

W. E. R.

JUN 20 1966

Chicago, June 17, 1966 R. F. K.

File: 360-017-1966 JUN 20 1966

Mr. R. F. Kratochwill  
Comptroller

Per your phone request of June 16, 1966, below is the estimated salvage value of the scrap metal to be recovered from the main track if the line between Discovery Junction and Port Angeles, Washington was retired.

	<u>Rail</u>	<u>O.T.M.</u>	<u>Total</u>
Discovery Junction to Sequim	\$ 90,280	\$3,500	\$ 93,780
Sequim to Port Angeles	85,520	3,269	88,789
Total	\$175,800	\$6,769	\$182,569

I will forward the estimated original cost of the property detailed by primary account and separated between depreciable and non-depreciable property as soon as it is available.

*E. H. Nank*  
Auditor of Capital Expenditures

Statement Showing Additional Costs, Gains and Savings  
Thru Proposed Abandonment of that Portion of  
Olympic Line between Discovery Jct. and Sequim.

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Length of line to be abandoned .....	19 miles	
Estimated value of salvage .....		\$47,500.
Estimated cost of landing at Port Angeles	\$125,000.	
Estimated cost of wye at Sequim	<u>11,000.</u>	
Total Cost of New Facilities .....		\$136,000.

S U M M A R Y - A N N U A L S A V I N G

Estimated annual saving in maintenance, 19 miles at \$1400. ....	\$ 26,600.	
Interest at 5% on salvage .....	<u>2,375.</u>	
Total Gain		\$ 28,975.
Less:		
Interest on additional investment, 5%	\$ 6,800.	
Maintenance new facilities .....	<u>2,720.</u>	
		<u>9,520.</u>
Net Estimated Annual Gain		\$ 19,455.
For 6-month Period		\$ 9,728.

Seattle, Wash.,  
September 26, 1944  
E.B.C.