money available and the project has been recommended by all western Governmental agencies concerned.

3. I have seen a copy of Colonel Stoddard's report on the railroad situation at Seattle, made at the request of General Wylie, with special reference to the Port of Embarkation taking over our middle yard. Colonel Stoddard concludes that there is no reason for taking over our middle yard and declares that it would disrupt the handling of business in this area. Some of his figures will be interesting to you. He states that the Army plans call for peak loading during the Pacific offensive, after the end of the German war, of 675,000 tons monthly through Seattle and Tacoma, of which 450,000 tons will move through Seattle. He estimates the daily movement for export through Tacoma and Seattle will be 450 cars, of which 330 cars will move through Seattle. He says that the facilities are adequate to take care of this movement. He quotes both Mr. Bartles and me as supporting his conclusions.

4. The Russian locomotives are still moving through Kalama. The Willamette Iron and Steel is now building the necessary facility at Portland for assembling the Russian locomotives which are to be handled there.

5. The Russian movement has fallen off but the Governmental bureaus are continually talking as if it is expected to resume at any time. It is stated that there is still a large allocation of tonnage to move.

6. One of the most serious problems in this area is car supply. Mr. Hocken of Portland tells me that several grain shippers, including Henry Collins, have talked to him about the matter to see if something can be done in order to get box cars for grain loading on the Northern Pacific. Mr. Hocken says that it is his information that the Northern Pacific is tighter on car supply than any of the northern lines. I am informed from another source that the Union Pacific has strings of empties at various points and that their car supply situation is considerably easier than ours.

ROBERT S. MACFARLANE

Seattle, June 9, 1944

Mr. C. E. Denney:

With reference to the attached.

I had intended to advise you of this as soon as I could acquire reasonably authentic information as to the reasons for the resignation. I am still without adequate information, but the story going around is that Mr. Impett resigned under pressure. There have been several transactions in which there have been difficulties and among those mentioned were the handling of the coal at Renton, the handling of lend-lease at the Exposition Grounds at Portland, finally resulting in a strike; and personal disagreements with various officers, including Colonel Rudy of Portland. Mr. Impett was a doer and pretty much ignored the ideas of a lot of the officers around this area. He took orders only direct from Washington.

If I obtain any authentic information, I will advise you further. No successor has as yet been named.

rsm/em

ROBERT S. MACFARLANE

Seattle, Washington

April 6, 1944

Personal

Mr. C. E. Denney:

Concerning the attached, which I reported to you in my letter of March 30.

I have been unable to develop any satisfactory information as to the reason for the transfer of Lt. Colonel Coil. Coil does not know what the nature of his assignment will be at Skagway, and no one around here knows whether the transfer is a promotion in responsibility. He was told that a person of his experience was needed in the new post. The suggestion most frequently heard is that Colonel Hazelrigg is probably responsible for Coil's transfer. Incidentally, Major Ehrhart, formerly Executive Officer, who was supposed to have caused some of the internal difficulties at the Point, has also been transferred. One officer made the statement to me that Col. Hazelrigg had been hoping to obtain the transfer of some of his former associates at New Orleans to this new command. We hear the statement from time to time that Col. Hazelrigg is not a good administrator.

Our relations at the Point have been very satisfactory, and as far as I can learn, there is nothing but the most kindly feeling toward the Northern Pacific by all concerned.

ROBERT S. MACFARLANE

RSM/fk
enc.

Seattle, Washington, March 30,1944

AIRMAIL:

Mr. C. E. Denney,
President

For your current information:

1. Receipts at the Auburn Holding and Reconsignment Point for period March 1 to 28 inclusive have been:

Northern Pacific	342 cars
Great Northern	282 cars
Milwaukee	83 cars
Union Pacific	44 cars

2. Lt. Colonel Coyle has been detached from Auburn for transfer to Alaska.

3. Admiral Taffinder, Commandant of the Thirteenth Naval District, told me yesterday that the Navy was going to build the railroad to Bremerton.

4. Lend Lease movements have not been substantial. I understand there are about seven Russian ships under repair on Puget Sound and about ten at Portland. We continue to receive reports that the Lend Lease movement will shortly increase, but these reports have not materialized. Representatives of the shipping industry have been in Washington with reference to the handling of cargo through North Pacific ports, There has not been sufficient cargo to keep longshore gangs busy, and I have been told that Washington officials definitely promised to handle a larger portion of the supplies for points in the Southwest Pacific via Puget Sound ports.

5. The trackage at the Port of Olympia dock is pending at Washington. No recent word has been obtained as to what the decision may be.

6. Mr. Jeffers spent the first part of this week in Portland, Seattle and Tacoma. At Seattle a large dinner was given by the Union Pacific, and he spoke at Chamber of Commerce luncheons at Portland and Tacoma.

ROBERT S. MACFARLANE

RECEIVED
JUN 27 1944
SEATTLE, WASH.

Docket No. 18260
St. Paul, Minnesota
June 23, 1944

Mr. H. E. Stevens, Vice President
Mr. F. R. Bartles, General Manager, Seattle
Mr. Robert S. Macfarlane, Vice President-Asst. to President, Seattle
Mr. L.A. Behler, General Auditor (3)
Mr. H. G. Hanson, District Accountant, Tacoma
Mr. J. E. Thames, Industrial Agent
Mr. V. E. Williams, Industrial Agent, Seattle
Mr. R. W. Clark, Vice President
Mr. J. L. Burnham, Western Traffic Manager, Seattle
Mr. C. H. Burgess, Superintendent, Tacoma
Mr. Bernard Blum, Chief Engineer (2)
Mr. J. T. Derrig, Asst. Chief Engineer, Seattle
Mr. G. I. Hayward, District Engineer, Seattle

Attached hereto is copy of agreement dated October 18, 1943 between United States of America and Northern Pacific Railway Company, covering construction, maintenance and operation of spur track to Holding & Reconsignment Point Depot and Army Air Force Supply Depot at Auburn, Washington; also, supplement dated November 15, 1943 modifying same.

Distribution of this agreement and supplement is limited to the list shown above. They must not be copied and distributed to other departments or subordinate officers without approval of the Secretary.

Kindly acknowledge receipt on the enclosed form.

A. M. Gottschald
Secretary

mm
attach

Form No. 19
WAR DEPARTMENT
Engineers

Modification No. 1
Contract No. W 45-108 eng-270

SUPPLEMENTAL AGREEMENT

This supplemental agreement entered into this 15th day of November, 1943, by and between the United States of America, hereinafter called the Government, represented by the contracting officer executing this agreement, and the Northern Pacific Railway Company, a corporation organized and existing under the laws of the State of Wisconsin, hereinafter called the Railroad, WITNESSETH THAT:

FJG
CHB
FRB

WHEREAS, On the 18th day of October, 1943, the parties entered into contract No. W 45-108 eng-270 for the construction, maintenance and operation of a railroad track from the main line of the Northern Pacific Railway Company, to the Holding and Reconsignment Point Depot and the Army Air Force Supply Depot at Auburn, Washington, and

WHEREAS, the Railroad may be unable to accomplish the construction of that portion of the track lying within the Railroad right-of-way as provided in Article 2 of said contract, and

WHEREAS, it may be necessary for the Government to furnish labor, materials, equipment and supervision and construct such track.

NOW, THEREFORE, The said contract is hereby modified in the following particulars, but in no others:

Page 1 of the contract, at top of page add the following statements.

"Payments under this contract shall be made to or by the Finance Officer, U. S. Army, 1400 Textile Tower, Seattle, 1, Washington."

Page 1 of the contract, at the end of Article 2, change the period to a comma, and add

"except as provided in Articles 22-25 inclusive hereof."

Page 4 of the contract, add the following provisions:

"23. In the event the Railroad is unable to construct or maintain that portion of the track referred to in Article 2, the Government shall accomplish such required construction and/or maintenance work.

24. The Railroad shall reimburse the Government for the actual cost of such work as outlined in Article 23 above and evidenced by proper cost breakdowns setting forth the cost of materials, labor and equipment plus 5% for engineering and supervision.

25. Payment shall be made by the railroad as soon as practicable after receipt of proper cost breakdowns as set forth in Article 24."

There is no change in contract commitment as a result of this modification.

It is understood and agreed that all other terms and conditions of said contract as it heretofore may have been modified shall be and remain the same.

THIS SUPPLEMENTAL AGREEMENT shall be subject to the approval of the Chief of Engineers, United States Army, and shall not be binding until so approved.

IN WITNESS WHEREOF, The parties hereto have executed this agreement as of the day and year first above written.

2 Witnesses:

THE UNITED STATES OF AMERICA,

By Grant P. Gordon,
Major, Corps of Engineers,
Contracting Officer.
(Official Title)

_____

_____
(Address)

NORTHERN PACIFIC RAILWAY COMPANY

By C. E. Denney
Title: Pres.

_____

_____
(Address)

Tacoma, Washington
(Address)

Approved _____
(Date)

Contract No. W 45-108 eng-270
Date: 18 October 1943
Negotiated JAM

APPROPRIATION: 212/30905 Engineer Services of the Army, 1942-43

FJG
RSM
JTD
JFA
FRB

STATUTORY AUTHORITY: 1st War Powers Act, 1941, and Executive Order No. 9001, December 27, 1941.

A G R E E M E N T
between
THE UNITED STATES OF AMERICA
and
NORTHERN PACIFIC RAILWAY COMPANY

This agreement, made and entered into this 18th day of October, 1943, by and between the Northern Pacific Railway Company, a corporation organized and existing under the laws of the State of Wisconsin, hereinafter called the Railroad, represented by the official executing this agreement, and the United States of America, hereinafter called the Government represented by the Contracting Officer executing this agreement, witnesseth that:

WHEREAS, the Government desires the construction, maintenance and operation of a railroad track from the main line of the Northern Pacific Railway Company, to the Holding and Reconsignment Point Depot and the Army Air Force Supply Depot at Auburn, Washington, as shown on attached drawing file No. N-145-7-7 identified as "Exhibit A".

NOW THEREFORE, the parties hereto do mutually agree as follows:

1. The Government shall procure and furnish without expense to the Railroad all necessary public authority and permission for the construction, maintenance and operation of the track.

2. The Railroad shall, at its expense, construct and maintain that portion of said track lying within the Railroad right-of-way between points A and B and C and D as shown on the attached drawing, and the Railroad shall have full title to that portion of the track.

3. The Government shall, at its expense, construct and maintain the track from the boundary of the Railroad right-of-way to and on Government property.

4. The Government agrees that it will maintain that portion of the track lying outside the right-of-way of the Railroad in a safe condition and in accordance with the requirements of standard practice in railroad maintenance.

5. If at any time the Railroad considers the track unsafe for traffic it shall notify the Government in writing of the objectionable conditions, and if such conditions are not remedied within five (5) days from receipt by the Government of such written notice the Railroad shall have the right to refuse to operate over it.

6. In the event service over the track is discontinued for reasons stated in paragraph 5 hereof, and the objectionable con-

ditions are subsequently remedied by the Government, service over the track will be immediately resumed by the Railroad upon request of the contracting officer.

7. The Railroad agrees to perform, subject to its ability to obtain labor or material, any maintenance work when so requested by the Government and to bill the Government for the agreed cost of such maintenance work actually requested and performed.

8. In the event the Government desires to discontinue use of the track the Government may terminate this contract at any time by a notice in writing to the Railroad specifying the date upon which such termination shall become effective. Termination shall be effective upon the date specified in said notice.

9. The Railroad shall not be held responsible for loss or damage to property of the United States or to property upon its premises arising from fire caused by locomotives operated by the Railroad on said track for the purpose of serving the United States, except to the premises of the Railroad and to rolling stock belonging to the Railroad or to others, and to shipments in the course of transportation, and except for loss or damage due to negligence of the corporate officers or employes of the Railroad.

10. The Railroad by this contract does not assume any liability for loss or injury to persons or property due to any act or omission of the United States, its employes or offices, and the Railroad does not broaden or increase its liability for such acts or omissions by reason of this contract.

11. In the event of separation of the grade of said track and of any highway being ordered by public authority, the Government will indemnify the Railroad against any expense in connection therewith or consent to the removal of the track.

12. The Government shall not place or permit to be placed, or to remain, any material, structure, pole or other obstruction within 8 feet laterally to the center or within 22 feet vertically from the top of the rail to said track.

13. The Government shall reimburse the Railroad for such reasonable and just costs as are incurred in the maintenance work as outlined in paragraph 7 above and evidenced by properly certified invoices setting forth the cost of materials, labor, supervision, etc., plus 10% to cover elements of expense, the exact amount of which cannot be determined by the Railroad, such invoices to be subject to audit by a representative of the Government.

14. Payment by the Government will be made as soon as practicable after receipt of properly certified invoices as set forth in paragraph 13 hereof.

~~15. The Railroad shall have the right upon reasonable notice to take up and remove so much of said track as is owned by it if the Government shall cease to use it or to perform any covenant or condition of this agreement.~~ JAM CED

16. (a) The Railroad, in performing the work required by this contract, shall not discriminate against any employee or applicant for employment because of race, creed, color, or national origin.

(b) The Railroad agrees that the provision of paragraph (a) above will also be inserted in all of its subcontracts. For the purpose of this article, a subcontract is defined as any contract entered into by the Railroad with any individual, partnership, association, corporation, estate, or trust, or other business enterprise or other legal entity, for a specific part of the work to be performed in connection with the supplies or services furnished under this contract; provided however, that a contract for the furnishing of standard or commercial articles or raw material shall not be considered as a subcontract.

17. The Railroad shall not employ any person undergoing sentence of imprisonment at hard labor. This provision shall not be construed to prevent the Railroad or any subcontractor hereunder from obtaining any of the supplies, or any component parts or ingredients thereof, to be furnished under this contract or any of the materials or supplies to be used in connection with the performance of this contract, directly or indirectly, from any Federal, State or territorial prison or prison industry. Provided, that such articles, materials or supplies are not produced pursuant to any contract or other arrangement under which prison labor is hired by or employed or used by any private person, firm or corporation.

18. The Railroad warrants that it has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Government the right to annul the contract, or, in its discretion, to deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commissions payable by contractors upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business.

19. No Member of or Delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this agreement or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

20. Except as otherwise specifically provided in this contract, all disputes concerning questions of fact which may arise under this contract, and which are not disposed of by mutual agreement, shall be decided by the contracting officer, who shall reduce his decision to writing and mail a copy thereof to the Contractor at his address shown herein. Within 30 days from said mailing the Contractor may appeal in writing to the Secretary of War, whose written decision or that of his designated representative or representatives thereon shall be final and conclusive upon the parties hereto. The Secretary of War may, in his discretion, designate an individual, or individuals, other than the Contracting Officer, or a board as his authorized representative to determine appeals under this Article. The Contractor shall be afforded an opportunity to be heard and offer evidence in support of his appeal. The president of the board, from time to time, may divide the board into divisions of one or more members and assign members thereto. A majority of the members of the board or of a division thereof shall constitute a quorum for the transaction of the business of the board or of a division, respectively, and the decision of a majority of the members of the board or of a division shall be deemed to be the decision of the board or of a division, as the case may be. If a majority of the members of a division are unable to agree on a decision or if within 30 days after a decision

by a division, the board or the president thereof directs that the decision of the division be reviewed by the board, the decision will be so reviewed, otherwise the decision of a majority of the members of a division shall become the decision of the board. If a majority of the members of the board is unable to agree upon a decision, the president will promptly submit the appeal to the Under Secretary of War for his decision upon the record. A vacancy in the board or in any division thereof shall not impair the powers, nor affect the duties of the board or division nor of the remaining members of the board or division, respectively. Any member of the board, or any examiner designated by the president of the board for that purpose, may hold hearings, examine witnesses, receive evidence and report the evidence to the board or to the appropriate division, if the case is pending before a division. Pending decision of a dispute hereunder the contractor shall diligently proceed with the performance of this contract. Any sum or sums allowed to the Contractor under the provisions of this Article shall be paid by the United States as part of the cost of the articles or work herein contracted for and shall be deemed to be within the contemplation of this contract.

21. The supplies and services to be ontained by this instrument are for the purpose set forth in and are chargeable to Procurement Authority DA-880-3136 P817-07-A0028-14, the available balance of which is sufficient to cover cost of same.

22. This contract shall be subject to the written approval of the Chief of Engineer, U. S. Army, and shall not be effective until so approved.

IN WITNESS WHEREOF the parties hereto have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By James A. McCrae
Assoc. Engineer (Civil),
Contracting Officer.

NORTHERN PACIFIC RAILWAY COMPANY

Two Witnesses
L. A. Renfrew
H. J. Sackett

By C. E. Denney
Title President
Address St. Paul, Minn.

- -

I, Hugh McLeod, certify that I am the Assistant Secretary of the Corporation named as Contractor herein; that C. E. Denney who signed this contract on behalf of the contractor was then President of said corporation; that said contract was duly signed for and on behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

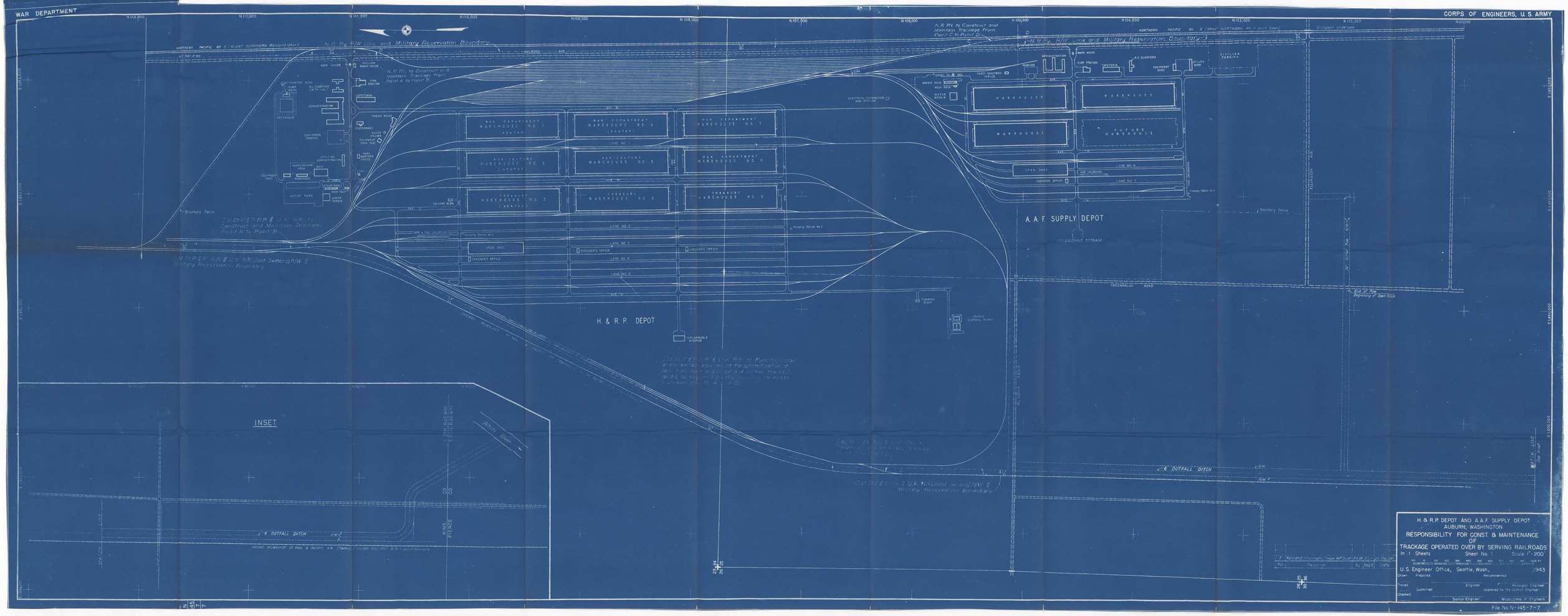
IN WITNESS WHEREOF, I have hereunto affixed my hand and the seal of said corporation this 7th day of December, 1943.

Hugh McLeod
Assistant Secretary

(SEAL)

WAR DEPARTMENT

CORPS OF ENGINEERS, U.S. ARMY



H. & R.P. DEPOT AND A.A.F. SUPPLY DEPOT
AUBURN, WASHINGTON
RESPONSIBILITY FOR CONST. & MAINTENANCE
OF
TRACKAGE OPERATED OVER BY SERVING RAILROADS
In 1 Sheets Sheet No. 1 Scale 1" = 200

U.S. Engineer Office, Seattle, Wash. 1943

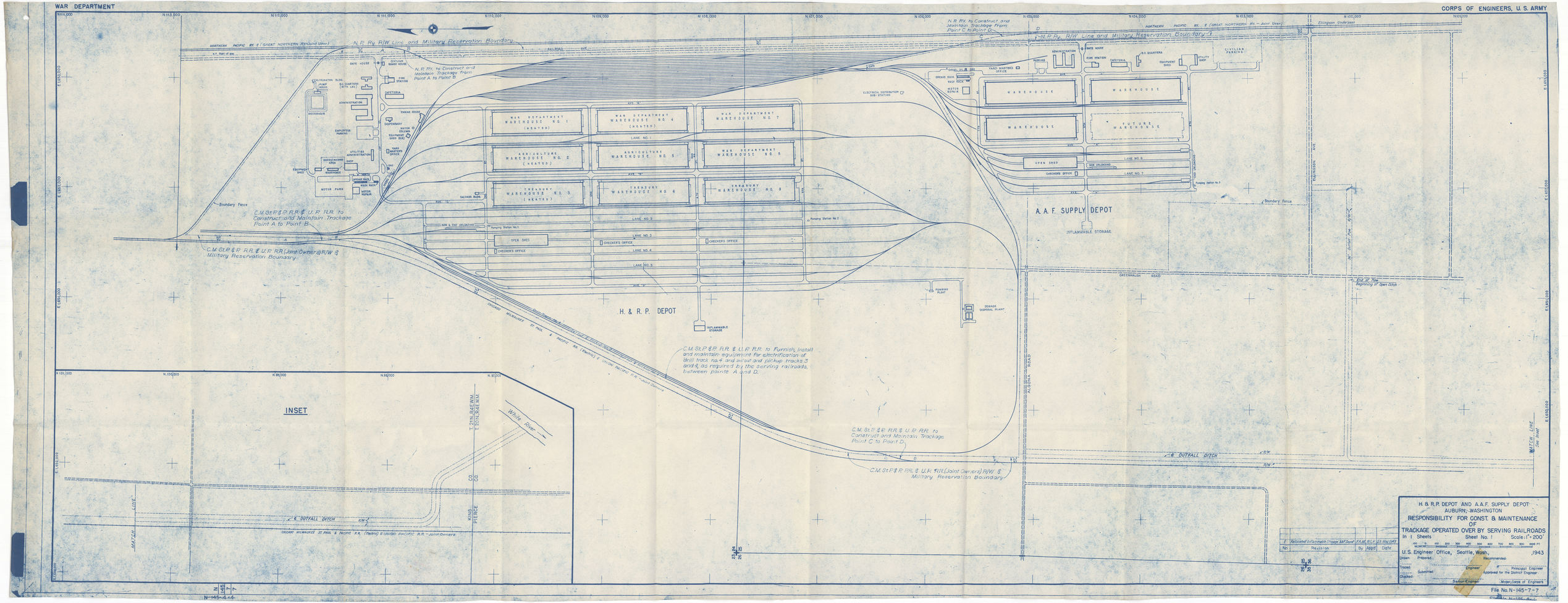
Drawn Prepared: Recommended

Traced Engineer Principal Engineer

Checked Submitted Approved for the District Engineer

Senior Engineer Major, Corps of Engineers

File No. N-145-7-7


WAR DEPARTMENT
CORPS OF ENGINEERS, U. S. ARMY
N. P. Ry. R/W Line and Military Reservation Boundary
N. P. Ry. to Construct and Maintain Trackage from Point A to Point B
N. P. Ry. to Construct and Maintain Trackage from Point C to Point D
C.M.St.P.&P. R.R. & U.P. R.R. to Construct and Maintain Trackage Point A to Point B
C.M.St.P.&P. R.R. & U.P. R.R. (Joint Owners) R/W & Military Reservation Boundary
C.M.St.P.&P. R.R. & U.P. R.R. to Furnish, Install and maintain equipment for electrification of drill track no.4 and set out and pickup tracks 3 and 4, as required by the serving railroads, between points A and D.
C.M.St.P.&P. R.R. & U.P. R.R. to Construct and Maintain Trackage Point C to Point D
C.M.St.P.&P. R.R. & U.P. R.R. (Joint Owners) R/W & Military Reservation Boundary
H. & R. P. DEPOT
A. A. F. SUPPLY DEPOT
INFLAMMABLE STORAGE
WAR DEPARTMENT WAREHOUSE NO. 1 (HEATED)
WAR DEPARTMENT WAREHOUSE NO. 4 (HEATED)
WAR DEPARTMENT WAREHOUSE NO. 7
AGRICULTURE WAREHOUSE NO. 2 (HEATED)
AGRICULTURE WAREHOUSE NO. 5
WAR DEPARTMENT WAREHOUSE NO. 8
TREASURY WAREHOUSE NO. 3 (HEATED)
TREASURY WAREHOUSE NO. 6
TREASURY WAREHOUSE NO. 9
WAREHOUSE
FUTURE WAREHOUSE
OPEN SHED
CHECKER'S OFFICE
INFLAMMABLE STORAGE
SEWAGE DISPOSAL PLANT
PUMPING PLANT
ELECTRICAL DISTRIBUTION SUB-STATION
ADMINISTRATION
FIRE STATION
CAFETERIA
B.O. QUARTERS
EQUIPMENT SHED
UTILITY SHOP
CIVILIAN PARKING
YARD MASTER'S OFFICE
GREASE RACK
WASH RACK
MOTOR REPAIR
GATE HOUSE
GUARD HOUSE
FIRE STATION
CAFETERIA
ADMINISTRATION
RESERVOIR
EMPLOYEES PARKING
UTILITIES ADMINISTRATION
HARDSTANDING AREA
SHOP
WAREHOUSE
MOTOR PARK
MOTOR REPAIR
SALVAGE BLDG.
Boundary Fence
Pumping Station No. 1
Pumping Station No. 2
Pumping Station No. 3
Ellingson Underpass
ELLINGSON AVE.
GREENWALSH ROAD
ALGONA ROAD
MATCH LINE
See Inset
INSET
White River
T. 21N. R4E W.M.
T. 20N. R4E W.M.
KING CO.
PIERCE CO.
MATCH LINE
CHICAGO MILWAUKEE ST. PAUL & PACIFIC R.R. (Electric) & UNION PACIFIC R.R. - Joint Owners
N-145-4-4
H. & R.P. DEPOT AND A.A.F. SUPPLY DEPOT
AUBURN, WASHINGTON
RESPONSIBILITY FOR CONST. & MAINTENANCE OF TRACKAGE OPERATED OVER BY SERVING RAILROADS
In 1 Sheets
Sheet No. 1
Scale: 1" = 200'
U.S. Engineer Office, Seattle, Wash., 1943
Drawn: Prepared: Recommended:
Traced: Submitted: Engineer Principal Engineer
Approved for the District Engineer
Checked: Senior Engineer Major, Corps of Engineers
File No. N-145-7-7

Seattle, Wash., July 16,1943

Mr. C. E. Denney,
President.

Concerning the Auburn Reconsignment and Holding Depot:

A combination of Italian contractors, including the Northwest Construction Company, Fiorito Brothers and Thomas C. Scalzo, have the grading contract and are at work. They are still bringing in additional equipment and have been hauling some gravel for the roadways.

Contract has not yet been let for any of the buildings or track work.

This for your current information.

ROBERT S. MACFARLANE

MEMO

Write Mr Denney as to who got the contract etc for the Auburn Reconsignment depot

Contract let for grading—

2 huts for administrative offices. Hauling in gravel for roadways

Northwest Const. Co. — no bldgs or track work

Frizito Bros. —

Scalzo —

Thos C Scalzo

Seattle, Washington
June 26, 1943

Mr. C. E. Denney:

Herewith copy of revised layout for Site No. 1, Auburn. I understand this is fully approved. I am also informed that a Col. Douglas from Marietta, Ohio, is due out here shortly and will have charge of this operation when completed.

rsm/em
enc.

ROBERT S. MACFARLANE

RECEIVED
JUN 5 1943
SEATTLE, WASH.

MR. C. E. BENNEY:

Mr. Blum, Mr. Derrig, and I drove practically all of the passable roads on sites 1 and 2 at AUBURN last Sunday.

The attached memorandum summarizes our conclusions as to the relative advantages and disadvantages of the two sites for the construction of a large Government holding and recongisnment yard.

- H. E. Stevens
6/4/43
SP&S train 4

cc-Mr. R. S. Macfarlane
Mr. R. W. Clark
x

AUBURN: PROPOSED HOLDING YARD
U. S. GOVERNMENT

ADVANTAGES AND DISADVANTAGES of sites 1 and 2:

Site 1

ADVANTAGES:

1 - Accesible for short direct connections from tracks of UP-Milwaukee on the west, and tracks of NP and its tenant, GN. on the east. From the standpoint of convenience and economical operation of the four lines considered as a whole there can be no question that site 1 is superior to site 2.

2 - Large part of area leveled off; and clearing comparatively inexpensive.

DISADVANTAGES:

1 - Practicability of draining satisfactorily is questionable. Army engineers claim westerly half of area north of Algona Road is underlaid with peat. (We have made no test pits). Army engineers estimate an average of 3' of gravel fill needed to give proper subgrade; and this we think may run 3,000,000 c.y. or more.

2 - Large part of area cultivated; and improved, with many individual ownerships. R/W would be much more expensive than for site 2.

3 - Expansion of original layout would cross Algona Road, which is quite an important highway. As the ground slopes quite sharply to the south expansion in that direction will heavily increase the amount of filling required for a satisfactory layout. The latest plans are to allocate to the Aeronautics Division the block bounded by Algona Road, Hall Road, road on section line between 25 and 36, and NP right of way. The road on the section line between 25 and 36 is about 12' lower than the Algona Road.

Site 2

ADVANTAGES:

1 - Principal advantage is the topography. The central part of the area lies higher than our tracks. Has good drainage, both surface and sub. Indications are that a large part of this site is underlaid with coarse gravel.

2 - Original layout could be expanded without involving serious additional expense for either fill or right of way. The area is partly

AUBURN HOLDING YARD (continued)

SITE 2 (continued)

under cultivation, there being some excellent garden tracts on this site, and apparently a good many individual owners, as there are small dwellings spotted throughout the entire area.

3 - If necessity should develop, a change could be worked out in primary state highway 5 which would permit further expansion in a northerly direction. This highway could be crossed by a lead which would give access to the NP gravel pit property which at one time was selected by Mr. Impett as a holding site.

4 - Site 2 is about a mile closer to the Auburn reservoir and high-pressure main than is site 1.

DISADVANTAGES:

1 - Although NP and GN can readily serve this site it is proposed that the UP and Milwaukee reach it through an interchange with NP interchange tracks to be located between the tracks of the UP and NP. This would involve switching across our main line and through our yard. Unquestionably some delay would be involved in handling UP-Milwaukee business through this interchange. It has been suggested that the government build a connection to the UP-Milwaukee trackage, crossing under NP main lines at a point southerly of the highway underpass on the section line between sections 25 and 36. From the surface of the highway to the NP base of rail is approximately 15'. About 10' added clearance would be necessary for a railway undercrossing. NP tracks can be raised at this point about four feet. The railway grade would therefore be about 6' below the present grade of the highway, and probably below the high-water level of the Stuck River.

It would be rather impracticable to drain this depression in railway grade, particularly in view of the fact that the Stuck River is only about 1000' away and the underlying stratum is supposed to be gravel; and in view of the further fact that this is a country of heavy rainfall.

This connection with the Milwaukee trackage would be approximately two miles long; and if the interchange trackage with the UP-Milwaukee were laid parallel to their main line, the cost to the Government for switching will be increased substantially. Delay in operating this connect on would approximate the delay incurred under the Milwaukee-UP-NP interchange plan, but if as now predicted the gross business amounts to only 80-100 cars daily, divided equally between the four lines, the delay under either the interchange or the direct co nection plans is not in my opinion a controlling factor.

Disadvantages:

2 - A substantial part of site 2 is cut-over logging land, and overgrown with second-growth hardwood and brush. The stumps of the old logging operations, many of them of large size, still remain; and clearing would be much more expensive than on site 1.

S U M M A R Y

To sum up: The physical advantages of site 2 from the standpoint of grading and drainage are pretty much offset by the superior accessibility of site 1 from the standpoint of railway service.

The local army engineers prefer site 2. The ODT - particularly Mr. Kenney - prefer site 1. Col. Nicholson, representing the Treasury Department, states that his recommendation will be for the site which is the least expensive, which we think will be site 2.

---oo---

All of the foregoing advantages and disadvantages - including the underpass railway connection - have been under discussion for the past month or six weeks. A meeting of all interested departments has been set tentatively for June 11. So far as we have been advised, railway representatives have not as yet been invited to participate; but presumably they will be invited by the ODT as has been the case heretofore.

- H. E. Stevens
6/3/43
at Portland

RECEIVED
MAY 17 1943
SEATTLE, WASH.

Seattle, Washington
May 15,1943

Mr. H. E. Stevens:

I heard today through Mr. Iversen's office that he was advised that the Hold and Reconsignment yard at Auburn was to be ready for service September 30, 1943, and that he was not sure but that he thought Site No. 1, that is, the area between the Northern Pacific and the Milwaukee, was to be selected.

F. R. Bartles

cc-Mr. R. S. Macfarlane

COPY

Seattle, May 13,1943.

RECEIVED
MAY 14 1943
SEATTLE, WASH.

Mr. J. H. Poore,
Executive Assistant,
St. Paul, Minnesota.

Yesterday I talked to Mr. Sherman R. Green, Field Office Manager Real Estate Branch of North Pacific Division U. S. A. Engineers, who said that the army engineers here are working up plans for the Auburn storage depot on Site No. 1 but that no directive had come through either for land acquisition or the construction project and he understands the directive will not be issued until plans and estimates for the project are completed.

Mr. Green has not yet completed his land estimate and asked for the information we have since he just found out that we had previously prepared a preliminary estimate.

(Signed) V. E. Williams

VEW-L

Industrial Agent.

cc Mr. R. S. Macfarlane.

Seattle, April 29,1943

Mr. J.F.Alsip:

Yours of April 28 re track for the War Department at Auburn. I have initialed the form enclosed with your letter and return same herewith. I assume that the building of this track is satisfactory to your department.

ROBERT S. MACFARLANE

Seattle - April 28, 1943

RECEIVED
APR 29 1943
SEATTLE, WASH

Mr. R. S. Macfarlane:

I am enclosing War Department purchase order covering construction of a track for U. S. War Department at Auburn.

They are to bear the entire expense. If you see no objection to execution of this form for the company will you kindly initial and return.

Asst. General Manager

Seattle, Wash., April 23,1943

Mr. C. E. Denney,
President

At a meeting of railroad representatives with Mr. Kenney of the ODT yesterday, he stated that he had received definite advice from Washington that Site No. 1 at Auburn had been selected for the proposed storage and holding depot.

As you will recall, Site No. 1 is between the Northern Pacific and Milwaukee main lines.

ROBERT S. MACFARLANE

D

RECEIVED
APR 16 1943
SEATTLE, WASH.

Seattle, Washington
April 15, 1943

Mr. H. E. Stevens:

For your information I am attaching copy of a letter Mr. C. T. Kenney, Assistant Director Rail Terminals, O. D. T., has written Mr. Baths and Mr. Harstad, relative to the proposed Sites 1 and 2 for supply depot at Auburn.

F. R. BARTLES

cc-Mr. R. S. Macfarlane

C
O
P
Y

OFFICE OF DEFENSE TRANSPORTATION
Division of Railway Transport
5523 White-Henry-Stuart Bldg.
Seattle, Washington

April 19, 1943

Air Mail - Special Delivery

TO: Mr. J. M. Baths
Mr. O. N. Harstad

FROM: Mr. C. T. Kenney

I am supplementing my wire sent to you today in connection with the Auburn site. As explained in the wire, I met with Colonel Park's executive officer of the Army Engineers and several of the members of the Army Engineers staff and the staff of the Real Estate Division.

At the outset of the meeting they were quite strong in their opinion that Site 2 should be the site selected but in going over their plan I showed them where they had their rail yards located in a manner in which a switch engine working in the classification yard of the hold yard could hold on to about 18 to 20 cars when he pulled out on the lead for head room.

I also pointed out that working from one end of the yard he would have to cross a highway at grade when he was doing any switching and they finally admitted that they had not laid out the plan on Site 2 with any particular thought in mind to switching operations or rail transportation.

After an hours' meeting every one in the room concurred in the following opinion:

That Site 1 was far superior to Site 2 from a transportation standpoint,

That Site 1 was the better site if 2 million feet covered and 2 million feet open was all that would be needed,

That expansion could be made on Site 1 but that the cost would be very high,

That site 2 would be about ten percent less in cost over Site 1,

That site 2 had an easier drainage problem but that the drainage was taken into consideration in the difference in cost,

That Site 2 could be expanded at a cheaper cost than could Site 1,

That if Site 2 were chosen we must include the railroad grade spparation for the lead to the Milwaukee-Union Pacific connection.

To further sum up, it boilded down to this: That if the ten percent additional cost of Site 1 over Site 2 was not the deciding factor and that if the figure of 2 million covered and 2 million open was about all that would be needed, then Site 1 was the most preferable site.

I might also add here a few words I could not put in the wire. The Army Engineers and the Real Estate Division had rather set themselves against Site 1, the reason being that in a previous Air Corps Site location they had gone out 100 percent for Site 2 without making any study of Site 1 and the Engineers themselves have not given any thought to the fadt that this is a transportation installation and that the smooth operation of the installation depends upon both a workable and well-arranged facility for the operation and handling of the Government engines within the limits of the plant as well as an easily-handled facility for distribution of cars to the railroads and receiving of cars from the railroads.

I went into this matter more thoroughly with them and they finally agreed with me that outside of the above-mentioned differences there was no comparison in the two sites. They stated that it was not up to them to either recommend or to make any decision and, of course, I agreed that you people and thosepresent at the meeting in Washington were the only ones who would decide as to whether the additional cost should be taken into consideration in favor of Site 2.

In closing, I will add that I believe that a good protion of the additional original cost of the location of Site 1 over Site 2 will be saved in a years' operation to the Government by having a more workable and cheaper operated transportation facility on Site 1,

Very truly yours,

C. T. Kenney
Assistant Director
Rail Terminals

CTK:FM

Seattle, Wash., April 8,1943

AIRMAIL:

Mr. C. E. Denney:

Mr. Impett of the Treasury Department confidentially advised Mr. Williams that Site No. 1 had been selected for the Auburn storage and holding depot, and that the Government would start buying the necessary property on April 18th.

ROBERT S. MACFARLANE

Seattle, Wash., April 6,1943

Mr. C. E. Denney,
President.

Proposed Auburn U.S. Storage and Holding Depot.

That your files may be complete, I enclose:

1. Minutes of original meeting with Colonel L.M.Nicolson in Mr. Bartles' office March 18,1943, to discuss the matter of an Auburn site.

2. Print of proposed layout of Site No. 1. This site is located between the Northern Pacific Auburn yard and the Milwaukee-Union Pacific trackage. It is my understanding that it represents the engineers' views as to a desirable method of utilizing this area.

3. Print of proposed Site No. 2. This site is located east of our Auburn yard.

4. Print of report by Mr. C. T. Kenney with reference to Site No. 1.

5. Print of report by Mr. C. T. Kenney with reference to Site No. 2.

6. Print of joint report of the traffic officers of the trunk lines, particularly with reference to rates.

7. Report of V.G.Impett of the Treasury Department concerning development of the proposed Auburn storage depot.

It is my understanding that there is nothing further to be done by the railroads at this time and that the matter is now to be decided in Washington.

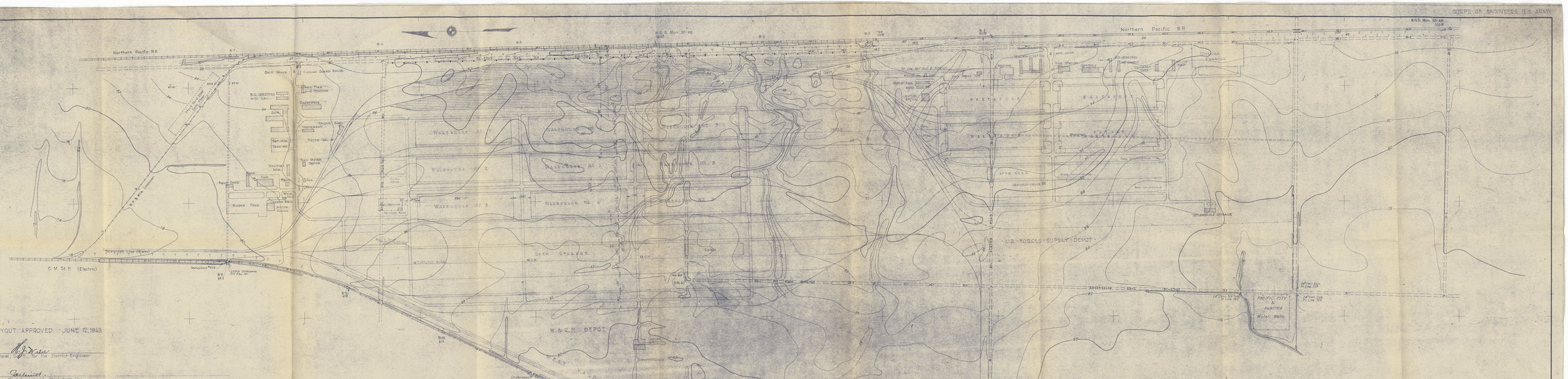
Further detail and comments, in addition to the enclosures, are contained in reports made by Mr. Stotler to Mr. Blum and Mr. Bartles to Mr. Stevens.

ROBERT S. MACFARLANE

encl

WAR DEPARTMENT

CORPS OF ENGINEERS, U.S. ARMY



LAYOUT APPROVED - JUNE 12, 1943

Colonel, C.E., For the District Engineer

Chief, Engr. Div.

Deputy Asst. Adm., Land Leases

Colonel, Transit Division, ASF, War Dept.

Lt. Colonel, Mat. & Sv., A.A.F., Dayton, Ohio.

Lt. Commander, U.S.N., Asst. Adm. Land Leases, WSA

Major, C.E., Office Chief of Engineers

Captain, C.E., U.S.E., Pacific Div., Bldg. Long Beach, Calif.

Consultant, Land Leases.

Chief, Disp. & Roll Sec., R.C.

Chief, R.R., O.C. of E.

Rep. Engr., Asst. to Chief, Air Section, A.S.C., A.A.F., Dayton, Ohio.

Dep. Assoc. Director, O.D.T., San Francisco, Calif.

Lt. Colonel, Quartermaster, Sig. C.E.

The following in conference assembled in the office of the District Engineer, June 12, 1943, for final approval of the lay out plan and yard layout of the Auburn Depot, have evinced their approval thereof:

Colonel JAS. TROTTI, C.of E. Chief, Engineering Div.
Colonel LA GUERIN, Chief, Transit Division, War Office Chief of Transportation, War Dept., Wash. D.C.
L.J.C. MARTIN, Senior Asst. Adm., Land Leases
LT. Comm. JAMES A. HIGGINS, USN, Air Service Command, Dayton, O.
Lt. Commander DONALD WATSON, U.S.N. Asst. Administrator Land Leases - Transportation Div.
Major R.B. ROBINSON, Chief, Office Chief of Engrs. Wash. D.C.
Captain S.W. BOARDMAN, Office of the Qm. Depot, Pacific Dis. Ogden, Salt Lake City, Utah
LIEUT. T. NEALY, Transport. Land Leases, Wash. D.C.
R.D. PERSONS, Chief, Gen. Sv. Rail Div., T.C., Wash. D.C.
LT. COL. CHAPP, Chief R.R. Office, Chief of Engineers
H.M. LEPPIEN, Prin. Engr. Asst to Chief Engr. Section, A.S.C., A.A.F., Dayton, Ohio.
WM. S. LAIDLAW, Dep. Assoc. Director, O.D.T. San Francisco
CARL B. ELLINGER, Port Superviser, O.D.T. Seattle
WM. HYBSON, Asst. Director, Rail Terminals, O.D.T. Seattle
L.B. WILSON, Transportation Comm. Rail Div., Seattle
LT. Colonel C.C. KING, Representative 9th Service Zone.
JOHN BEALE, N.W. Pacific Rep. Land Leases.

BASIC YARD LAYOUT APPROVED SUBJECT TO MINOR REVISIONS. MAY 28, 1943

FOR THE DIVISION ENGINEER

Capt., C. of E.

TENTATIVE LAYOUT APPROVED AS TO CONNECTIONS WITH SERVING C.S. LINES

G.M. St. P.

N.P. Ry.

For C.M. St. P. & P. R. & P.S.L.

No.	Revision	By	Appr.	Date
3	Relaying yards consolidated, minor track revisions			
2	2.5 S. Dead-Ended 3.90 RE	C.B.D.	M.A.P.	1-7-43
1	22 S. Blocs. revised			

H. & R. P. DEPOT AND A.A.F. SUPPLY DEPOT
AUBURN, WASHINGTON

PRELIMINARY - LAYOUT

In Sheets | Sheet No. | Scale 1" = 200'

U.S. Engineer Office, Seattle, Wash. May 25, 1943

Drawn | Prepared | Recommended

Traced | Approved

Checked | Submitted

Blueprinted | Approved

FOR INDEX SEE SHEET NO. 1

Seattle, Washington,
March 25, 1943.

1003-46-4

Mr. F.R.Bartles:

Auburn,Wn: U.S. Storage and Holding Depot - Sites 1 and 2.

Referring to my letter to you of March 24, with various exhibits, covering Sites 1 and 2 at Auburn, for the U.S. Storage and Holding Depot, was for the purpose of furnishing you with information at as early a date as possible and I did not make any definite recommendations.

Site #1 covers a large area of agricultural land which I understand the various Governmental agencies do not wish to take over as long as there are other sites available. The Army Engineers do not like this location on account of the soil conditions and this was also emphasized by Lt. Col. Ruddy of the U.S. District Transportation Office of San Francisco. However, Col. Nicholson, Director of the Division of Storage, and Mr. Baths, were favorable to the site if the cost was not too great, and it was stated that the average price per acre for Site #1 was in the neighborhood of $350. but it was Mr. Williams' idea that on account of the various improvements and crops being planted, the cost would be higher. Lt. Col. Ruddy called to attention that they had had several locations which had similar soil conditions and that their equipment had settled down two or three feet, so that it required a considerable expenditure for topping it off with gravel and a system of drainage. Also, it was not close to City water.

The area to be taken over for the layout is practically all cleared which is quite a factor in the ultimate cost.

Lt. Col. Ruddy, however, was very much impressed with Site #2 for the reason that while the top soil is under-laid with gravel it is less expensive as he had received a report from the local Army Engineers that the average cost per acre would be about $150. No mention was made, however of the heavy clearing that would be required for this site and I think the clearing cost per acre, added to the price per acre, would be practically the same as the cost for Site #1, or more, although there would not be as much acreage as in Site #1. During the discussion

RECEIVED
MAR 26 1943
SEATTLE, WASH.

it was brought out that any layout should provide for double the initial development and of course Site #2 would not lend itself to this as readily as Site #1. Site #1 has the advantage of being located between the two railroads and also lends itself to development in accordance with the standards of the Army Engineers.

At Site #2 we tried several layouts but none were as satisfactory as shown on Exhibit "G" although we tried to place it parallel and also on a skew. The land in the South end of the yards is about 12 ft. lower than the main line and any plan for extending a lead South to the Stuck River bridge would require considerable expense and crossing over Primary State Highway #5. This track layout can be reached from each end of the yards and after cars are set out by the Northern Pacific in the storage yards the Government switch engine can switch them to the Classification Yards, thence to be switched in to the warehouses and the open storage and at theEast end the tracks are connected up so they can be switched at that end but it would only be a stub track. This track layout was objected to by Mr. Kenny as not providing economical switching by the Government's switch engines and there would also be extra cost which the Government would have to assume for handling the cars set out by the Union Pacific and the Milwaukee at interchange tracks, as shown at the North end of Site #1, to be switched to the storage tracks at Site #2. A similar situation also exists in handling interchange from the Great Northern at the South end of the Auburn Yards.

From an operating standpoint it is my opinion that Site #1 is preferable to Site #2. I think this is the position also taken by the Government representatives.

AFS:L

Copy to
Mr. R.S.Macfarlane
Mr. Bernard Blum
Mr. V. E. Williams

Seattle, Washington,
March 24, 1943.

Mr. F.R.Bartles:

Auburn,Wn: Government's proposed
Holding and Reconsignment Depot.

Your joint letter of March 11 regarding attachment of your letter of March 8 to Mr. Bath and Mr. Bath's letter of same date to Mr. Boatner, with reference to the Holding and Reconsignment Depot at Auburn for freight in the coastal area for the U.S.Government. I later received from your office a request to meet Mr. Bath and Mr. Kenny and the Government party at Auburn on March 17.

Mr. Williams and I went over the ground with the Government party, together with Milwaukee representatives, and met in your office, as arranged for, with Mr. Bath, on March 18, at which the matter of necessity and location for the Holding and Reconsignment Depot was discussed.

You will recall that the Army Engineers objected to Site #1, on account of unstable ground conditions, stating that it would be overflowed or there would be considerable surface water, and they suggested Site #2. There were several arguments by Government officials in favor of both of these sites and the matter was left until a meeting of the General Managers on Friday, March 19, with Messrs. Kenney and Iversen who would be present with layout plans for Site #1 and #2 and recommendations to cover. The Milwaukee was to make up a layout for Site #1 and the Northern Pacific was to work up a layout for Site #2. This information was to be ready for this meeting on Saturday morning with the General Managers and Messrs. Kenney and Iversen.

Severalreports have been made by different agencies of the Government abd by traffic men and I am attaching, in duplicate, report initialed Exhibit "A", being report of minutes of the meeting of March 18 in Mr. Bartles' office.

Mr. Impett's letter of March 19 to Col. Nicholson, Director of Division of Storage, in duplicate, Exhibit "B."

Railroad Traffic Dept's. joint report of March 19, Exhibit "C."

Mr. Kenney's report of meeting in Mr. Bartles' office of March 20 being Site #1, Exhibit "D."

RECEIVED
MAR 25 1943
SEATTLE, WASH.

Mr. Kenney's report of March 20 for Site #2, Exhibit "E."

Layout for Site #1, Exhibit "F."

Layout for Site #2, Exhibit "G."

Mr. Kenney is to furnish you with copies of reports A, B. C. D and E, and I understood Mr. Crane was sending you four copies of Exhibit "F" the layout for Site #1.

Mr. Blum is receiving copy of this letter with all exhibits referred to.

AFS:L
Encl.

Copy to
Mr. R. S. Macfarlane
Mr. Bernard Blum

X hold to follow

RECEIVED
MAR 25 1943
SEATTLE, WASH.

Seattle, March 25, 1943.

1003-46-4

Mr. V. E.Williams:

Auburn - U. S. Storage and
Holding depot

I am attaching two prints of sketch dated March 23, 1943 showing proposed U. S.Storage and Holding Depot site #2 at Auburn, Wash.

The identification on this sketch are the initials A. F.S.

ANB/w

Signed) A. F. STOTLER

cc Mr. Burnham

Mr. Macfarlane - Two prints of above mentioned sketch attached and one set of Exhibits A to E both inclusive,

Referred to in my letter to FRB of 3/24/43 cy to you a "F" is Milw Print of Site #1 and I Have no add'l Prints

RECEIVED
MAR 25 1943
SEATTLE, WASH.

Meeting In Mr. Bartles' Office, March 18, 1943

MINUTES OF AUBURN DEPOT MEETING

a

Meeting was called to order by Mr. Baths who explained that we were called to discuss a possible depot to be located in Auburn, Wash. where in transit. privileges could be established for the use of various Government Agencies. The Government to handle their own switching. Colonel Nicolson explained that there was a need of about 300,000 square feet of covered space for the F.S.C.C. and a like amount for the Treasury Procurement. The Army Air Force had signified a need of 600,000 square feet and the Army Quartermaster had indicated a need of several hundred thousand feet, and he also understood that the Navy might be interested. With all this in mind he felt that plans should be worked out for a depot with a starting capacity of 1,000,000 square feet of covered storage and 2,000,000 feet of open storage with a holding yard of about 400 cars and provision for a classification yard of about 200 cars, the whole project to be laid out to allow for expansion.

There was some discussion about the in transit privilege and it was felt that a Section 22 quotation could be applied.

Two possible sites were discussed. Site #1 which is located south of the Auburn city limits and between the NP-GN main line and the MILW-UP main lines with about 750 acres available. Site #2 is located east of the NP main line and their Auburn yard and is also known as the Army Air Corp Site with about 400 acres.

It was the consensus that Site #1 would lend itself to a much better development than Site #2, it being easily accessible to all lines.

The Port Agency expressed doubt about the necessity of any site at Auburn and suggested everything be shipped back to Pasco. This opened a discussion as to its merits, and it was the consensus that the project should be located at Auburn.

Mr. Baths appointed a committee made up of the General Managers of the four lines, Mr. Kenney and Mr. Iverson to meet as soon as possible and submit their recommendations on the two suggested sites or any other plan they might work out. Another committee made up of the traffic heads of the four rail lines, Mr. Kenney Mr. Impett and Mr. Payne to meet as soon as possible and offer a plan for the in transit privilege to apply to all Puget Sound and Columbia River Ports. Both committees to report direct to Colonel Nicolson in Washington and Mr. Baths in San Francisco.

The following were in attendance at the meeting:

J. M Baths	O.D.T.
N. S. Laidlaw	O.D.T.
L. M. Nicolson	O.D.T.
C. T. Kenney	O.D.T.
Robert Elander	O.D.T.
Leslie M. Rudy, Lt. Col.	T.C., U.S. Army
Otto Kopp	N.P.Ry.
H. M. West	U.P. RR.
M. H. McEwen	Milwaukee RR.
C.W. Evers	U.P. RR.
J. F. Grier	Milwaukee RR.
W. G. Impett	U.S. Treasury
A. F. Stotler	N.P. Ry.
V. E. Williams	N.P. Ry.
F. J. Alsip	N.P. Ry.
E. B. Crane	Milwaukee RR.
I. P. Iversen	Transportation Corps
Carl D. Payne	F.S.C.C.
D. R. Ostrander	G.N. Ry.
Thos. Balmer	G.N. Ry.
A. B. King	G.N. Ry.
M. C. Williams	U.P. RR.
L. F. Donald	Milwaukee RR.
L. F. Dixon	G.N. Ry.
Don M. Farris, Lt. Col.	District Transportation Officer
F. R. Bartles	N.P. Ry.

Meeting in Mr. Bartles' Office, March 18, 1943.

MINUTES OF AUBURN DEPOT MEETING

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The following were in attendance at the meeting:

J. M. Baths	O.D.T.
N. S. Laidlaw	O.D.T.
L. M. Nicolson	O.D.T.
C. T. Kenney	O.D.T.
Robert Elander	O.D.T.
Leslie M. Rudy, Lt. Col.	T.C., U.S. Army

Ex "A"

Otto Kopp	N. P. Ry.
H. M. West	U. P. Ry.
M. H. McEwen	Milwaukee R. R.
C. W. Evers	U. P. RR.
J. F. Grier	Milwaukee R. R.
V.G. Impett	U. S. Treasury
A. F. Stotler	N. P. Ry.
V. E. Williams	N. P. Ry.
J. F.Alsip	N. P. Ry.
E. B. Crane	Milwaukee RR.
I. P. Iversen	Transportation Corp.
Carl D. Payne	F. S. C.C.
D. R. Ostrander	G. N. Ry.
Thos Balmer	G. N. Ry.
A. B. King	G. N. Ry.
M. C. Williams	U. P. RR.
L. F. Donald	Milwaukee RR.
L. F. Dixon	G. N. Ry.
Don M. Farris, Lt. Col.	Dist.Trans. officer
F. R. Bartles	N. P. Ry.

Copy

705 Alaska Building
Seattle, Washington

March 19, 1943

Col. L. M. Nicholson
Director, Division of Storage
Office of Defense Transportation
Interstate Commerce Commission Bldg.,
Washington, D. C.

Dear Sir:

At a meeting held in the office of Mr. V. G. Impett, Inspector in Charge, Area 12 on March 19, 1943, the development of Auburn as a Reconsignment and Holding Point from a traffic standpoint was discussed. The following conclusions were developed for your further guidance and consideration in connection with the full development of this point for use by the U. S. Treasury Department, Procurement Division, Lend-Lease Section, Federal Surplus Commodities Corporation, U. S. Army, Air Corps, U. S. Navy, Bureau of Supply and the War Department, Service of Supply.

(1) The Auburn Holding & Reconsignment Point for the holding and storage of traffic from Eastern transcontinental points of origin, by reason of its proximity to Northwest ports and its development for the necessity of drilling cargo to shipside, the export rates be applied to this point as though it were a port of export. The Ports to be served as final points of export destination from this point are:

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Bellingham, Washington
Everett, Washington
Seattle, Washington
Tacoma, Washington
Olympia, Washington
Astoria, Oregon
Aberdeen-Hoquiam, Washington
Longview, Washington
Vancouver, Washington
Portland, Oregon
St. Helens, Oregon
Camas, Washington
Washougal, Washington

(2) The inbound movement to the Point will control the outbound movement, inasmuch as the line haul carrier used inbound shall be the line haul carrier used outbound except that to such ports not served by the inbound carrier. the legally applicable export rate from transcontinental origins is to be made applicable by all routes through the Point of Auburn.

Ex-"B"

Copy

(3) The export rate developed as noted above so applied to freight movement to this Point should exclude any reference to land grant privileges.

(4) The rate so applied as noted above should be a one stop privilege for storage at Auburn.

The purpose of this meeting was to acquaint railroad traffic men in this territory of the Government's needs and it was understood that the Government application would be made from Washington through regular channels.

Yours very truly,

(sgd) V. G. Impett
Inspector in Charge
Area 12

VGI-hm
cc JMBass
OttoKopp, N.P.
Carl Payne, FSCC
CTKenney, ODT
CGKing, G.N.
MHMcEwen, MILW.
CWEvers, U.P.
Lt. Col. Rudy

Copy

M E M O R A N D U M

Seattle, Wn., March 19, 1943

Referring to the enclosed record of meeting held in the office of V. G. Impett, Procurement Division, Treasury Department, this morning, at which we were informed of the desires on the part of the government agencies present to establish a holding and reconsigning depot at Auburn, and what they have in mind with respect to a Section 22 quotation to cover the movement of freight to and from the depot, formal application for which will be made by Colonel Nicholson in Washington.

Two sites are being considered. Number 1 is thatarea lying between the joint Milwaukee-Union Pacific line on the west and the joint Northern Pacific-Great Northern line on the east, and running in a southerly direction from the south city limits; the other, and approximately the same in area, lies east of the Northern Pacific yard. It was stated that present plans contemplate the construction of six warehouses, each of a size 180' wide by 960' long, a classification yard with a capacity of from 240 cars to 320 cars, a holding yard with a capacity of 400 cars, and two set-out tracks for each of the four lines, each set-out track to have a capacity of approximately 35 cars. The warehouses will have a storage capacity of approximately 1,036,000 square feet, and the open storage within the hold yard to have a capacity of approximately two million square feet.

It was indicated that the U. S. Army Engineers favor the site east of the N. P. yard because of its elevation and freedom from flooding and surface water, although the Treasury and O.D.T. representatives were opposed to it because of its restricted area which prevented expansion, and also for operating difficulties. In the event, however, that this site should be selected, carload traffic moving between the depot and the U. P., the Milwaukee, and apparently also the G. N., must be handled by the N. P. as an intermediate switch line. General Freight Agent Kopp of the Northern Pacific Railroad stated his company is agreeable to establishing the point of interchange at Auburn, it being understood that the federal government is to provide the interchange tracks without cost to the N. P. The Treasury Department, O.D.T. (Messrs. J. M. Bath and C.T. Kenney) and Col. L. F. Nicholson, Chief of Warehouse and Storage Section, O.D.T., Washington, appeared to favor the site between the two joint lines because it lends itself more to their likingthan the site east of the N. P. yard tracks. In their opinion it will permit more efficient and economical operation and will permit of expansion should that later become necessary. Regardless of the site

Ex- "C"

Copy

chosen, the government will perform, with its own power, all switching within the area from and to set-out tracks.

The meeting covered by the attached memorandum was called by Mr. Impett, who acted as Chairman. At the direction of Mr. J. M. Bath, Deputy Director, Rail Transportation, O.D.T., San Francisco, Mr. Kenney was present to participate in the discussion. A committee, consisting of the General Managers of each of the four lines was also appointed by Mr. Bath, and to confer with them in behalf of the government he designated Mr. I. P. Iverson of the Seattle Port Agency and Mr. K_enney. The Operating Committee was requested to submit its report direct to Colonel Nicholson, with copies to Messrs. Bath and Lt. Col. Rudy, U. S. Army, District Transportation Office, San Francisco. Similar instructions were issued to the Traffic Committee.

Their application apparently will seek the protection of the export rate from eastern transcontinental origins to Auburn, and later when traffic is forwarded from Auburn to any of the North Pacific Coast ports enumerated in the memorandum they will expect the direct line through export rates to be protected from origin to destination. While the memorandum is silent as to whether or not they expect to pay a transit penalty for the storage privilege, from the remarks that were made by the government officials we do not anticipate they will object to paying a transit penalty of 3½¢ per Cwt. They are cognizant of the fact that all lines do not enjoy through rates via Auburn to all destinations, but yet they are going to insist that the through rates be protected; for example, the Milwaukee handles a car from the East to Auburn, which is later billed to Portland, Oregon. The Milwaukee does not reach Portland, Oregon, but they will expect the through rate to Portland from point of origin to be protected. The same is true when the export point is Anacortes, when lines other than the Great Northern are handling the shipment, Anacortes being a local Great Northern point. This same principle applies via one or more lines on business exported via Olympia, Hoquiam, Aberdeen, etc. If the interested lines are agreeable to protecting such through rates, it, of course, will be necessary that divisional arrangements be agreed upon by the interested carriers.

The question of demurrage charges under the export rates was not discussed. However, it is our opinion that the domestic two-day free time allowances only should be permitted at Auburn, both on inbound and outbound movements. The practice that is being followed by all lines in this territory is that where cars are

Copy

Memorandum 3. Seattle, March 19, 1943

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None of the traffic representatives present made any commitments with respect to the traffic subjects presented at the meeting.

(Sgd) C. W. Evers
Traffic Manager - Union Pacific R.R.Co.

(Sgd.) M. H. McEwen
Western Traffic Manager,
Chicago, Milwaukee, St. Paul & Pacific R.R.Co.

(Sgd) Otto Kopp
General Freight Agent - Northern Pacific Ry.

(Sgd.) B. S. Merritt
Western Traffic Mgr.-Great Northern Ry.

OFFICE OF DEFENSE TRANSPORTATION
Division of Railway Transport
5523 White Henry Stuart Building
Seattle, Washington

March 30, 1943.

Col. M. L. Nicolson,
Director, Division of Storage,
Office of Defense Transportation,
I. C. C. Building,
Washington, D. C.

Dear Colonel:

As was proposed in the meeting of March 18 the committee as appointed by Mr. Bathe met to discuss the proposed rail transportation setup for the two sites you looked over at Auburn. This committee consisted of:

Mr. F. R. Bartles, Gen. Mgr., N.P. Ry.,
Mr. L. F. Donald, Gen. Mgr., C.M.St.P.&P.,
Mr. T. F. Dixon, Gen. Mgr., G.N. Ry.,
Mr. M. C. Williams, Gen. Mgr., U.P. RR.
Mr. C. T. Kenney, Asst Dir., Rail Terminals, ODT,
Mr. I. P. Iversen, Rail Repr. Dist. Trans. Office.

Attached you will find copy of print showing the suggested layout for site No. 1. You will recall that this site lies between the main lines of the Northern Pacific-Great Northern and the Milwaukee-Union Pacific, just south of the town of Auburn, and can be served most readily by all four railroads.

In laying out the attached plan we were guided by your statement of one million square feet closed storage and two million square feet of open storage, and, as shown on the print, we have given due consideration to any necessary expansion. Also included is a 400 car holding yard and a classification yard of eight thirty-car tracks with a car capacity of 240 cars. These yards were laid out on the print, as you will note, so that they can be expanded, having in mind your suggestion that the possible expansion of the holding yard would be 800 cars and the car capacity of the classification yard can be added to as needs require.

I call your attention also to the fact that this plan has been laid out keeping all trackage and all necessary real estate purchases north of Algona Road.

You will note adjacent to the Milwaukee-Union Pacific main lines a five-track interchange yard; four tracks to be used two each by the Milwaukee and Union Pacific and one for a running track. These tracks are connected at both ends of the yard to the main line of

Enc "D"

the Milwaukee and Union Pacific and can be expanded if necessary. You will note a similar yard located adjacent to the Northern Pacific-Great Northern main lines. These interchange yards will make it possible for any one of the four railroads in the respective yards to set out and pick up from either end and interfere in no way with the operation of the Government switch engines.

You will note that we have shown six buildings in solid lines and then six additional buildings in dotted lines as prospective covered storage expansion. Beyond this there are four tracks serving open storage; two of these tracks having 4,200 feet and two of approximately 4,800 feet of trackage for car spotting, which will serve slightly in excess of two million square feet of open storage. The distance between these tracks, as you will note, is 180 feet.

If we started on the basis of only one million square feet of covered storage, the open storage yard can be moved east or toward the first six buildings 500 feet until such time as the expension program was necessary.

The sheds are located on the east side of the property close to the Northern Pacific main line where the ground as you will recall is highest. However, we can safely say that all of the ground that has been taken into consideration in laying out this plan is high enough for the erection of the buildings, for the yards and for the open storage, and as we spoke of in our recent meeting with you, proper drainage can be easily established.

I call to your attention further the general trackage plan of this layout. The total trackage to serve the plan has been cut to a minimum and yet has taken into consideration all necessary operating conditions to make the plan workable and to operate the site with a minimum amount of expense. We did not feel that it was necessary to go into detailed expression of the operating possibilities of this yard. However, I think that whoever will operate the plant and be in charge of the operation of the switch engines for the Government will readily note the easy accessibility of all tracks and the readily workable plan of operation that can be worked out for the Government switch engine.

It is the opinion of the operating General Managers of the railroads represented that this plan is a very fine, workable layout and lends itself to the cheapest possible operation. I personally concur in this opinion, as does Mr. Iversen, the railroad representative for the District Transportation Office. We both feel that Site No. 1 location is preferable to Site No. 2 and it is our belief that the savings in time for spotting of cars for loading and unloading, the switching and delivering as well as the picking up of cars by the Government engine will be at a minimum if Plan No. 1 is chosen and this feature in itself over a period of time will tend towards

a greater saving in operation for the Government as well as the expediting of the materials into and out of the holding depot.

You will note that we have made a separate report for Site No. 2 and we are attaching that report to the prints of Site No. 2.

Very truly yours,

C. T. Kenney
Assistant Director
Rail Terminals

OFFICE OF DEFENSE TRANSPORTATION
Division of Railway Transport
5025 White-Henry-Stuart Bldg.
Seattle, Washington

March 20, 1943

Colonel M. L. Nicolson, Director
Division of Storage
Office of Defense Transportation
I.C.C. Building
Washington, D. C.

Dear Colonel Nicolson:

Attached you will find prints, and the following are recommendations of your Committee for the proposed trackage layout and depot to be located on site 2 at Auburn, Washington.

Site 2 is that site which lies east of the Northern Pacific--Great Northern main lines and the Northern Pacific yards at Auburn, Washington. You have in your possession the U. S. Government Air Site Board's report on the findings in connection with this site 2, which had previously been considered by that Site Board for an Air Corps depot.

The prints on site 2 have taken into consideration your recommendation for one million feet of closed storage and two million feet of open storage; also the recommendation of a 400 car hold yard with the possibility of further expansion to 800 cars, and also a 240 car classification yard, which can be expanded, but which expansion would necessitate considerable trackage changes.

In the operation of this plan on site 2 the Great Northern can interchange to the Northern Pacific on tracks which would have to be installed at the south end of the present Northern Pacific classification yard, as shown on the print. Likewise you will note the connecting track and the interchange tracks up in the Northwest corner of the print where tracks would have to be built for the Milwaukee--Union Pacific to set in cars to be interchanged to the depot. This will necessitate in the case of the Milwaukee--Union Pacific as well as in the case of the Great Northern cars that the Northern Pacific act as intermediate switch carrier, and in the operation of site 2 it would be necessary for Northern Pacific switch engines to cross over their main lines to get to the Milwaukee--Union Pacific interchange tracks where these cars would be picked up by the Northern Pacific engine, brought across the main lines into their Auburn Yard, and then shoved down into the depot tracks where the Government engine will pick them up.

Likewise, in the case of the Great Northern they would set out or pick up on the tracks at the south end of the Northern Pacific classification yard, after which the Northern Pacific would have to reach in and get these cars and act as intermediate switch line carrier in delivering to the Government depot. In loading out the reverse would be true. In other words, all cars going to the Great Northern, Milwaukee and Union Pacific would have to be handled

E. E.

intermediately by the Northern Pacific. These moves would, of course, entail delays caused by the necessity of moving across the Northern Pacific yards as well as the necessity of Northern Pacific switch engines handling the business intermediate from the three other roads. This particular feature is not good, and it does not lend itself to a flexible operation during periods of heavy traffic into or out of the depot, and the Committee as a whole agrees that the rail transportation operation of interchange and delivery to site 2 would entail considerable loss of time to the Government switch engines, and to the Northern Pacific switch engines, as well as loss of time for spotting for unloading or loading of cars at the depot.

The operation of the Northern Pacific as the intermediate carrier would involve an additional charge for switching which would, of course, on competitive business, be absorbed by the carriers. However, cars from local points would be open to the additional intermediate switch charge as this charge would not be absorbed and of equal importance along with this additional cost to the Government, is the fact that site 2 would involve the loss of switch engine time to the Northern Pacific, and we all know that during such times as these, in which we are confronted with the lack of available manpower, as well as motive power, every lost switch engine hour is something that should be avoided whenever possible.

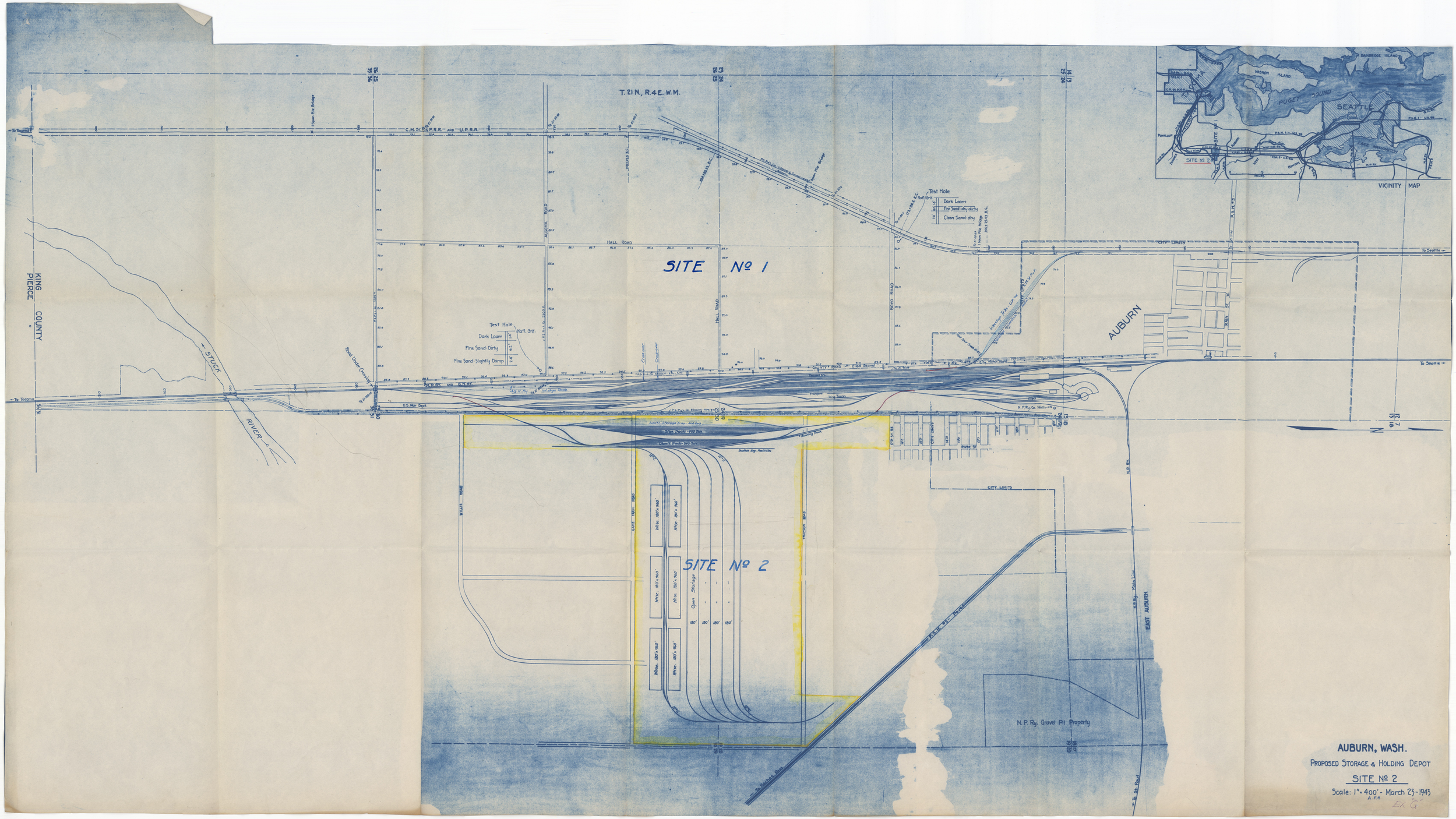
You will note further on the plan for site 2 there is shown six warehouses which will give a million square feet of covered storage, and four tracks from which to unload for open storage. This layout does not lend itself as readily to expansion as does site 1. You will note that for expansion we would have to move south with our warehouses under which circumstances the lead to the tracks serving the warehouses would be taken off the trackage serving the class yard at a point further south and reduce the efficiency of operation by further increasing switches to the warehouse trackage in an already limited area. We could expand the open storage on this site by additional tracks to the north. Note the trackage that serves both the open and warehouse storage is jointed to a stub end lead at the east end of the property. This is the best possible arrangement that could be worked out, but I think you will agree with the Committee that it is not nearly so desirable as the circle track connection as shown in site 1. The stub end tail track would necessitate pulling cars from the south end of the storage or warehouse tracks out and across Trueson Road as well as the acquisition of a strip of property across that road for the tail track room. If we are to look at this plan and view the possibilities of expansion as well as the proposed heavier traffic with which we are to be faced, we must figure that more than one engine will be used by the Government in handling the necessary operation of this depot, and the plan as outlined in site 2, I personally believe, and it is the opinion of the Committee, would entail a great deal more Government switch engine time for the same amount of work than would the handling on site 1.

In closing, it is the opinion of the operating General Managers of the railroads which will serve this depot that site 2 is not nearly as desirable from a rail transportation standpoint as is site 1.

It is, likewise, my personal opinion and the opinion of Mr. Iverson, Railroad Representative of the District Transportation Office, that site 2 has numerous operating disadvantages as compared to site 1, and we both feel that consideration should be given to the additional Governmental cost and delays of operation that will be involved in handling the business on site 2 as compared to site 1.

Very truly yours,

C. T. Kenney
Assistant Director
Rail Terminals



T. 21 N., R. 4 E. W.M.
SITE Nº 1
SITE Nº 2
KING COUNTY
PIERCE
STUCK RIVER
AUBURN
EAST AUBURN
HALL ROAD
ALGONA ROAD
BOYD ROAD
CITY LIMITS
To Seattle
To Tacoma
Test Hole
Dark Loam
Fine Sand-Dirty
Fine Sand-Slightly Damp
Nat'l. Grd.
Clean Sand-dry
Open Storage
N. P. Ry. Gravel Pit Property
VICINITY MAP
SEATTLE
PUGET SOUND
WASHON ISLAND
BAINBRIDGE ISLAND
AUBURN, WASH.
PROPOSED STORAGE & HOLDING DEPOT
SITE Nº 2
Scale: 1" = 400' - March 23-1943
A.F.S.
EX "G"

Seattle, March 22,1943.

Via Airmail

Mr. J. H. Poore,
Executive Assistant,
St. Paul, Minn.

Referring to Judge Macfarlane's telegram to Mr. Denney of March 18th, I enclose for your information copy of minutes prepared by Mr. Robt. Elander concerning meeting called by Director Baths of the ODT in Mr. Bartles' office. I understand that traffic representatives of the four railroads, Mr. Kopp representing the Northern Pacific, had their meeting March 19th and made report which no doubt has been received in your office.

Mr. Stotler is working up a development plan for Site No. 2 and Mr. Crane of the Milwaukee is working up a similar plan on Site No. 1 which they expect to have completed for consideration of the General Manager's Committee within a day or two.

Industrial Agent.

VEW-L.

enc.

Copy to - Mr. R. S. Macfarlane,
Mr. F. R. Bartles,
Mr. A. F. Stotler,
Mr. J. L. Burnham.
Mr R. W. Clark

RECEIVED
MAR 23 1943
SEATTLE, WASH.

Seattle, Washington
March 20, 1943

File A

RECEIVED
MAR 22 1943
SEATTLE, WASH.

Mr. R. S. Macfarlane:
Mr. F. R. Bartles:

For your information am attaching hereto copy of report of the meeting held with Mr. Impett of the Treasury Department, in connection with the location at Auburn.

jlb-mck
enc

Copy

M E M O R A N D U M

Seattle, Wn., March 19, 1943

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chosen, the government will perform, with its own power, all switching within the area from and to set-out tracks.

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Memorandum 3. Seattle, March 19, 1943

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Traffic Manager - Union Pacific R.R.Co.

(Sgd.) M. H. McEwen
Western Traffic Manager,
Chicago, Milwaukee, St.Paul & Pacific R.R.Co.

(Sgd) Otto Kopp
General Freight Agent - Northern Pacific Ry.

(Sgd.) B. S. Merritt
Western Traffic Mgr.-Great Northern Ry.

Copy

705 Alaska Building
Seattle, Washington

March 19, 1943

Col. L. M. Nicholson
Director, Division of Storage
Office of Defense Transportation
Interstate Commerce Commission Bldg.,
Washington, D. C.

Dear Sir:

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(1) The Auburn Holding & Reconsignment Point for the holding and storage of traffic from Eastern transcontinental points of origin, by reason of its proximity to Northwest ports and its development for the necessity of drilling cargo to shipside, the expoft rates be applied to this point as though it were a port of export. The Ports to be served as final points of export destination from this point are:

Anacortes, Washington	Aberdeen-Hoquiam, Washington
Bellingham, Washington	Longview, Washington
Everett, Washington	Vancouver, Washington
Seattle, Washington	Portland, Oregon
Tacoma, Washington	St. Helens, Oregon
Olympia, Washington	Camas, Washington
Astoria, Oregon	Washougal, Washington

(2) The inbound movement to the Point will control the outbound movement, inasmuch as the line haul carrier used inbound shall be the line haul carrier used outbound except that to such ports not served by the inbound carrier, the legally applicable export rate from transcontinental origins is to be made applicable by all routes through the Point of Auburn.

Copy

(3) The export rate developed as noted above so applied to freight movement to this Point should exclude any reference to land grant privileges.

(4) The rate so applied as noted above should be a one stop privilege for storage at Auburn.

The purpose of this meeting was to acquaint railroad traffic men in this territory of the Government's needs and it was understood that the Government application would be made from Washington through regular channels.

Yours very truly,

(sgd) V. G. Impett
Inspector in Charge
Area 12

VGI-hm
cc JMBass
OttoKopp, N.P.
Carl Payne,FSCC
CTKenney,ODT
CGKing,G.N.
MHMcEwen,MILW.
CWEvers,U.P.
Lt.Col.Rudy

N. P. 1386
12-24

TELEGRAM—BE BRIEF

TIME FILED
M.

Seattle, March 18,1943

C E Denney, St Paul, Minn

Concerning meeting with Colonel Nicolson and Director Baths today. They outlined proposal as substantial duplication of Pasco layout, involving one million feet of covered storage and two million feet open storage, with holding and classification yards capacity 400 cars each, Government to do own switching. Site one on west side and Site two on east side Auburn Yard both considered. Army officials indicated preference for Site two as affording better building sites and cheaper land, if operations can be arranged so that Milwaukee and Union Pacific can have economical access or interchange arrangement. Baths made it plain that any site would have to afford access or interchange arrangements for all lines at Auburn as primary purpose of project is to avoid interchange at Seattle or Tacoma. Committees appointed of traffic officers, engineering officers and operating officers each with Government representation, to study and work up data and make recommendations to Washington.

Nicolson indicated project will be approved by Washington, to be financed by Lend-Lease, if recommended by local officials ODT Treasury FSCC and Port Agency. When minutes are prepared complete report will be forwarded by Williams.

cc- FRB, JLB, VEW

Robert S Macfarlane

MEMORANDUM.

Seattle, March 5,1943.

Mr. R. S. Macfarlane,

I have just talked with Mr. Impett about the lend lease storage depot at Auburn.

He stated that he cannot yet give us definite answer but progress is being made on concrete lines, that it looks very favorable and he expects very soon to give us an answer and expects it to be an acceptance.

As you know Mr. Iversen has been consulted by Mr. Impett and he told me yesterday that the Washington officer sent here to investigate is Colonel Williamson, USA in charge of the "Field and Port Service" Department. He is expected here again March 10th when Iversen says Impett expects the matter to be definitely decided. Col. Williamson has had quite a task in checking the warehouse and storage situation in the Portland area and here to determine what it is best to do in view of the expected increasing volume of business which accounts for the delay in reaching decision.

Mr. Iversen also states they are giving active consideration to taking over the Commercial and Eureka Docks at Tacoma.

Mr. Impett also told me in regard to Mr. Denney's telegram to you of February 20th that there is no objection from a government standpoint to making the addition to paragraph five of our proposition as suggested by Mr. Denney.

V. E. Williams.

VEW-L

Copy to Mr. J. H. Poore.

P.S. Mr. Ellis is familiar with the situation, has been keeping in touch with Mr. Impett and says that he can extend time on construction contract if matter is decided soon.

V. E. W.

MEMORANDUM.

Seattle, March 5,1943.

Mr. R. S. Macfarlane,

I have just talked with Mr. Impett about the lend lease storage depot at Auburn.

He stated that he cannot yet give us definite answer but progress is being made on concrete lines, that it looks very favorable and he expects very soon to give us an answer and expects it to be an acceptance.

As you know Mr. Iversen has been consulted by Mr. Impett and he told me yesterday that the Washington officer sent here to investigate is Colonel Williamson, USA in charge of the "Field and Port Service" Department. He is expected here again March 10th when Iversen says Impett expects the matter to be definitely decided. Col. Williamson has had quite a task in checking the warehouse and storage situation in the Portland area and here to determine what it is best to do in view of the expected increasing volume of business which accounts for the delay in reaching decision.

Mr. Iversen also states they are giving active consideration to taking over the Commercial and Eureka Docks at Tacoma.

Mr. Impett also told me in regard to Mr. Denney's telegram to you of February 20th that there is no objection from a government standpoint to making the addition to paragraph five of our proposition as suggested by Mr. Denney.

V. E. Williams.

VEW-L

Copy to Mr. J. H. Poore.

P.S. Mr. Ellis is familiar with the sitiation, has been keeping in touch with Mr. Impett and says that he can extend time on construction contract if matter is decided soon.

V. E. W.

Seattle, February 20th, 1943

Proposed building for U.S.Treasury Dept.
on Gravel Spur at East Auburn;

MR. V.E.WILLIAMS:

Our conversation concerning this subject.

You will please see Mr. Impett so that he can advise the Government as he thinks necessary as to this additional language which is to be added to Paragraph 5.

I do not believe there will be any objection to this additional language.

ROBERT S. MACFARLANE

N. P. 1386 12-24

TELEGRAM—BE BRIEF

TIME FILED M.

17npni

St Paul Feb 20 43

R S MacFarlane
Seattle

With reference to construction building at Auburn for treasury department. Rental during first year would be subject to income tax which we should be allowed to avoid as we are merely being reimbursed for capital expenditure. To make this certain there should be added to paragraph five the following language quote For internal revenue purposes the rental prescribed for first year in excess of six hundred dollars per month shall be considered to be reimbursement of capital expenditure end quote. Please see impett and endeavor to obtain his approval to addition of this language. P-5

C E Denney 935 AM

Copy made for VEW

MEMORANDUM.

RECEIVED
FEB 18 1943
LAW DEPT. N.P. RY.
SEATTLE, WASH.

Mr. R. S.Macfarlane,

I talked with Mr. Impett today about storage layout at Auburn for lend lease. He is to meet Treasury representative at Portland tomorrow and after the Portland inspection, which he thinks will take two days, he will come to Seattle and check into the Auburn situation when Mr. Impett thinks decision will be reached.

He states no one has thrown cold water on the proposition, that the need exists and he is satisfied he will secure approval but that he has taken a little longer to get decision than he expected.

Attached is copy of letter dated February 13th from The Austin Co. to Mr. Stotler extending time for acceptance of construction offer to March 1st. This letter was written after Mr. Ellis discussed the matter with Mr. Impett.

Mr. Impett also told me that the Union Pacific was figuring with him on a similar layout at Wyeth near Cascade Locks but negotiations were not far advanced.

V. E. Williams.

VEW-L
enc.

Feb. 18 1943.

cc Mr. A. F. Stotler,
Mr. J. L. Burnham.

copy

THE AUSTIN COMPANY

Engineers and Builders
877 Dexter Horton Bldg.,
Seattle, February 13,1943.

S-4305

Northern Pacific Railway Company,
Smith Tower,
Seattle, Washington.

Attention: Mr. A. F. Stotler.

Gentlemen:

On February 1,1943, we submitted to you our proposal for the construction of a building to be constructed at East Auburn, Washington, in accordance with our Drawing File No. S-4305, Sheet No. 1, revise dated 2-1-43, and Outline Specifications attached thereto.

Our letter stated that the price was based on the assumption that the contract would be signed within two weeks' time from date.

We understand that there has been a delay in your negotiations to close a lease between the "Lend-Lease" Department of the U. S. Government and your company in connection with this project.

We have reviewed our estimate of cost for this project and find that there has been no change in the labor and material market which will effect the cost of this project.

We would, therefore, like to extend the time for acceptance of your quotation from February 15,1943 to March 1, 1943.

We trust that this will be satisfactory to you.

Very truly yours,

THE AUSTIN COMPANY

Richard Ellis
Acting District Manager.

RE-ff
cc WJR

Seattle, Wash., February 13,1943

AIRMAIL:

Mr. C. E. Denney,
President, St. Paul.

With reference to my letter of February 5th concerning proposed building for the United States Treasury Department on our gravel spur at East Auburn:

Mr. Impett of the Treasury Department advises that the matter is being progressed as rapidly as possible, that the plan is apparently receiving favorable consideration at Washington, D. C., and that final decision is expected within a week.

The Austin Company has extended the time an additional week within which we may accept their proposal.

ROBERT S. MACFARLANE

cc-Mr. V.E.Williams

Seattle, Wash., February 5,1943

Mr. C. E. Denney,
President, St Paul.

Concerning proposed building for the United States Treasury Department on our gravel spur at East Auburn, I attach:

1. Northern Pacific Railway Company copy (completed) of form of quotation.

2. Four additional copies of the quotation without attachments, as the instruments are to be executed in quintuplet.

3. Copy of Mr. Williams' letter of transmittal to Mr. Impett dated February 2,1943.

4. Copy of Mr. Williams' memorandum to me of February 5,1943.

The purpose of forwarding these at this time is so that they may be in your possession for immediate execution, if the Treasury Department approves the arrangement, and if the transaction meets your approval.

As we have only until February 14th to accept the proposal of The Austin Co., it will be necessary to handle this transaction by wire, and if it is approved by the Treasury Department, I will inform you by wire and would request that you execute and forward to me by air-mail so that we can get execution by the Government prior to the expiration date of The Austin Co. bid, (or any extension thereof that may be arranged.)

Mr. Impett understands that the whole matter is contingent on being closed by the Government in time for us to accept the bid of The Austin Co.

On the merits: We will receive complete return of the invest-

ment within 12 months from completion, and in addition to that $2725; thereafter the monthly rental of $600 provides ample margin. In addition, we will have the benefit of the grading of the site together with salvage value of track material and building at the termination of the lease.

ROBERT S. MACFARLANE

cc- Mr. V.E.Williams

AIRMAIL:

Seattle, Washington,
February 3, 1943.

Mr. Bernard Blum:

East Auburn, Wn: Warehouse and open storage for Treasury Department.

With reference to your letter of January 27, in regard to securing proposition from the Austin Company, both as to design and firm bid, to cover erection complete of warehouse and open storage at East Auburn for the U.S.Treasury Department.

I am attaching hereto, in duplicate, the Austin Company's letter of February 1, and also their contract form, with specifications and print, covering proposed storage warehouse, open storage yard referred to, and labor of installing switches and laying track. You will note they have submitted firm bid of $134,000. and the Northern Pacific will be required to pay the $4,020. additional for sales tax.

Mr. V.G.Impett, of the Lend-Lease Department, is to furnish untreated ties, at no cost to the Northern Pacific.

Track metal (allowing for salvage), including switches, would be $3,255., so total cost of the project would be $141,275.

Cost per square foot, of the building and loading platform, including sales tax, would be $1.16, which is not out of line considering that there is a concrete floor.

Grading will run between 42,000 and 45,000 yds. at about 36¢ per yard, and considering that there are no grading Contractors available, with necessary equipment, this also is not out of line.

In checking, I believe the bid, as submitted, in general, is a fair bid, considering that the Austin Company has secured the organization and will be able to complete the work within about sixty days.

Mr. Impett went over the bid price of the Austin Company and also the total cost of the project and he advised that the type of construction, layout and total cost of the project are satisfactory to the Government, and that they are willing to amortize it for one year and pay

$12,000. per month.

I am attaching copy of draft of agreement, prepared by Mr. Williams, in duplicate, which I understand will be recommended by Mr.Impett. You will note that the agreement protects the Railway Company, both as to return on investment for one year and after that date a monthly rental of $600. has been agreed upon, which would cover interest, etc., as there is no question but that the Government will occupy this warehouse for atleast six months to a year after the war is over.

The Government will also take care of repairs, or reconstruction resulting from fire.

I am attaching print showing the Auburn Gravel Pit, with areas outlined for covered shed and open storage space. There is a 10-inch watermain on "M" Street and it is proposed to make connection immediately north of the north line of Section 19.

When Mr. Williams has agreement executed it will be in line to have the Austin Company's contract executed and you should wire me approval.

AFS:L
Encl.

Copy to
Judge Macfarlane
Mr.F.R.Bartles
Mr.V.E.Williams

Seattle, Washington,
January 18, 1943

Mr. V. E. Williams:

Referring to discussion with Mr. Denney with respect to the proposal of the Treasury Department for the construction by us of a storage depot at the gravel pit spur, Auburn:

Mr. Impett of the Treasury Department proposes a lease arrangement in which we will be fully reimbursed within a year. Tentative figures indicate that the cost will be around $125,000.

You will continue your negotiations with Mr. Impett in an effort to work out a concrete proposition. It is my understanding that he will then submit the matter to Washington by teletype and, after obtaining assurance that the proposition will be accepted by the Government, we will then submit the matter to our home office for consideration and approval.

rsm/em
cc: Mr. C. E. Denney

ROBERT S. MACFARLANE

MEMORANDUM.

Seattle, January 16,1943.

Mr. R. S. Macfarlane,

In regard to consideration being given to Mr. Impett's request for a storage layout at Auburn, the situation up to date is as follows:

It was decided at a conference Mr. Hayward and I had with Mr. Wheatley and Mr. Impett on January 14th that the Terminal could not be satisfactorily worked out on our Auburn yard property but that it is entirely practical on our gravel pit property where Mr. Hayward has completed the field engineering work and tentatively figures that the cost will be around $125,000 to provide warehouse 1,000 feet long, and 86 feet wide with 8 foot shipping platform and canopy, and also to provide outside storage for an area 150 feet wide, length 1,000 feet.

In this tentative estimate there is involved construction of 2,000 feet new trackage, all grading to cost about $7,000 and the building about $100,000. A 12" City water main is close by and an electric power line now reaches the site.

I saw Mr. Impett again this morning and by the use of above tentative figures tried to get his proposition in more definite form. He still thinks he can make an arrangement whereby the construction expense can be amortized in the first year and that we will have to make further study and agree on the rental for the remaining period. Attached is form LL126 upon which our proposition will have to be submitted fof acceptance by the government. Mr. Hayward expects to have his plan worked out early next week when he and I will get together with Mr. Impett and try to work out the proposition definitely on the attached form ready to submit to our company.

You understand that the tentative estimates given to me by Mr. Hayward are in the nature of rough advance

information, simply to give as close an idea as we can at this time in case you want to discuss the matter further with the president while he is here.

It seems to me that the obstacle likely to be encountered is that Mr. Impett on a showdown will not be able to make good his statement about paying sufficient rental to amortize construction costs in the first year. That is his problem and we will not be expected to incur expense until we have government acceptance of our proposition on form LL126 and we will of course not submit any proposition to our company until we reach an agreement with Mr. Impett on what he will recommend and he states that before he will ask us to submit the proposition to our company definitely he will discuss it on the teletype with his principals at Washington and have assurance that the proposition will be accepted by the government.

Is it allright for me to go ahead with negotiations as above outlined?

V. E. Williams.

VEW-L

enc.

Copy Mr. G. I. Hayward.

Form LL 126
TREASURY DEPARTMENT
PROCUREMENT DIVISION

Contract No.
DA–TPS–_____

QUOTATION TO

UNITED STATES TREASURY DEPARTMENT
(Department or establishment)

PROCUREMENT DIVISION
(Office or station)

WASHINGTON, D. C.
(Address)

_____
(Date)

Confirmation of quotation in quadruplicate subject to the conditions on the reverse hereof, for furnishing the following supplies, and/or services, for delivery at _____

_____

_____ _____
(Name) (Title)

ITEM No.	ARTICLES OR SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT	
					DOLLARS	CENTS

_____
(Date)

In compliance with the above quotation, and subject to all the conditions thereof, the undersigned offers, and agrees, to furnish any or all of the items upon which prices are quoted, at the price set opposite each item, delivered at the point(s) as specified and, unless otherwise specified, within _____ calendar days after receipt of order.

Discounts will be allowed for payment as follows: _____ percent, 10 calendar days; _____ percent, 20 calendar days; _____ percent, 30 calendar days.

Bidder _____ Address _____

_____ _____

By _____ Title _____
(Signature of person authorized to sign this bid)

ACCEPTANCE BY THE GOVERNMENT:

_____
(Date)

Accepted _____

_____

Name _____ Title _____

(OVER)

CONDITIONS

1. The Government reserves the right to reject any or all offers, to waive any informality in offers and, unless otherwise specified by the Government or by the Vendor, to accept any item in the offer. In case of error in the extension of prices in the offer, the unit prices will govern.

2. Time, in connection with discount offered, will be computed from date of the delivery of the supplies to carrier when final inspection and acceptance are at point of origin, or from date of delivery at destination or port of embarkation when final inspection and acceptance are at those points, or from date correct bill or voucher properly certified by the contractor is received if the latter date is later than the date of delivery.

3. No Member of or Delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this contract or to any benefit that may arise therefrom unless it be made with a corporation for its general benefit.

4. The provisions of the Act of June 30, 1936, 49 Stat. 2036 (the Walsh-Healey Act) are attached hereto and made a part of the contract. These provisions, however, are deemed inoperative if the contract is for a definite amount not in excess of $10,000.

5. *Covenant against contingent fees.*—The contractor warrants that he has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Government the right to annul the contract, or, in its discretion, to deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commissions payable by contractors upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business.

U. S. GOVERNMENT PRINTING OFFICE 16—28873-1

RECEIVED
JAN 9 1943
LAW DEPT. N.P. RY.
SEATTLE, WASH.

Seattle, January 8th, 1943.

Mr. P. R. Bartlos,
General Manager,
Seattle, Washington.

Referring to letter to you from Mr. Stevens dated December 24th, Mr. Impett of the U. S. Treasury Department handling lend lease shipping in the northwest district, advised me today that the Army Air Corps had given up its project of construction of a storage depot at Auburn but that it would increase its facilities at Spokane. Mr. Impett has been in touch with the matter and I think his information is reliable.

Mr. Impett has asked his principals at Washington for authority to arrange for the construction of warehouse facilities either at Auburn or Tacoma to handle the storage of about 200,000 tons. His idea is cheap wooden saw-tooth construction in the nature of a shed, wholly designed to protect goods against moisture. His plan is to have in addition 10 or 12 acres of open storage.

Mr. Impett has been giving consideration to taking over the Grange Live Stock Assn. plant at Auburn consisting of the shed, with which you are familiar, and 10 or 12 acres, and acquiring in addition enough land to equal approximately 40 acres. He was well advanced with the project when Mr. Carstenson, President of the Live Stock Assn., protested that it would work a hardship on their 2400 live stock producers if this facility was given up and thought it was inadvisable for the government to take it over so that temporarilly Mr. Impett has abandoned it and I have suggestedto him that he either develop the Traeger property, about one-fourth of a mile south of the Grange plant, or look into the site which the Air Corps has abandoned on the east side of our Auburn yards and he is today having investigation made of these sites.

Mr. Impett will want to talk to us early next week about development of the 28 acre tract at Tacoma lying

between the Great Northern and Union Pacific Terminals. He would like to get our company to build the facility there with the cheapest possible construction and thinks he could pay a rental sufficient to fully take care of the investment. Judge Macfarlane and Mr. Burnham are familiar with this plan and I assume will be prepared to discuss it with Mr. Impett when they return to Seattle.

I have just had a call from Mr. Wheatley of the U. S. Engineers, who handled with us the yard layout resulting in a lease at Auburn. He is desparately in need of 75,000 square feet of good warehouse space which he is anxious to secure and would accept location any place from Missoula west if a suitable warehouse can be found. He is making investigation and we are trying to assist him. However, I doubt very much if he will be able to find such warehouse space unless he requisitions occupied buildings, which he does not want to do.

In the event he fails to find such a warehouse he thinks he will have to arrange for building one and in that event he would give first consideration to the site at Auburn which he understands from Mr. Impett has been abandoned by the Air Corps. He states that he has had no official notice of such abandonment but he is trying to locate Mr. Wake, the Engineer who handled the project, and promises to let me know when he finds out definitely.

(Signed) V. E. Williams

VEW-L

Industrial Agent.

Copy to: Mr. R. S. Macfarlane.
Mr. R. W. Clark,
Mr. J. H. Poore,
Mr. H. E. Stevens,
Mr. B. Blum,
Mr. J. L. Burnham.