



President's Subject Files
(Nos. 1-728).
Northern Pacific Railway
Company records.

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PRESIDENT'S
File 295-19

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.

Handwritten:
JMF
Out to
11200
BOK
4/9
BOK

Handwritten signature: Robert S. MacFarlane

Handwritten: ✓

NORTHERN
PACIFIC RAILWAY COMPANY

APR - 9 1943

OFFICE OF THE PRESIDENT

4/7
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.

NORTHERN
PACIFIC RAILWAY COMPANY
APR - 7 1943
OFFICE OF THE PRESIDENT

Mr. C. E. Denney- 2

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 MacFarlane

encl

James M. Smith

6267

VICE PRESIDENT
OPERATING DEPT.
APR-9 43
D. PAC. RY. CO.
ST. PAUL, MINN.

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

MINUTES OF AUBURN DEPOT MEETING

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 with 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. Iversen 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 Col. Nicolson in Wash. and Mr. Baths in San Francisco.

The following were in attendance at the meeting:

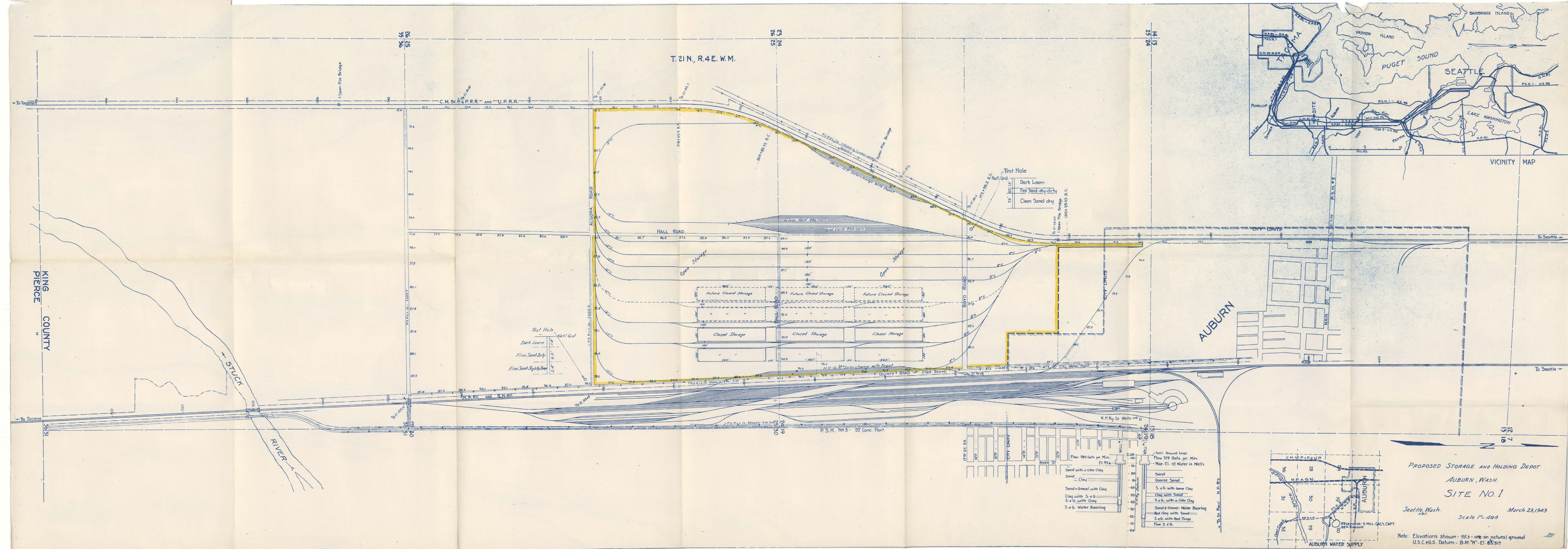
J. M. Baths	O.D.T.
N. S. Laidlaw	O.D.T.
L. M. Nicolson	O.D.T.
C. T. Kenney	O.D.T.
Robert Elander	O.D.T.
Leslie M. Rudy, Lt. Col.	T.C., U.S. Army

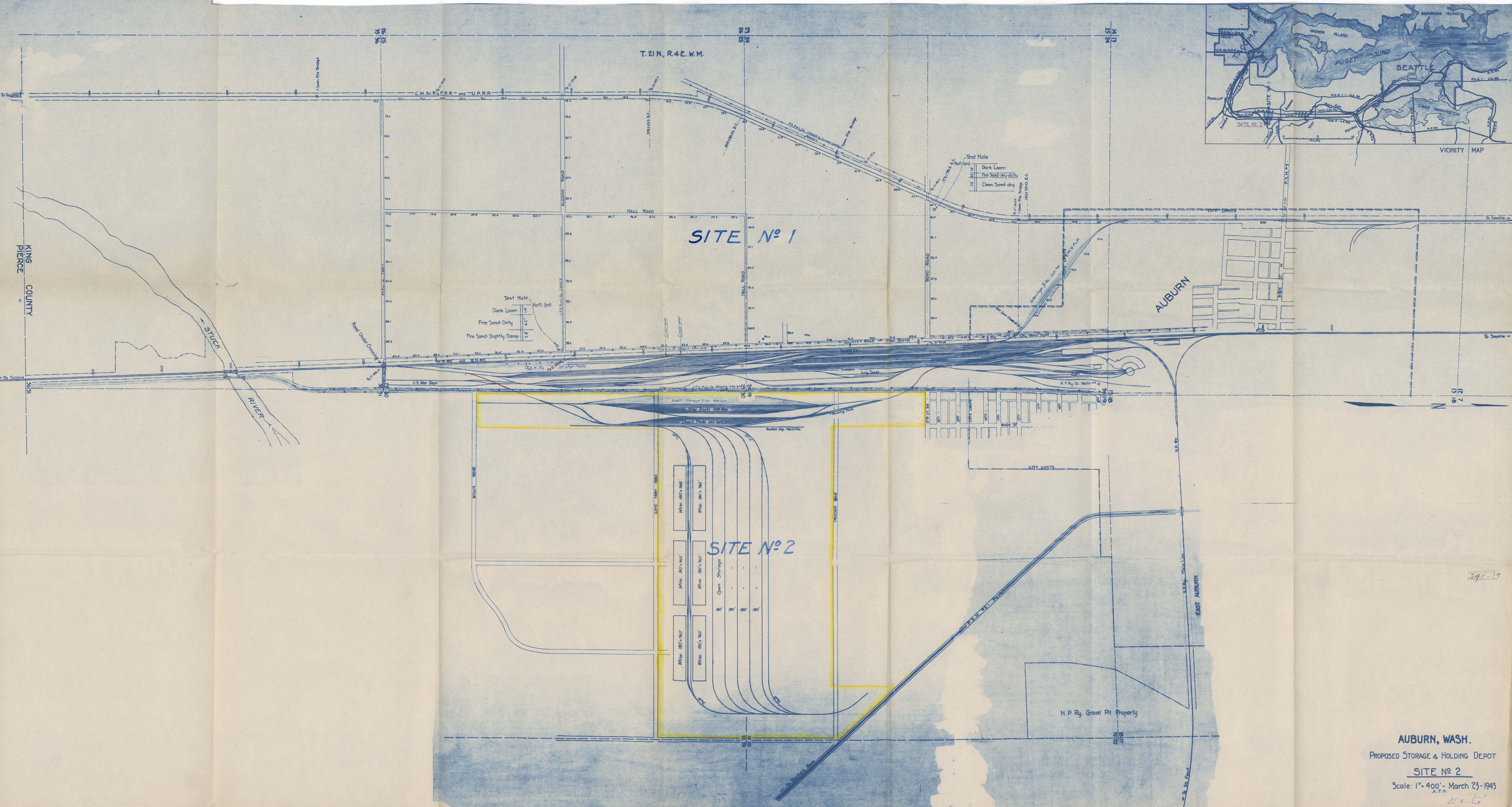
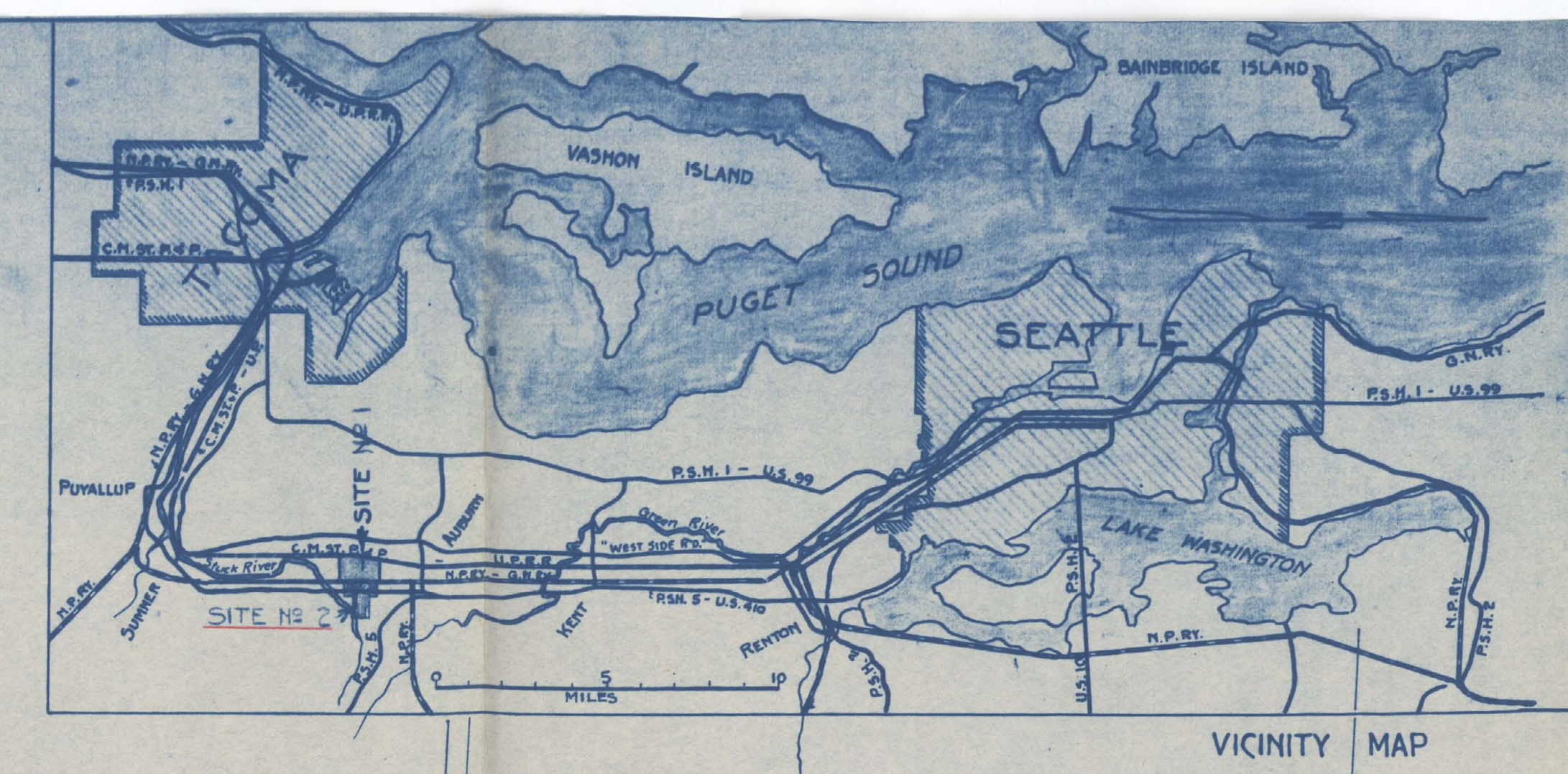
EX #

Otto Kopp
H. M. West
M. H. McEwen
C. W. Evers
J. F. Grier
V.G. Impett
A. F. Stotler
V. E. Williams
J. F. Alsip
E. B. Crane
I. P. Iversen
Carl D. Payne
D. R. Ostrander
Thos Balmer
A. B. King
M. C. Williams
L. F. Donald
L. F. Dixon
Don M. Farris, Lt. Col.
F. R. Bartles

N. P. Ry.
U. P. Ry.
Milwaukee R. R.
U. P. RR.
Milwaukee R. R.
U. S. Treasury
N. P. Ry.
N. P. Ry.
N. P. Ry.
Milwaukee RR.
Transportation Corp.
F. S. C.C.
G. N. Ry.
G. N. Ry.
G. N. Ry.
U. P. RR.
Milwaukee RR.
G. N. Ry.
Dist. Trans. officer
N. P. Ry.

295-19





AUBURN, WASH.
PROPOSED STORAGE & HOLDING DEPOT
SITE No 2
Scale: 1" = 400' - March 23-1943
A. P. S.
EX-G

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. Batha 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., CMST&P&RR,
Mr. T. F. Dixon, Gen. Mgr., G.N. Ry.,
Mr. M. C. Williams, Gen. Mgr., U.P. RR,
Mr. C. T. Kenney, Ass't 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 trackwork 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

Ex 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 expansion 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
5215 White-Smyth-Schuyler Bldg.
Seattle, Washington

March 20, 1943

Colonel M. E. 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

Ex-15

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 joined to a stub and 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 as desirable as the circle track arrangement as shown in site 1. The stub and tail track would necessitate pulling cars from the south end of the storage or warehouse tracks out and across Trusson 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. Iversen, 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

Copy

ASST. CHIEF ENGR.

MAR 25 1943

N. P. RY. CO.
SEATTLE, WASH.

MEMORANDUM

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 re-consigning 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 that area 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 liking than 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"

Memorandum. 2

Seattle, March 12, 1943

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. Kenney. 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 3 1/4 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

OFFICE OF
ASST. CHIEF ENGR.
MAR 25 1943
N. P. RY. CO.
SEATTLE, WASH.

Copy

Memorandum 3.

Seattle, March 19, 1943

spotted on a dock adjacent to the waterfront, the export free-time allowance is made, but where cars are spotted for delivery back away from the waterfront, demurrage is computed on the domestic basis, and it is our opinion the same policy should be pursued on traffic unloaded or loaded at Auburn.

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
ASST. CHIEF ENGR.
MAR 25 1943
N. P. RY. CO.
SEATTLE, WASH.

Copy

705 Alaska Building
Seattle, Washington

March 19, 1943

OFFICE OF
ASST. CHIEF ENGR.
MAR 25 1943
N. P. RY. CO.
SEATTLE, WASH.

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:

Anacortes, Washington
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

Col. Nicholson -----Page #2

(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

OFFICE OF
ASST. CHIEF ENGR
MAR 25 1943
N. P. RY. CO.
SEATTLE, WASH.

Handwritten signature/initials

St. Paul, Minn., April 2, 1943.

Mr. R. W. Clark:

We have outlined on the attached print of station plat of Auburn areas proposed as Site No. 1 and Site No. 2 for holding depot.

This print also shows the track through the old Borden Plant between the Northern Pacific and the Milwaukee and the track through the Grange Livestock Association between the Northern Pacific and the Milwaukee. The former track is no longer usable and the ownership of the former track is as indicated on the print.

No physical track connection exists between the two railroads over which interchange movements can be made.

I am also attaching copy of Mr. Bartles letter of March 30th.

H. E. STEVENS

cc-Mr. C. E. Denney ✓

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NORTHERN
PACIFIC RAILWAY COMPANY

APR - 4 1943

OFFICE OF THE PRESIDENT

Seattle, Washington
March 30, 1943

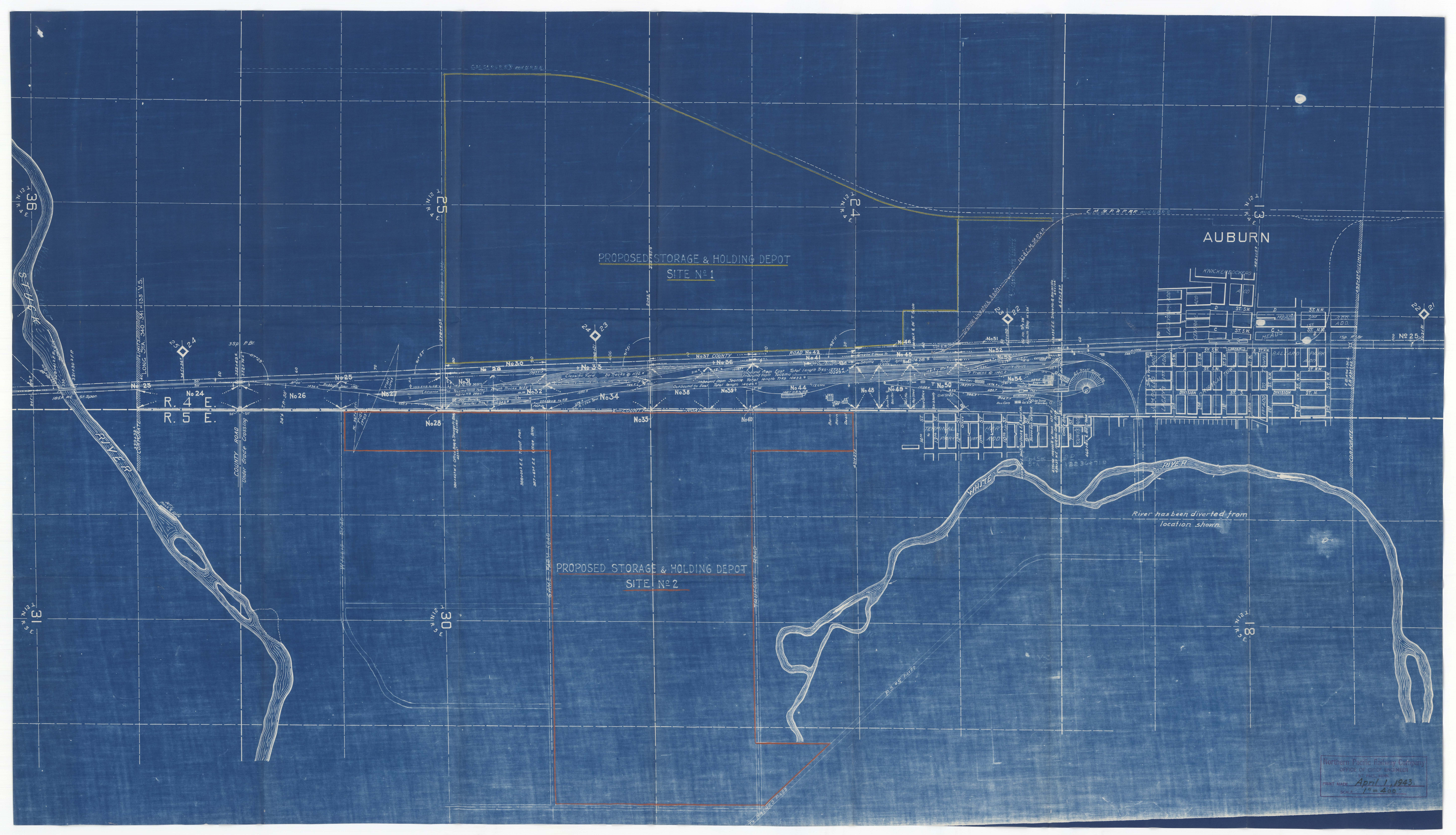
Mr. H. E. Stevens:

Your letter March 24th and answering specifically the questions about the interchange at Auburn.

There is in existence through physical connection between the Union Pacific trackage and Northern Pacific trackage through the Borden plant. This trackage was put in under the old Form 624 trackage agreement where the applicant paid all the expense except the metal, applicant to bear maintenance expense, except metal. The Borden Company, however, refused to pay any maintenance, with the result the maintenance has been assumed by the Northern Pacific. (See photographic book of joint facilities.) Therefore the trackage to the connection with the Milwaukee now belongs to the Northern Pacific as the metal has always belonged to us. However, to the best of my knowledge this track has never been used as an interchange track and is not now in condition to be used as such.

About interchanging cars through the Grange Livestock Marketing Association track. Mr. Kenney's position that a physical connection exists between the two railroads at Auburn through which we should be required to accept interchange refers to the fact that the rails are continuous. He agrees that we cannot use this interchange as the two railroads do not have a physical connection without using the privately owned Grange Livestock Marketing Association's tracks. He also understands that the interchange at Auburn not only involves changes in tariffs, but the construction of adequate physical connection.

/s/ F. R. Bartles



PROPOSED STORAGE & HOLDING DEPOT
SITE No. 1

PROPOSED STORAGE & HOLDING DEPOT
SITE No. 2

AUBURN

PRESIDENT'S
295-19
file

1/8/43
to note
& return
O.C. 3/24

Seattle, March 22, 1943.

3/25

4/9

Via Airmail

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

W. J. D.
1/10/46

Referring to Judge Macfarlane's telegram to Mr. Denney of March 18th, I enclose for your information copy of minutes prepared by Mr. Robt. Earlander 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.

Not yet
received
3/24

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.

William
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.

8

6

NORTHERN
PACIFIC RAILWAY COMPANY

NORTHERN
PACIFIC RAILWAY COMPANY
MAR 24 1943

MAR 29 1943

OFFICE OF THE PRESIDENT
NORTHERN
PACIFIC RAILWAY COMPANY

Mr. Scofield is working up a development plan for Site No. 2 and Mr. Crane of the Committee 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.

Copy to - Mr. R. S. Macfarlane,
Mr. W. R. Barlow,
Mr. A. F. Scofield,
Mr. J. I. Sullivan,
Mr. R. W. Clark.

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

MINUTES OF AUBURN DEPOT MEETING

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 Corps 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 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.
A. F. Stotler	N.P.Ry.
V. E. Williams	N.P.Ry.
J. F. Alsip	N.P.Ry.
F. R. Bartles	N.P.Ry.
H. M. West	U.P.Ry.
C. W. Evers	U.P.Ry.
M. C. Williams	U.P.Ry.
M. H. McEwan	Milwaukee RR.
J. F. Grier	Milwaukee RR.
E. B. Crane	Milwaukee RR.
L. F. Donald	Milwaukee RR.
D. R. Ostrander	G.N. Ry.
Thos. Balmer	G.N. Ry. L. F. Dixon, G.N.Ry.
A. B. King	G.N. Ry.
W. G. Impett	U. S. Treasury
I. P. Iverson	Transportation Corps
Don M. Farriss, Lt.Col.	Dist. Transportation Officer
Carl D. Payne	F.S.C.C.

295-19

St. Paul, Minn., March 20th, 1943

3/25

Mr. H. E. Stevens,
Vice President.

Mr. R. W. Clark,
Vice President.

I am in receipt of the following telegram dated March 18th from

Mr. Macfarlane:

"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, ODF, Treasury, PSOC and Port Agency. When minutes are prepared complete report will be forwarded by Williams."

(Signed) C. E. DENNEY

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18

This copy of the report
of the traffic officers
regarding the Auburn
reconvening depot was
furnished by Judge
Macfarlane

RSD 3/25/43

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 that area 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, car-load 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 liking than 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 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

12

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. Kenney. 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 points 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 $3\frac{1}{2}\%$ 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 spotted on a dock adjacent to the waterfront, the export free-time allowance is made, but where cars are spotted for delivery back away from the waterfront, demurrage is computed on the domestic basis, and it is our opinion the same policy should be pursued on traffic unloaded or loaded at Auburn.

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.

COPY

PRESIDENT'S

File 295-19

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:

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.

(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, NP

Carl Payne, FSCC

CTKenney, ODT

CGKing, GN

MHMcEwen, Milw.

CWEvers, U.P.

Lt.ColRudy

NORTHERN PACIFIC TELEGRAM

403CFC

SEATTLE MARCH 18 1943 C E DENNEY

ST PAUL

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.

ROBERT S MACFARLAN

951P

NORTHERN
PACIFIC RAILWAY COMPANY
MAR 19 1943
OFFICE OF THE PRESIDENT

25

18

RECEIVED
MAR 19 1943
HARRIS

3/15 295-190 3/20
PRESIDENTS
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.

8

NORTHERN
PACIFIC RAILWAY COMPANY

MAR - 9 1943

OFFICE OF THE PRESIDENT

MEMORANDUM

TO THE PRESIDENT

DATE: MARCH 9, 1943

FROM: [illegible]

[illegible text]

[illegible text]

[illegible text]

[illegible text]

[illegible text]

[illegible text]

[illegible text]

[illegible text]

[illegible text]

PRESIDENT'S

File

295-19

St. Paul, Minn., March 4, 1943.

Mr. J. H. Poore,
Executive Assistant.

Mr. Decker advised Mr. A. P. Mootz in telephone conversation this morning that Col. Nicholson of the O.D.T. Warehousing Section at Washington will be on the Coast next week and will look over the proposed construction for the Treasury Department at Auburn.

Advised Mr. Denny
3/4

W. S. Clark

8

PACIFIC NORTHERN
RAILWAY COMPANY

MAR - 4 1943

OFFICE OF THE PRESIDENT

PRESIDENT
295-19

At Spokane, Wash., Feb. 24, 1943.

Mr. J. H. Poore,
Executive Assistant.

I presume Mr. Williams has reported to you that Mr. Impett has also been dealing with the Union Pacific with respect to the building for the Treasury Department at Auburn. The Union Pacific layout is at Wyeth near Cascade Locks.

Apparently Mr. Impett talked with McMath immediately after talking with our people because the Union Pacific people knew about it the next day or two.

As I understand it, the matter is still unauthorized in Washington. The proposal of the Austin Company has been extended by them from February 15 to March 1.

John W. ...

b

NORTHERN
PACIFIC RAILWAY COMPANY
FEB 27 1943

OFFICE OF THE PRESIDENT



N. P. 1386
12-24

TELEGRAM—BE BRIEF

PRESTON

295-19

TIME FILED

11:04

A. M.

St Paul Minn February 20 1943

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 additon of this language. P-5

C.E. Denney

MEMORANDUM.

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.

bcc Mr. J. H. Poore ✓

500 WL. J. H. POOLE.

500 WL. J. H. POOLE.

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500 WL. J. H. POOLE.

NORTHERN
PACIFIC RAILWAY COMPANY
FEB 23 1943
OFFICE OF THE PRESIDENT

PRESIDENT'S
295-19
File-----

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

PRESIDENTS

File 295-19

174
2200
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 MacFarlane

cc-Mr. V.E. Williams

NORTHERN
PACIFIC RAILWAY COMPANY
FEB 15 1943
OFFICE OF THE PRESIDENT

PRESIDENT'S

295-19

P. 7/18

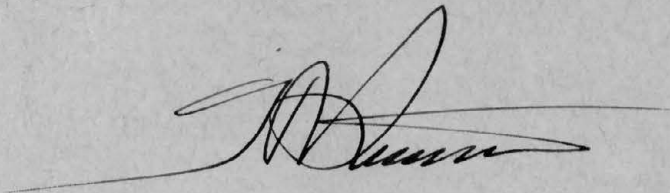
Saint Paul, Minn., Feb. 12th, 1943.

Mr. J. H. Poore:

Your letter of the 8th with which you enclosed papers pertaining to the construction of a storage building at Auburn gravel pit spur for the United States Treasury Department to be used for Lease-Lend purposes.

I return herewith all papers together with a copy of Mr. Blum's letter of February 10th commenting on the agreement.

You will note that Mr. Blum calls attention to the fact that the agreement is silent with reference to payment of taxes and that the Railway Company is not obligated in any way to replace the structure in the event of destruction by fire. If that is the intent of the parties, I see no objection to the agreement which I have initialed.



NORTHERN
PACIFIC RAILWAY COMPANY
FEB. 15 1943
OFFICE OF THE PRESIDENT

Saint Paul, February 10, 1943

MR. H. E. STEVENS:

Your letter of the 9th and returning all papers concerning proposed contract with the U.S. Treasury Department for construction of storage building at Auburn for Lease-Lend purposes:

I have checked over the agreement and estimate and have initialed the Railway Company copy. The total estimated cost, including track to be furnished by the Railway is \$141,275. Rental 12 months at \$12,000 is \$144,000 or \$2725 more than the estimated cost. Most likely there will be that much over-run.

The agreement makes no reference to payment of taxes and fire insurance premiums. I presume we will have to pay the taxes. The Government assumes the risk of loss to its property stored on the leased premises; and also the Railway, under par. 4 is not required to replace or make repairs account fire loss. Are we to assume from this that the Government will continue to pay the 12 monthly installments of \$12,000 even if the building is destroyed by fire shortly after it is completed? Under Art. I I would assume that this is so.

In regard to the estimates: The cost per sq. ft. figures about \$1.25 for the building area exclusive of the platform area. This shows that it is a very simple type of building. Mr. Curtiss' estimate of the building proper is \$83400 or \$20470 below the Austin figure. The difference will take care of the septic tank and tile pipe disposal field, their engineering expenses, overhead, and profit. I do not consider this to be unreasonable.

The walls are to be 1x8" shiplap on 2x6 studs with rather flat roof, covered by a 1-ply 55# smooth surface prepared roofing, which is similar to our standard although applied on a slope flatter than we would consider proper. The permissible snow load is not very great and in case of a repetition of the storm of three weeks ago I would want the roof shoveled off; but I think we can take that chance for a temporary building of this nature.

I received from Mr. Stotler direct a form of agreement in duplicate with the Austin Co., copy attached hereto for authority to execute in case the proposition goes through.

BERNARD BLUM

bb/s

PRESIDENT'S

FILE 295-19

St. Paul, Minn., February 8, 1943. A3

Mr. H. E. Stevens,
Vice President.

Herewith Mr. Macfarlane's letter of February 5 and the enclosures therein referred to with respect to construction of a building at East Auburn for the United States Treasury Department. Will you kindly look over this contract, and if you see no objection to it, initial and return it to me with the attached papers.

(Signed) J. H. POORE

PRESIDENT'S
295-19
FEB 11 1943

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-

NORTHERN
PACIFIC RAILWAY COMPANY
FEB - 8 1943
OFFICE OF THE PRESIDENT

Mr. C. E. Denney - 2

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 Macfarlane

cc- Mr. V.E.Williams

AIRMAIL:

MEMORANDUM.

Mr. R. S. Macfarlane,

Attached is quotation on Treasury Department Procurement Division form LL-126 prepared at the request of Mr. Impett, handling for the Treasury Department lend lease operations in the northwest district, covering proposed storage layout on gravel pit property at Auburn.

Also attached is copy of my letter of February 2d to Mr. Impett stating that we would forward this quotation to Mr. Denney for approval on the part of the railway company when we had assurance from him that the proposition will be acceptable to the government. Since delivering my letter I have had several telephone conversations with Mr. Impett and talked with him again today. He states that he has the matter up with his Washington officials by teletype and that they have asked questions which must be answered which is causing delay in securing decision. He states that he has had no information from Washington indicating disapproval but because of the fact that the proposition is one originating with himself considerable explanation must be made to Washington before he can get a decision and he is in hopes that he will get a decision today or tomorrow. I again called his attention to the time limit, February 14th, on The Austin Co. bid, which makes it necessary for prompt action if we are to proceed on the plan outlined in the quotation.

The Austin Co. has submitted to Mr. Stotler for railway company approval construction contract, which must be approved at St. Paul and Mr. Stotler is holding it pending advice from Mr. Impett on government approval of the quotation.

As explained to you verbally it has not been our intention to send these documents to St. Paul for approval until we should have a letter from Mr. Impett advising of the approval of the proposition by the government but in view of the present situation it might be advisable in order to save time to forward the documents to St. Paul today so that the officials there can be giving the matter consideration and be prepared to act when we have advice from Mr. Impett.

The government requires the quotation to be signed in

Mr. R. S. Macfarlane - 2.

quintuplicate and when completed one copy will be returned to us. Assuming that this will be forwarded by airmail only one copy marked "N.P.Ry.Co. Copy" is complete and if it is executed by Mr. Denney and returned here we will then add the attachments to the remaining copies.

V. E. Williams.

VEW-L

enc.

Copy to Mr. F. R. Bartles,
Mr. A. F. Stotler,
Mr. J. L. Burnham.

Feb. 5th, 1943.

COPY

February 2, 1943.

Mr. V. G. Impett,
Inspector in Charge, Procurement Dept.,
U. S. Treasury Dept.,
Alaska Bldg.,
Seattle, Washington.

Dear Sir,

In accordance with our understanding, I am enclosing copy of our proposed quotation for the construction of storage layout for your use on our gravel pit property at East Auburn.

This has been approved by our local officials and is ready for forwarding to President Denney for his approval and execution on the part of the railway company and it will be forwarded to Mr. Denney as soon as you have notified us that it is acceptable to you and that the proposition has been approved by your superiors at Washington.

You will note from Austin Engineering Co. letter dated February 1st attached, that it is specified in connection with the bid that The Austin Co. are to be authorized to proceed with the work within two weeks from February 1st and I assume that before we can give such authorization it will be necessary to have the quotation signed by our company and formally accepted by the government. I am in hopes in view of this two weeks specification that we will be able to forward it to Mr. Denney by airmail not later than tomorrow.

Yours very truly,

(Signed) V. E. Williams

Industrial Agent.

VEW-L

enc.

THE AUSTIN COMPANY

ENGINEERS AND BUILDERS

877 DEXTER HORTON BUILDING, SEATTLE



S-4305

February 1, 1943

Northern Pacific Railway Company
Smith Tower
Seattle, Washington

Attention: Mr. A. F. Stotler

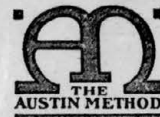
OFFICE OF
ASST. CHIEF ENGR.
FEB 2-1943
N. P. RY. CO.
SEATTLE, WASH.

Gentlemen:

We are handing you herewith three copies of The Austin Company's Standard Form of Lump Sum Contract for the construction of a proposed Warehouse and open Storage Yard for lease to the "Lend-Lease" Department of the U. S. Government. This building is to be located on your property within the yard area at East Auburn, Washington. The building will be substantially constructed as outlined in the Outline Specifications attached to the contract, and in accordance with our Drawing File No. S-4305, Sheet No. 1, revise dated 2-1-43. Ten additional copies of this plan and specifications have been furnished to you. The total amount of the proposed Lump Sum Contract is composed of the following items as discussed with you on January 28th, 1943.

Description	Cost	Sales Tax
Building and Loading Platform	\$103,867.00	\$3,116.00
Outside Grading and Excavation	15,470.00	464.00
8 outside hydrants and water line, (6" wood stave pipe to 12" main in "M" St., with 3/4" to toilet fixtures inside building)	6,713.00	201.00
Labor on laying railroad track, (3,100 L.F., material by N. P. R.R.)	4,065.00	122.00
Fence, 6x6 wood posts, 12-gauge welded fence, 6" high, 3 strands barbed wire on top, approx. 2,500 ft. long	3,885.00	117.00
Total cost of work by The Austin Co.--	\$134,000.00	\$4,020.00
Value of track material to be furnished by N.P. R.R., less untreated ties furnished by "Lend-Lease"	3,255.00	
Sales Tax	4,020.00	
Total cost of Project	\$141,275.00	

Northern Pacific Railway Company
Sheet #2



February 1, 1943

The above prices are based on the assumption that we will be authorized to proceed with this project within two weeks from date, and that the "Lend-Lease" Department of the U. S. Government will furnish us with a sufficient priority so that the necessary materials can be purchased and delivered in accordance with a fast construction schedule.

You will note that we have not signed the Lump Sum Contract Form although we have initialed the plans and specifications as we did not feel that the contract should be signed by either party until this lease with "Lend-Lease" had been executed and the project was ready to proceed.

We trust that this will give you the information you require at this time, and if there is anything further we can do to expedite this work, or if you require a list of critical materials for filing with the War Production Board, we will try and get the required information for you as promptly as possible.

Very truly yours,

THE AUSTIN COMPANY

Richard Ellis
Acting District Manager

RE:ff
encls.

Contract No.

DA-TPS-

QUOTATION TO

UNITED STATES TREASURY DEPARTMENT

(Department or establishment)
WASHINGTON, D. C.

(Address)

PROCUREMENT DIVISION

(Office or station)

(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 near Auburn, Washington

(Name)

(Title)

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

1. The Railway Company shall construct, or cause to be constructed, on its land near Auburn, King County, Washington, in sections 18 and 19, township 21 north, range 5 east, W.M., warehouse 84 feet by 1,000 feet, with covered platform 8 feet wide, and provide adjacent thereto outside storage space having an area of approximately 267,000 square feet, all as shown on plans and specifications, attached hereto and made a part hereof, prepared by The Austin Company under date of January 28, 1943 (revised February 1, 1943). The Railway Company shall proceed with said construction work when this offer is accepted by the Government and shall complete same ready for use as soon as the same can be completed by reasonable effort, barring unavoidable delays.

The Government agrees to lease said premises for a period of one (1) year at a rental of twelve thousand dollars (\$12,000.00) per month and may, thereafter, at its option continue said lease at a rental of six hundred dollars (\$600.00) per month for the duration of the present wars and six (6) months thereafter, but said lease may be cancelled at any time by the Government after the first one (1) year period by giving the Railway Company thirty (30) days written notice.

2. The lease shall be effective, and the Government shall have the right of use and occupancy, upon the date the construction work specified in Item No. 1 above is completed; provided, however, the Government may have partial use progressively as the construction proceeds and space is made available for use and occupancy.
3. The Government shall pay all bills, if any, that shall accrue against the leased premises during the period of this lease for gas, water, and electric current for light or power. The Government agrees also to assume all risk of loss, damage or destruction to its property stored upon said leased premises; and that said premises will be kept in a clean and sanitary condition to the satisfaction of the Division Superintendent of the Railway Company.
4. The Railway Company shall not be required to make any additions, changes or repairs whatsoever, including repairs or reconstruction resulting from fire, and the Government shall make such repairs as it deems necessary to keep the premises in usable condition at its own cost and expense.
5. It is understood in connection with the rental quotation in Item No. 1 above that the covered and outside storage space is being provided for the special use of the Government as a requirement in the existing war emergency and it is not contemplated that the improvements specified in Item No. 1 above will have any usable value when the emergency is 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.
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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.

THE AUSTIN COMPANY
877 Dexter Horton Building
Seattle, Wash.

S-4305

February 1, 1943.

Northern Pacific Railway Co.,
Seattle, Washington.

Gentlemen:

Attention Mr. A. F. Stotler.

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TOTAL COST OF WORK BY THE AUSTIN CO.	\$134,000.00	\$4,020.00
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Total cost of project	\$141,275.00	

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Northern Pacific Railway Co., Page 2.

February 1, 1943.

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Very truly yours,

THE AUSTIN COMPANY

By Richard Ellis (sgd)
Acting District Manager.

RE:ff
encls.

(C O P Y)

OUTLINE SPECIFICATIONS
FOR
STORAGE WAREHOUSE
FOR
NORTHERN PACIFIC RAILWAY COMPANY
SEATTLE, WASHINGTON

The Austin Company
Seattle, Washington

Engineers & Builders
January 28, 1943
Revised February 1, 1943

LOCATION: The building will be built on the Owner's property at Auburn, Washington as and where shown on the plot plan on the drawing.

SITE: It is assumed that the site will be turned over to the Builder free and clear of all obstructions, equipment, etc. which would interfere with normal building procedure.

GENERAL DESCRIPTION: The building will be a one story frame structure 1000'0" x 84'0" with a minimum clearance of 20'0" to the underside of the roof joists. A loading platform of concrete construction 8'0" wide with a wood canopy over at the roof eaves level will be installed the full length of the east side of the building paralleling the railroad tracks. The floor slab will be of concrete laid on the grade.

The exterior walls will be of open stud construction supported on a continuous concrete footing wall, and sheathed on the outside only with 1" shiplap laid "overlap".

The roof will be of purlin construction, supported on wood beams and posts set on concrete footings. The roof waterproofing will be extra heavy rolled roofing installed on a 2" plank deck.

A toilet room and lunch room will be installed where indicated on the west wall with an office area adjoining. The enclosing walls of this unit will be of open studs, sheathed on the warehouse side with 1" shiplap. A ceiling will be installed at an 8'0" height of open rafters. The walls and ceilings of the toilet and lunch room will be finished with 1/2" shiplap; the office area 1/4" plasterboard or similar material installed with wood battens. Sash and doors will be installed as shown.

The loading platform will be of concrete construction laid on the grade with a concrete retaining wall extending down to the track bed level.

The building will be mechanically and electrically equipped as specified hereafter and will be built

substantially as shown on the drawing S-4305, Sheet No. 1, dated 1-28-43.

GRADING: The Builder will rough grade the site in the hatched areas indicated on the plot plan as required for the finished elevations. This grading will extend 10'0" beyond the west building line of the Warehouse Building. It is assumed that sufficient grading material exists on the site to do this work.

EXCAVATION: The Builder will do all excavation necessary for all footings and foundations, etc. for the proper installation of all foundation work and upon completion of such work will backfill as required.

CONCRETE WORK: All concrete work in the wall and column footings, the retaining wall and the floor slab will be 1-3-5 mix, unreinforced.

All cement will be domestic portland cement; all aggregates fresh water washed sand and gravel to meet the requirements of the American Society for Testing Materials.

The floor slab will be given a steel trowelled monolithic finish. All necessary expansion joints will be installed as required.

CARPENTRY: All material for structural work, studs and roof joists, and the wall sheathing will be No. 1 Common Western Fir; the roof decking No. 2 Common Western Fir.

All millwork will be B & Better V.G. Fir.

All framing will be installed in a thoroughly workmanlike manner to secure rigid framing throughout.

All posts will rest squarely on concrete plinths, secured with $3/4"$ x 8" dowels. All beams will rest securely on the wood posts. Bracing will be installed every 40'0" along the center line of posts, as indicated, and on the exterior walls with a minimum clearance of 16'0" at the walls and 17'0" on the center line. Similar bracing will be installed longitudinally on the center line, ~~spaced~~ spaced 80'0" on centers.

All wood sash will be stock sash 1-3/8" thick, double hung, glazed, with D.S.B. glass.

The shipping doors will be built for 10'0" x 8'0" openings where indicated. They will be built of standard Austin construction, 2-1/4" thick, single slide, hung with standard sliding door track and hardware. All single doors will be stock design 1-3/8" thick.

All toilet divisions and doors will be framed in wood panelled construction.

All necessary finished hardware will be installed as required, of stock pattern.

ROOFING:

The roof deck will be waterproofed with one (1) ~~inches~~ layer of Grade "A" prepared roofing, Mica surfaced, of approved manufacture, weighting 55 pounds per square. The roofing will be laid shingle-fashion with a 2" lap at all horizontal joints, and a 3" lap at all vertical joints. The roofing will be thoroughly secured to the deck with galvanized roofing nails and the joints cemented so that in no case will felt touch felt. The roofing will extend over an underside the eaves and gable projections. The roofing will be installed strictly in accordance with the manufacturer's directions.

PAINTING:

All of the exposed exterior wood, exterior doors and millwork will be painted one (1) coat of approved "camouflage" paint. All exterior doors will be primed before painting.

ELECTRICAL
WORK:

It is assumed that adequate service is available at the site for all electrical requirements for lighting only.

Four (4) 200 watt outlets, sockets and drop cords only, will be installed crosswise in each Warehouse bay, locally switched at each shipping door. Similar outlets will be installed on each shipping door with one (1) extra between each door. Six (6) 300 watt outlets will be installed in the Office Area; one (1) 100 watt in the toilet; and two (2) in the lunchroom; all equipped with glass enclosed fixtures and locally switched.

Two (2) duplex convenience outlets will be installed in the Office Area; one (1) in the toilet and two (2) in the lunchroom.

Two (2) outlets for 2 - 5000 watt heaters will be installed in the Office Area; one (1) for 2000 watt in the toilet and two (2) for 2000 watt in the lunchrooms.

All wiring will be run knob and tube.

No heaters or lamps are included.

PLUMBING:

Fixtures as indicated on the drawing will be furnished and installed complete. These fixtures will be of standard quality and manufacture, equal to those as manufactured by the Standard Sanitary Manufacturing Company.

The water supply will be obtained from the fire hydrant system as specified.

A forty (40) gallon National Electric or equal hot water storage tank will be furnished and installed complete.

Hot and cold water will be piped to all fixtures as required.

The sanitary drainage from the above fixtures will be drained to a 1500 gallon septic tank located approximately 15'0" west of the west building line with an adequate agricultural tile disposal field laid on a gravel bed.

Eight (8) standard construction fire hydrants will be installed; four (4) on each side of the building where indicated on the drawing.

The Builder will run a 6" wood pipe from the existing 12" main in "H" street west of the property to supply fire hydrants and plumbing equipment. A 3/4" line will be run into the building to supply plumbing fixtures.

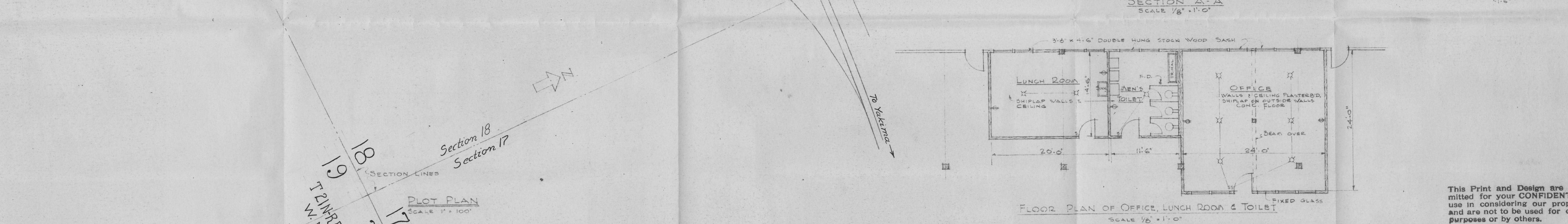
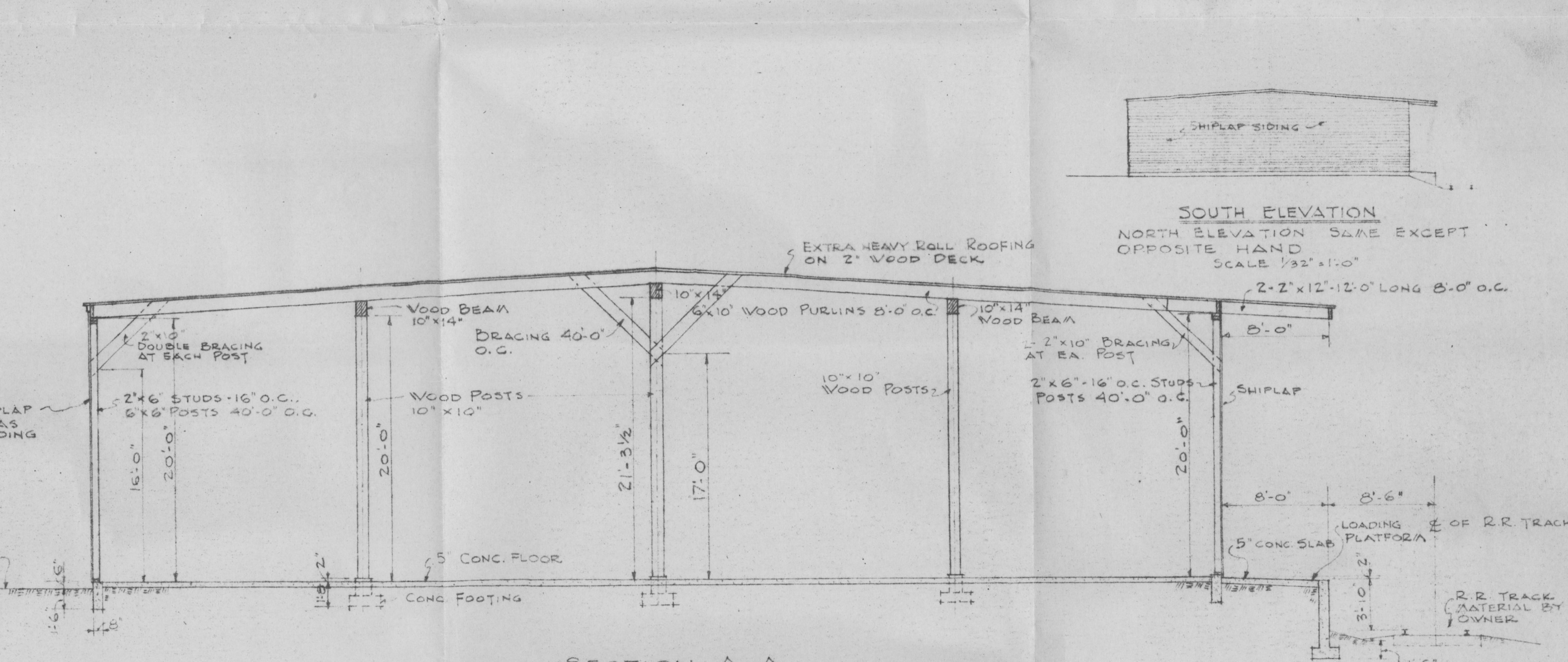
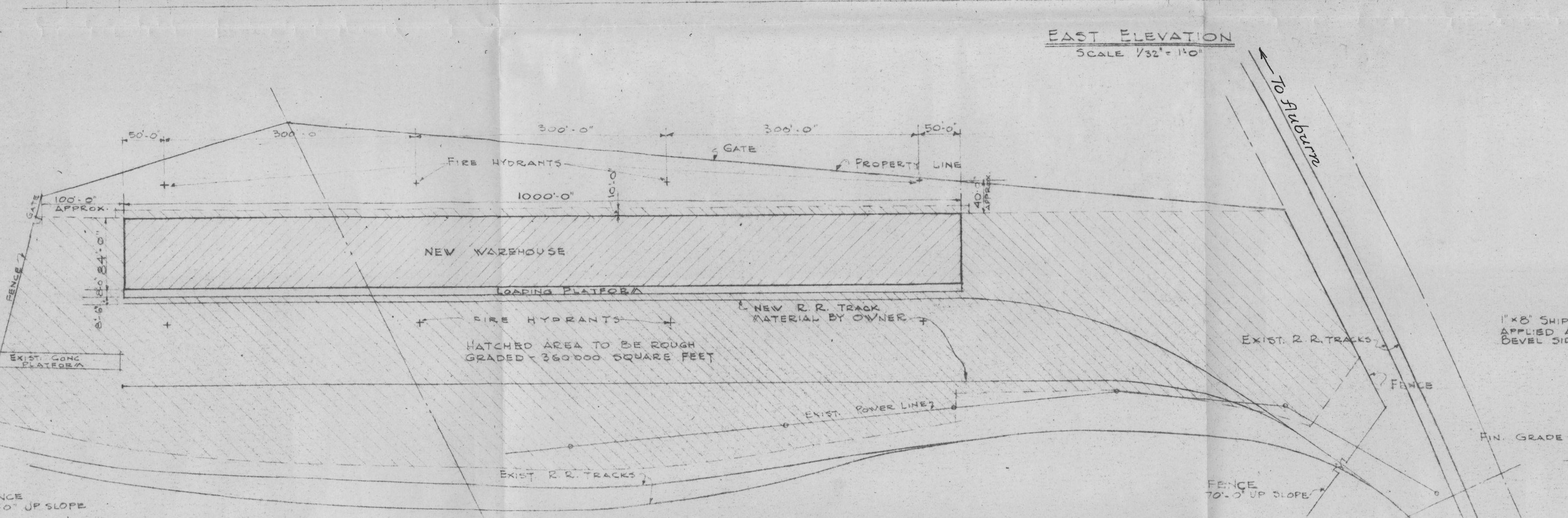
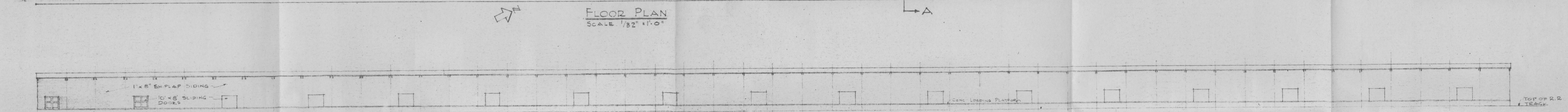
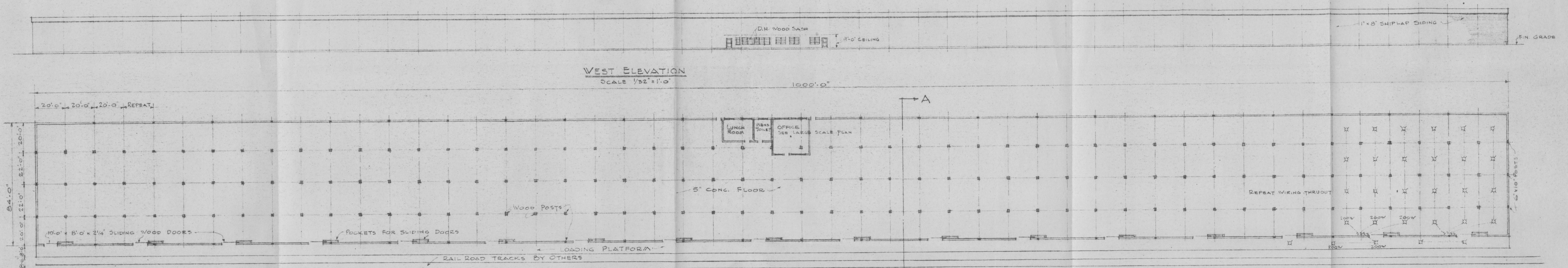
**RAILROAD
TRACKAGE:**

The Owner will furnish all material required for the railroad track, including rails, ties and accessories. (Ties to be furnished Owner by "Lend-Lease").

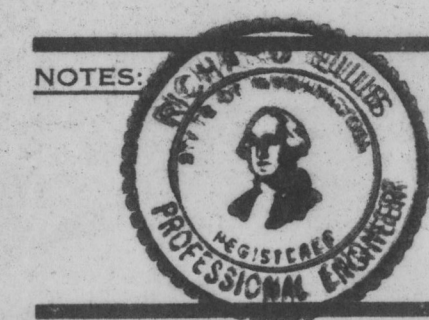
The Builder will lay the tracks as indicated on the drawings.

FENCE:

The Builder will construct a wire fence on three sides of the property as shown on the drawing. This fence will be constructed with 6 x 6 wood posts, spaced approximately eight to ten feet on centers. Fencing will consist of #12-gauge square mesh standard fencing. It will be 6 feet high and on top there will be an extension with three strands of barbed wire. There will be two (2) gates provided as indicated on the drawings.



This Print and Design are submitted for your CONFIDENTIAL use in considering our proposal and are not to be used for other purposes or by others.
THE AUSTIN COMPANY



DATE	REVISION	BY	CHKD. BY	DATE	REVISION	BY	CHKD. BY

THE AUSTIN COMPANY
ENGINEERS AND BUILDERS
SEATTLE

DRAWN BY J.P. DATE 2-1-43 CHECKED BY M.A. DATE 2-1-43 SCALE AS NOTED

TITLE OF DRAWING
NAME OF OWNER
LOCATION OF JOB

CONTRACT NO. S-4305
SHEET NO.

— N. P. Ry. Co. Copy —

Contract No.

DA-TPS-

QUOTATION TO

UNITED STATES TREASURY DEPARTMENT

(Department or establishment)

WASHINGTON, D. C.

(Address)

PROCUREMENT DIVISION

(Office or station)

(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 near Auburn, Washington

(Name)

(Title)

[illegible]

(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 NORTHERN PACIFIC RAILWAY COMPANY Address 918 Smith Tower,

Seattle, Washington.

By Edw. M. Kelly Title President.

(Signature of person authorized to sign this bid)

ACCEPTANCE BY THE GOVERNMENT:

(Date)

Accepted

[illegible]

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.

1. The Railway Company shall construct, or cause to be constructed, on its land near Auburn, King County, Washington, in sections 18 and 19, township 21 north, range 5 east, W.M., warehouse 84 feet by 1,000 feet, with covered platform 8 feet wide, and provide adjacent thereto outside storage space having an area of approximately 267,000 square feet, all as shown on plans and specifications, attached hereto and made a part hereof, prepared by The Austin Company under date of January 28, 1943 (revised February 1, 1943). The Railway Company shall proceed with said construction work when this offer is accepted by the Government and shall complete same ready for use as soon as the same can be completed by reasonable effort, barring unavoidable delays.

The Government agrees to lease said premises for a period of one (1) year at a rental of twelve thousand dollars (\$12,000.00) per month and may, thereafter, at its option continue said lease at a rental of six hundred dollars (\$600.00) per month for the duration of the present wars and six (6) months thereafter, but said lease may be cancelled at any time by the Government after the first one (1) year period by giving the Railway Company thirty (30) days written notice.

2. The lease shall be effective, and the Government shall have the right of use and occupancy, upon the date the construction work specified in Item No. 1 above is completed; provided, however, the Government may have partial use progressively as the construction proceeds and space is made available for use and occupancy.
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5. It is understood in connection with the rental quotation in Item No. 1 above that the covered and outside storage space is being provided for the special use of the Government as a requirement in the existing war emergency and it is not contemplated that the improvements specified in Item No. 1 above will have any usable value when the emergency is over.

RRCo Lease 61620

Contract No.

DA-TPS-

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[illegible]

(OVER)

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2. The lease shall be effective, and the Government shall have the right of use and occupancy, upon the date the construction work specified in Item No. 1 above is completed; provided, however, the Government may have partial use progressively as the construction proceeds and space is made available for use and occupancy.
3. The Government shall pay all bills, if any, that shall accrue against the leased premises during the period of this lease for gas, water, and electric current for light or power. The Government agrees also to assume all risk of loss, damage or destruction to its property stored upon said leased premises; and that said premises will be kept in a clean and sanitary condition to the satisfaction of the Division Superintendent of the Railway Company.
4. The Railway Company shall not be required to make any additions, changes or repairs whatsoever, including repairs or reconstruction resulting from fire, and the Government shall make such repairs as it deems necessary to keep the premises in usable condition at its own cost and expense.
5. It is understood in connection with the rental quotation in Item No. 1 above that the covered and outside storage space is being provided for the special use of the Government as a requirement in the existing war emergency and it is not contemplated that the improvements specified in Item No. 1 above will have any usable value when the emergency is over.

[illegible][illegible][illegible][illegible]

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.

Bidder NORTHERN PACIFIC RAILWAY COMPANY Address 918 Smith Tower,
Seattle, Washington.
By  Title President.
(Signature of person authorized to sign this bid)

Accepted

(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.

Contract No.

DA-TPS-

QUOTATION TO

UNITED STATES TREASURY DEPARTMENT

(Department or establishment)

WASHINGTON, D. C.

(Address)

PROCUREMENT DIVISION

(Office or station)

(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 near Auburn, Washington

(Name)

(Title)

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

1. The Railway Company shall construct, or cause to be constructed, on its land near Auburn, King County, Washington, in sections 18 and 19, township 21 north, range 5 east, W.M., warehouse 84 feet by 1,000 feet, with covered platform 8 feet wide, and provide adjacent thereto outside storage space having an area of approximately 267,000 square feet, all as shown on plans and specifications, attached hereto and made a part hereof, prepared by The Austin Company under date of January 28, 1943 (revised February 1, 1943). The Railway Company shall proceed with said construction work when this offer is accepted by the Government and shall complete same ready for use as soon as the same can be completed by reasonable effort, barring unavoidable delays.

The Government agrees to lease said premises for a period of one (1) year at a rental of twelve thousand dollars (\$12,000.00) per month and may, thereafter, at its option continue said lease at a rental of six hundred dollars (\$600.00) per month for the duration of the present wars and six (6) months thereafter, but said lease may be cancelled at any time by the Government after the first one (1) year period by giving the Railway Company thirty (30) days written notice.

2. The lease shall be effective, and the Government shall have the right of use and occupancy, upon the date the construction work specified in Item No. 1 above is completed; provided, however, the Government may have partial use progressively as the construction proceeds and space is made available for use and occupancy.

3. The Government shall pay all bills, if any, that shall accrue against the leased premises during the period of this lease for gas, water, and electric current for light or power. The Government agrees also to assume all risk of loss, damage or destruction to its property stored upon said leased premises; and that said premises will be kept in a clean and sanitary condition to the satisfaction of the Division Superintendent of the Railway Company.

4. The Railway Company shall not be required to make any additions, changes or repairs whatsoever, including repairs or reconstruction resulting from fire, and the Government shall make such repairs as it deems necessary to keep the premises in usable condition at its own cost and expense.

5. It is understood in connection with the rental quotation in Item No. 1 above that the covered and outside storage space is being provided for the special use of the Government as a requirement in the existing war emergency and it is not contemplated that the improvements specified in Item No. 1 above will have any usable value when the emergency is 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.

295-19
PRESIDENT'S

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

NORTHERN
PACIFIC RAILWAY COMPANY
JAN 21 1943
F THE

RAILWAY
JAN 21 1943
OFFICE OF THE PRESIDENT

PRESIDENT'S
295-19

Harlan

I put the original of this on Judge Macfarlane's desk. Mr. Williams would like to have you take this copy to the car and hand it to Judge Macfarlane in case they don't come back to the office.

Tom

P

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 for 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

Mr. R. S. Macfarlane - 2.

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 L1126 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.

Seattle, January 8th, 1943.

Mr. F. R. Bartles,
General Manager,
Seattle, Washington.

Taken over by JFS 1/6/43

1/7/43

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 temporarily Mr. Impett has abandoned it and I have suggested to 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

Mr. R. R. Bartles - 2

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 desperately 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.

VIEW-L

Industrial Agent.

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

NORTHERN
PACIFIC RAILWAY COMPANY

DEC 26 1942

OFFICE OF THE PRESIDENT