

ORIGINAL

In the matter of ascertaining
the value of the property of
CALIFORNIA WESTERN RAILROAD
and NAVIGATION COMPANY.

Case No. 167.

Charles Harlowe for California Western Railroad
and Navigation Company.

THELEN, Commissioner.

OPINION and FINDINGS.

This proceeding was brought on the Railroad Commission's initiative for the purpose of ascertaining the elements entering into the value of the property of the California Western Railroad and Navigation Company. For the general procedure in these valuation cases and for a general description of the work performed by this Commission's engineering department therein, reference is hereby made to this Commission's opinion and findings in Case No. 206, being the matter of ascertaining the value of the property of Stockton Terminal and Eastern Railroad Company, and Case No. 210, being the matter of ascertaining the value of the property of Tonopah and Tidewater Railroad Company. As in those cases, so here also, I shall confine myself to making findings of fact and shall not make a finding on the ultimate question of the value of the property, irrespective of the purpose for which the value is ascertained.

Before proceeding further, I shall define certain terms which will be used herein.

The term "original book cost," as used in this opinion, means the actual expenditure chargeable to capital account in accordance with the classification of expenditures for road and equipment, as prescribed by the Interstate Commerce Commission for steam roads, made by the Railroad Company for its operative property as of June 30, 1912.

The term "reproduction value," as used in this opinion, means the estimated cost in cash of acquiring the operative right-of-way and other real estate and of reproducing in the condition in which it was acquired the other operative physical property of the Railroad Company, as of June 30, 1912, to which are added overhead expenditures for engineering, law, interest and commissions, and similar items.

The term "present value," as used in this opinion, means the "reproduction value" less the diminution in value of the physical elements of the property, due to use, age, obsolescence, inadequacy and other causes, plus appreciation where found. This might properly be called "depreciated reproduction value," and does not mean the ultimate fact of present value, as that term is ordinarily used.

In accordance with this Commission's order, dated October 24, 1911, California Western Railroad and Navigation Company, on December 26, 1912, filed an inventory of its property, together with an estimate of the original cost, as will hereinafter appear in greater detail, and also an estimate of its reproduction value and present value. This inventory was filed in two portions, the first covering the Company's main line and the other its Pudding Creek branch line. A final summary sheet showing the totals of the amounts indicated on these two inventories is attached to this opinion and marked "Exhibit A."

On May 6, 1913, this Commission's engineering department submitted its detailed report in this proceeding. Thereafter, on October 30, 1913, and again on November 18, 1913, the engineering department submitted revised reports. The latest of these reports shows an estimate of reproduction value of \$1,746,708.79, and an estimated present value of \$1,614,080.16. A copy of the engineering department's latest revised estimate is attached hereto and marked "Exhibit B".

Thereafter, on November 22, 1913, the hearing in this proceeding was held. The Railroad Company was represented by Mr. Charles Harlowe, its chief engineer, who presented certain objections to the report of this Commission's engineering department, as revised, which objections will hereinafter be considered in detail. A revised final summary sheet, containing the Commission's findings is attached hereto and marked "Exhibit C."

As is usual in these valuation proceedings, I shall, in connection with this inquiry, consider the following matters:

1. Organization, construction and operation.
2. Stocks and bonds.
3. Revenues and expenses.
4. Original book cost.
5. Reproduction value.
6. Present value.

1. ORGANIZATION, CONSTRUCTION AND OPERATION.

California Western Railroad and Navigation Company was incorporated under the laws of this State on July 1, 1905. The incorporation was effected by stockholders of Union Lumber Company, which company for some 25 years theretofore had gradually extended its logging road easterly from Fort Bragg, in Mendocino county, California, for the purpose of tapping new timberlands. At the time of the incorporation of the Railroad Company, a main line had been constructed for a distance of 18.25 miles from Fort Bragg to Alpine and a branch line, known as the Pudding Creek branch, from Glen Blair Junction to Glen Blair, a distance of some 3.22 miles. The purpose of the incorporation of the California Western Railroad and Navigation Company seems to have been to separate the railroad business from the lumber business of the Union Lumber Company and to extend and operate the railroad as a common carrier.

Immediately after the incorporation of the California Western Railroad and Navigation Company the Union Lumber Company conveyed to

it for the considerations hereinafter specified, its entire railroad properties, together with certain non-operative property, to which reference will hereinafter be made. In 1909, the main line was extended a distance of some 5.5 miles easterly from Alpine to Shake City. Surveys were thereafter made for a further extension from Shake City to Willits, on the line of the Northwestern Pacific Railroad Company. In the fall of 1911 and the spring of 1912, this extension was constructed. The construction accounts closed on March 31, 1912.

The railroad as thus completed, extending from Fort Bragg on the Pacific Ocean to Willits on the line of the Northwestern Pacific Railroad Company, together with the Pudding Creek branch, is located entirely in Mendocino county, California, and has the following mileage:

Main line - Fort Bragg to Willits.....	39.55 miles
Pudding Creek branch - Glen Blair Junction	
to Glen Blair.....	<u>3.22 "</u>
Total main track.....	44.77 miles
Sidings and yard tracks.....	<u>8.54 "</u>
Total track mileage.....	51.31 "

The railroad traverses a rough, heavily timbered and mountainous country, in a general easterly and westerly direction, following the course of a number of streams. The road commences at Fort Bragg, where are located the mills and yards of the Union Lumber Company. From this point it follows Pudding Creek in an easterly direction to the confluence of Pudding Creek and Noyo River. From this point the Pudding Creek branch runs in an easterly and northerly direction to Glen Blair, where are located the mills of the Glen Blair Redwood Lumber Company. From Glen Blair Junction, the main line runs to the south and east, crossing the ridge between the Pudding Creek and the Noyo River through a single track tunnel. The line then follows the Noyo River easterly through its various windings, a distance of some 25 miles, at which point the ascent of

the Coast Range is begun. The railroad follows a tortuous course up the mountain, doubling back on itself four or five times to secure sufficient distance to overcome the climb. The summit is crossed through a tunnel known as Tunnel No. 2, thereupon the line descends to Willits, where physical connection is made with the line of the Northwestern Pacific Railroad Company.

No towns other than lumber camps are located between the termini of this railroad. The larger portion of the Railroad Company's revenue is derived from the transportation of forest products to Fort Bragg and Willits. At the present time some 90% of the Company's freight traffic is of this class. The Company operates two trains daily each way between Fort Bragg and Willits and a third train daily except Sunday, between the same points. One "daily except Sunday" train is operated between Fort Bragg and Glen Blair and two "daily except Sunday" trains between Fort Bragg and North Spur.

2. STOCKS AND BONDS:

The Railroad Company has outstanding 10,000 shares of common stock, of the par value of \$100 each, totalling one million dollars. Applicant has authorized an issue of bonds of the face value of \$600,000, bearing interest at the rate of 6%, maturing January 1, 1915, of which amount bonds of the face value of \$530,000 were outstanding on June 30, 1912. This capital stock together with the first issue of 420 bonds of the face value of \$1000 each, bearing interest at the rate of 5% per annum and maturing January 1, 1910, were issued in payment for the property acquired from Union Lumber Company. This property was inventoried at the time and its value estimated, the total estimated value being \$1,565,790.30, in which sum was included an item of \$584,290.50 for 19,476.35 acres of non-operative land, estimated at \$30.00 per acre. The Union Lumber Company agreed to purchase the stumpage on this non-operative property at the rate of \$1.00 per M.B.M., the total amount so to be paid being estimated to be said sum of \$584,290.50. The 420 five per cent bonds hereinbefore referred to were thereafter, on January 1, 1910, refunded by means

of a portion of the proceeds of the present outstanding ~~and~~ bonds. The remaining proceeds of these bonds were used to pay the cost of the extension from Shake City to Willits.

The Union Lumber Company has complete control of the Railroad Company. Mr. T. L. Johnson, one of the principal owners of the Lumber Company, holds in his own name 99.1% of the capital stock of the Railroad Company. The other 9 shares are held by other officials of the Lumber Company.

Dividends on the Railroad Company's stock have been paid as follows: in 1906, 2½%; in 1911, 7½%; and in 1912, 10%. A sinking fund amounting on June 30, 1912, to \$10,125 has also been set aside from income. No depreciation fund has been provided.

3. REVENUES AND EXPENSES.

The revenues and expenses of the Railroad Company for the year ending June 30, 1912, appear in the Railroad Company's annual report, on file with this Commission, as follows:

Operating revenues	\$208,372.66	
" expenses	<u>102,860.15</u>	
Net operating revenues		\$105,512.51
Net revenue from outside operations		<u>32,334.38</u>
Total net revenue		\$137,846.89
Taxes accrued		<u>10,830.47</u>
Operating income		\$127,016.42
Dividend declared on stocks owned or controlled		<u>14,267.00</u>
Gross income		\$141,283.42
Interest accrued on funded debt	\$ 25,823.11	
Other interest	7,644.68	
Extinguishment of discount	<u>1,960.05</u>	
Total deductions from gross corporate income		<u>35,427.84</u>
Net corporate income		\$105,855.58
Dividend - 10%		<u>100,000.00</u>
Balance carried forward.....		\$ 5,855.58

4. ORIGINAL BOOK COST.

The Railroad Company presented to the Commission a statement of \$1,601,146.09 as representing the original cost of the main line and \$60,981.17 as representing the original cost of the Pudding Creek branch. At the hearing Mr. Harlowe testified that these sums represented the actual original cost of only the Shake City extension, running from Shake City to Willits, and that with reference to the remaining portion of the main line and the entire branch line he had simply estimated what the original cost should have been on the basis of estimated values at the different times during which the various portions of the railroad from Fort Bragg to Shake City were constructed. It is evident that with the exception of the extension from Shake City to Willits, the figures thus presented by the Railroad Company are merely an estimate of what the original cost should have been. I am accordingly unable to make any finding under the head of "original book cost," except with reference to the Shake City extension. The entire actual expenditures for this extension appear in a statement thereof introduced at the hearing and marked "Railroad Commission's Exhibit B". This statement shows that the expenditures actually incurred, and classified as prescribed by the Interstate Commerce Commission, totalled to March 31, 1912, the sum of \$592,581.38. It should be noted in this connection, however, that the sum of \$26,425.94, being 75% of the contractor's profit on grading, was returned to the Company in accordance with the provisions of its contract with the contractor, thereby reducing the actual expenditures for grading from \$313,067.70 to \$286,641.76. I accordingly find that the "original book cost" of the Shake City extension, as shown on said statement, to March 31, 1912, is the sum of \$592,581.38, but am unable to make a finding under this head with reference to the remaining portions of the line.

5. REPRODUCTION VALUE:

The Railroad Company entered its objections to the engineering department's revised estimate with reference to certain items under the head of "reproduction value." I shall now consider these objections seriatim.

(1) Right of way and station grounds.

The Railroad Company's estimate and that of this Commission's engineering department under this head are as follows:

	<u>Original book cost</u>	<u>Reproduction value</u>	<u>Present value.</u>
Railroad Company's estimate	\$28,610.39	116,453.27	119,771.24
Engineering Dept's "		125,684.34	125,684.34

It will be noted that the engineering department's estimates both for reproduction value and present value are in excess of those presented by the Railroad Company. Nevertheless, the Railroad Company claims certain additional allowances in connection with what is known as the Glen Blair Yards in Fort Bragg, certain right-of-way and certain property which was condemned and other property adjacent thereto. Evidence was introduced both by Mr. Harlowe and by this Commission's engineering department, and I am satisfied that the estimate of the engineering department is at least xx liberal enough. For that reason the estimate of the engineering department under this account will be accepted.

Before leaving this account I desire to draw attention to the very great difference between the original cost of real estate as reported by the Railroad Company and the present estimated reproduction value and present value. The entire original cost of this property as reported by the Railroad Company was only \$28,610.39. It is now estimated by this Commission's engineering department that it would cost \$125,684.34, or more than four times the original cost, to reproduce the right-of-way and station grounds. Attention is drawn to this matter as illustrating the very great importance of increase in land values as bearing on the proper basis of railroad rate making in this State.

(2) Grading.

The estimates for this item as presented by the Railroad Company and by this Commission's engineering department are as follows:

	<u>Original cost.</u>	<u>Reproduction value.</u>	<u>Present value.</u>
Railroad Company's estimate	\$444,748.85	416,189.25	\$425,003.16
Engineering Dept's "		496,059.77	506,228.05

It will be noted that the engineering department's estimate for reproduction value is almost \$80,000 in excess of that of the Railroad Company and that the department's estimate for present value is something over \$81,000 in excess of the Railroad Company's estimate. It should be said further that the Railroad Company's estimate does not include transportation of men and materials or contingencies, both of which items are included in the engineering department's estimate. The Shake City extension was constructed under a contract dated July 19, 1910, between California Western Railroad and Navigation Company and L. J. Scoofy. This contract contained certain prices for grading, among other items, and provided that transportation of all men and materials should be furnished by the Railroad Company. It was also provided, as hereinbefore indicated, that the Railroad Company should finance the construction and that 75% of the contractor's profits should be returned to the Company. The unit prices used by the Railroad Company in presenting its estimate, as well as those specified in the Scoofy contract, are as follows: in cents per cu. yd:

	<u>Earth</u>	<u>Loose Rock</u>	<u>Solid Rock</u>	<u>Overhaul (400 ft. free-haul).</u>
Railroad Company's estimate	50¢	60¢	90¢	1¢
Scoofy contract	27¢	55¢	90¢	1¢
Engineering Dept's "	34¢	60¢	1.00	1½¢

The prices paid by Northwestern Pacific Railroad Company for construction work from Willits north under conditions similar to those surrounding the California Western Railroad and Navigation Company's construction are as follows:

<u>Earth</u>	<u>Loose Rock</u>	<u>Solid Rock</u>	<u>Overhaul</u>
24¢	43¢	80¢	2¢

The Utah Construction Company's prices do not include transportation of men and materials, which sum averages 3.7¢ per cubic yard.

In my opinion, the amounts actually paid by the Railroad Company for the extension from Shake City to Willits, which work was completed on March 31, 1912, with the necessary allowances, is the best evidence of what it would have cost to reproduce the Railroad Company's line of railroad during the year ending June 30, 1912, as is assumed in this proceeding. The best evidence of what it would cost to reproduce property during a certain period of time is certainly the actual cost of that property during that same time, if the cost can be ascertained. In this case, the actual cost for grading and each item thereof on the Shake City extension appears in the statement which was introduced in evidence as the Railroad Commission's Exhibit "B".

The prices actually paid by the Railroad Company under the Scoofy contract were somewhat different from those specified in the contract. The actual amounts paid for earth, loose rock, solid rock and overhaul on this work, together with the number of cubic yards in each case and the average price actually paid per cubic yard in each case are as follows:

		cu. yds.	per cu. yd.
Earth	\$46,717.25	182,671	26¢
Loose rock.....	24,812.75	179,390	50¢
Solid rock.....	100,993.50	110,279	91¢
Overhaul	<u>3,364.45</u>	184,600	2¢
Total,	\$235,837.99		

To ascertain the actual cost of this work to the Railroad Company, there should be deducted the sum of \$26,425.94, which was repaid by the contractor to the company as representing 75% of his profit, and there should be added an item of \$20,220.36, being the actual cost of transportation of men and materials and extras, properly chargeable to grading, thus resulting in a grand total ..

for grading of \$229,682.41, and changing the unit prices as follows:

Earth	per cubic yard	25¢
Loose Rock	" "	46½¢
Solid Rock	" "	88¢
Overhaul	" "	2¢

These latter unit figures and not the figures specified in the contract represent the actual cost units to the Railroad Company. I am of the opinion, however, that 11% should be added to each of these units as representing the 75% of contractor's profit which was returned to the company, for the reason that such a profit rebate clause is an unusual thing in construction contracts and we cannot assume that in reproducing the railroad new such contract could be entered into. As a matter of fact, Mr. Scoofy was more in the character of a superintendent than of a contractor. An allowance of 5% should also be made for contingencies. On this basis the cost units which should be allowed in this case are as follows:

Earth	per cubic yard	28¢
Loose Rock	" " "	53¢
Solid Rock	" " "	97¢
Overhaul	" " "	1½¢

While these figures are somewhat higher than the engineering department's averages for this territory, I am convinced that they are not excessive for this particular work. The price for overhaul usually allowed, with a free haul of 400 feet, is 1¢. In this particular case the evidence shows that it actually cost in excess of this amount for this item on the Snake City extension, and I shall accordingly allow the larger amount, even though ordinarily not over 1¢ per cubic yard would be allowed under this head.

(3) File and frame trestles.

The unit prices for this item as originally submitted by the Railroad Company and by this Commission's engineering department are as follows:

Railroad Company.....	\$22.00 per M.B.M.
Engineering Department.....	27.00 " " "

At the hearing Mr. Harlowe stated that, in his opinion, the unit price should be \$29.00 per M.B.M., but no satisfactory evidence in support of this claim was produced. Under these circumstances, the engineering department's estimate will be allowed.

4. Ties.

While the Railroad Company and this Commission's engineering department agreed upon a price of \$12.00 per M.B.M. for switch ties, they disagreed materially with reference to the price for track ties. The Railroad Company claimed 40¢ for each track tie, while the engineering department allowed only 23¢ for 6" x 8" - 8' redwood ties and 28¢ for 7" x 8" - 8' redwood ties. The evidence in this case shows that the engineering department's estimate is far too low. The price of ties f.o.b. Fort Bragg as of June 30, 1912, was 42¢ each. About 30% of the total number of ties used on the railroad were cut from the right-of-way. For these ties the price of 36¢ should be used, being the price f.o.b. Fort Bragg, less the cost of transportation from the site of the cutting to Fort Bragg, which cost amounts to about 6¢. The remaining ties should be estimated at 42¢ per tie. The transportation cost of these latter ties is included in the unit price for track laying. The net result of this change is that all the track ties should be allowed at an average price of 40¢ each.

(5) Ballast.

This Commission's engineering department allowed 55¢ per cubic yard for ballast. Under the head of track laying and surfacing, an additional 35¢ per cubic yard was allowed for placing the ballast, and under the head of contingencies, an additional 5¢ was allowed, bringing the total amount allowed up to 94.5¢ per cubic yard. The actual cost of the ballast on the Shake City extension

amounts to a total of \$14,160.35 for 24,914 cubic yards, being an average cost per cubic yard of 56.8¢. As Mr. Harlowe testified that his company's equipment for this purpose was poor, it would seem that the engineering department's allowance is a fair one. This item will stand.

No objections were presented to the engineering department's estimate with reference to the other items included in reproduction value. The necessary changes in the engineering department's estimate have been incorporated in Exhibit "C", attached to this opinion. I find that the "reproduction value" as that term has hereinbefore been defined, of the operative property of California Western Railroad and Navigation Company, as of June 30, 1912, to be the sum of \$1,724,900.05.

6. PRESENT VALUE.

No testimony was presented at the hearing bearing on the "present value" of this line of railroad. The changes which have been made in the engineering department's estimate of reproduction value make it necessary, however, to make corresponding changes in the department's estimate of present value. These changes have been made and appear in Exhibit "C."

I find that the "present value" as that term has hereinbefore been defined, of the operative property of California Western Railroad and Navigation Company, as of June 30, 1912, is the sum of \$1,584,764.77.

The foregoing opinion and findings are hereby approved and ordered filed as the opinion and findings of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 31st day of December 1913.

John H. Kaskleman
H. D. ...
Edwin O. Edgerton
Max Thelen

Name of Owner California Western R.R. & Navigation Co. Exhibit "A"

Valuation as of June 30, 1912

Operating Co. SCRC
 Division Entire Line
 From Port Bridge To Willits
 Miles, Main Line Track 42.77
 Miles, Second Track _____
 Miles, Yard Tracks, etc. 8.545
 Total 51.315

FORM No. 45.

CALIFORNIA RAILROAD COMMISSION
 PHYSICAL VALUATION OF STEAM RAILROADS
FINAL SUMMARY SHEET

Field Inspector _____
 Office Compiler _____
 Date Compiled _____, 1912
 Joint Main Line _____ Miles
 Joint Second Track _____ Miles
 Joint Yard Track, etc. _____ Miles
 Total _____ Miles

COMPANY'S VALUATION

Class No.	Form No.	I.C.C. Acct. No.	CLASSES	ORIGINAL COST	REPRODUCTION VALUE	Cond. pr. ct.	PRESENT VALUE
1	1	2	Right of way and station grounds.		116453 27		119771 24
2	2	3	Real estate.		935 00		1018 40
3	3	4	Grading.		416189 25		425003 16
4	4	5	Tunnels.		88384 27		87598 27
5	5	6	Steel bridges and trusses.				
6	6	6	Pile and frame trestles.		112487 26		98317 61
7	7	6	Culverts.		9618 79		9427 13
8	8	7	Ties.		65980 78		59831 27
9	9	8	Rails.		197398 18		186198 97
10	10	9	Frogs and switches.		5895 00		5266 58
11	11	10	Track fastenings and other material.		23349 21		21301 07
12	12	11	Ballast.		34573 60		31295 76
13	13	12	Tracklaying and surfacing.		81125 43		78262 18
14	14	13	Roadway tools.		9016 05		5179 38
15	15	14	Fencing right of way.		1826 68		1826 68
16	16	15	Crossings and signs.		89 00		89 00
17	17	16	Interlocking plants.				
18	18	16	Signal apparatus.				
19	19	17	Telegraph and telephone lines.		4791 01		4791 01
20	20	18	Station buildings and fixtures.		2433 53		2049 63
21	21	18	Platforms, walks, paving and curb.		841 20		703 20
22	22	19	General office buildings and fixtures.				
23	23	20	Shop buildings and engine houses.		5321 70		4854 45
24	24	20	Transfer and turntables, cinder pits, etc.				
25	25	20	Miscellaneous shop buildings and structures.		1509 00		1207 20
26	26	21	Shop machinery and tools.		13740 66		11546 78
27	27	22	Water stations.		2287 98		1405 25
28	28	23	Fuel stations.		433 00		433 00
29	29	24	Grain elevators.				
30	30	26	Storage warehouses.				
31	31	26	Dock and wharf property.		41270 30		29117 55
32	32	27	Electric light plants.				
33	33	28	Electric power plants.				
34	34	29	Electric power transmission.				
35	35	30	Gas producing plants.				
36	36	31	Miscellaneous structures.		9715 25		6156 64
			Total Classes 1 to 36, inclusive.		1245765 40		1192651 41
37		1	Engineering <u>7</u> per cent, 1 to 36, inclusive.		87203 57		83695 60
38	37	22	Transportation of men and material.		79829 81		79829 81
39	38	33	Rent of equipment.		4438 38		4438 38
40	38	34	Repairs of equipment.		414 24		414 24
41		35	Earning and operating exp. during construction.				
42		35	Injuries to persons.				
43		36	Cost of road purchased.				
			Total Classes 1 to 43, inclusive.		1417651 40		1361029 44
44	39	37	Steam locomotives.		48500 00		35000 00
45		38	Electric locomotives.				
46	40	39	Passenger train cars.		10000 00		8800 00
47	41	40	Freight train cars.		105850 00		83745 00
48	42	41	Work equipment.				
49	43	42	Floating equipment.				
			Total Classes 1 to 49, inclusive.		1592001 40		1488574 44
50		43	Law expenses <u>1</u> per cent, Classes 1 to 36, incl.		12457 65		11956 51
51	44	44	Stationery and printing.		314 56		314 56
52	44	45	Insurance.		2279 00		2279 00
53	45	46	Taxes.		10534 88		10534 88
			Total Classes 1 to 53, inclusive.		1607587 49		1513659 39
54		47	Int. & Comm. <u>6</u> per cent, Classes 1 to 53, incl.		64303 50		60666 37
55	46	48	Other expenditures.		1350 83		1350 83
56			Contingencies <u>10</u> per cent, Classes 1 to 53, incl.		160758 75		151665 94
57	46		Stores and supplies on hand for use in California.		42859 66		32402 86
			GRAND TOTAL		1876860 23		1759745 39
			Average per mile for main line track.		43882 63		41144 38

200

Owning Company Calif. Western R.R. & Navigation Co.

FORM No. 48.

Submitted with Report of.....

Operating Company Same.

Richard Sachse

Operating Division Entire Line

Date compiled December 1913

Valuation Unit Same

CALIFORNIA RAILROAD COMMISSION

PHYSICAL VALUATION OF STEAM RAILROADS

From Fort Bragg

FINAL SUMMARY SHEET

To Willits

Valuation as of June 30, 1912...

County Mendocino

Line 1st Track 42.77 Mi.

Line 2d Track

Yard Tracks, Sidings, etc., 8.54 Mi.

Total 51.31 Mi.

Class No.	Form No.	I.C.C. Acct. No.	CLASSES	ORIGINAL COST	REPRODUCTION VALUE	Cond. pr. ct.	PRESENT VALUE
37	--	1	Engineering, 5% of R.V. of classes 3 to 36 incl.	62307	37	100	62307 37
1	1	2	Right of way and station grounds.	125684	34	100	125684 34
2	2	3	Real estate.	51	98	100	51 98
3	3	4	Grading.	452185	31	102	461669 74
4	4	5	Tunnels.	122825	65	99	122501 71
5	5	6	Steel bridges and trusses.				
6	6	6	Pile and frame trestles.	137313	70	76	103923 50
7	7	6	Culverts.	9276	22	87	8108 53
8	8	7	Ties.	59988	85	72	42892 03
9	9	8	Rails.	220648	09	93	205915 00
10	10	9	Frogs and switches.	7604	39	72	5453 07
11	11	10	Track fastenings and other material.	26185	04	83	21796 41
12	12	11	Ballast.	35926	27	100	35926 27
13	13	12	Tracklaying and surfacing.	76515	84	92	69242 70
14	14	13	Roadway tools.	1621	91	80	1297 53
15	15	14	Fencing right of way.	1201	20	98	1180 70
16	16	15	Crossings and signs.	128	94	81	104 92
17	17	16	Interlocking plants.				
18	18	16	Signal apparatus.				
19	19	17	Telegraph and telephone lines.	7805	68	76	5900 80
20	20	18	Station buildings and fixtures.	2809	69	84	2380 06
21	21	18	Platforms, walks, paving and curb.	283	16	81	229 60
22	22	19	General office buildings and fixtures.				
23	23	20	Shop buildings and engine houses.	6210	06	81	5162 46
24	24	20	Transfer and turntables, cinder pits, etc.				
25	25	20	Miscellaneous shop buildings and structures.	2991	94	69	2084 37
26	26	21	Shop machinery and tools.	14550	18	73	10685 92
27	27	22	Water stations.	2758	63	79	2205 70
28	28	23	Fuel stations.	469	45	96	450 59
29	29	24	Grain elevators.				
30	30	25	Storage warehouses.				
31	31	26	Dock and wharf property.	48238	50	71	34517 83
32	32	27	Electric light plants.				
33	33	28	Electric power plants.				
34	34	29	Electric power transmission.				
35	35	30	Gas producing plants.				
36	36	31	Miscellaneous structures.	8608	77	71	6164 86
38	37	32	Transportation of men and material.				
39	38	33	Rent of equipment.				
40	38	34	Repairs of equipment.				
41	--	35	Earning and operating exp. during construction.				
42	--	35	Injuries to persons.				
43	--	36	Cost of road purchased.				
44	39	37	Steam locomotives.	49995	00	66	36562 00
45	--	38	Electric locomotives.				
46	40	39	Passenger train cars.	10100	00	86	8358 00
47	41	40	Freight train cars.	109282	00	78	85388 00
48	42	41	Work equipment.	18552	91	80	14839 80
49	43	42	Floating equipment.				
50	--	43	Law expenses, 1% of R.V. of classes 3 to 36 incl.	12461	47	100	12461 47
51	44	44	Stationery and printing. Included in class 57				
52	44	45	Insurance. " " " 55				
53	45	46	Taxes. " " " 55				
54	--	47	Int. & Comm. 3% of R.V. of classes 3 to 53	45265	39	100	45265 39
55	45	48	Other expenditures. 2% of 1% of R.V. of classes 3 to 53	7544	23	100	7544 23
57	46	--	Stores and supplies on hand for use in California.	37507	89	100	37507 89
GRAND TOTAL.				1724900	05	92	1584764 77
Average per mile for main track.				40329	67	92	37053 19
I.C.C. Accts 1 to 36 - Road Accts.				1371883	79		1274530 62
" " " " 37 to 42 - Equipment				187929	91		145147 80
" " " " 43 to 48 - General expenses				65271	09		65271 09
" " " " 2 & 3 - Right of Way & Real Estate				125736	32		125736 32

Operating Company same
Operating Division Entire Line
Valuation Unit same
From Fort Bragg
To Willits
County Mendocino

CALIFORNIA RAILROAD COMMISSION

PHYSICAL VALUATION OF STEAM RAILROADS

FINAL SUMMARY SHEET

Valuation as of June 30, 1912.

H. J. Bommer
Date compiled October 28th, 1913
Line 1st Track 42.77 Mi.
Line 2d Track _____ Mi.
Yard Tracks, Sidings, etc., 8.54 Mi.
Total 52.31 Mi.

Class No.	Form No.	I.C.C. Acct. No.	CLASSES	ORIGINAL COST	REPRODUCTION VALUE	Cond. Pp. Ct.	PRESENT VALUE
37		1	Engineering, 5% of R.V. of Classes 3 to 36 incl.	63301 30	100		63301 30
1	1	2	Right of way and station grounds.	125683 34	100		125683 34
2	2	3	Real estate.	51 98	100		51 98
3	3	4	Grading.	496089 77	102		506226 05
4	4	5	Tunnels.	122825 65	99		121501 71
5	5	6	Steel bridges and trusses.				
6	6	6	Pile and frame trestles.	137313 70	76		103923 50
7	7	6	Culverts.	9276 22	87		8108 53
8	8	7	Ties.	35962 93	72		25718 91
9	9	8	Rails.	220648 09	93		205915 00
10	10	9	Frogs and switches.	7604 39	72		5453 07
11	11	10	Track fastenings and other material.	26185 04	83		21796 42
12	12	11	Dallast.	35926 27	100		35926 27
13	13	12	Tracklaying and surfacing.	76515 84	92		69242 70
14	14	13	Roadway tools.	1621 91	80		1297 53
15	15	14	Fencing right of way.	1201 20	98		1180 70
16	16	15	Crossings and signs.	128 94	81		104 92
17	17	16	Interlocking plants.				
18	18	16	Signal apparatus.				
19	19	17	Telegraph and telephone lines.	7805 68	76		5900 80
20	20	18	Station buildings and fixtures.	2809 69	84		2380 06
21	21	18	Platforms, walks, paving and curb.	283 16	81		229 60
22	22	19	General office buildings and fixtures.				
23	23	20	Shop buildings and engine houses.	6210 06	81		5162 46
24	24	20	Transfer and turntables, cinder pits, etc.				
25	25	20	Miscellaneous shop buildings and structures.	2991 94	69		2084 37
26	26	21	Shop machinery and tools.	14550 18	73		10685 92
27	27	22	Water stations.	2758 63	79		2205 70
28	28	23	Fuel stations.	469 45	96		450 59
29	29	24	Grain elevators.				
30	30	25	Storage warehouses.				
31	31	26	Dock and wharf property.	48238 50	71		34517 83
32	32	27	Electric light plants.				
33	33	28	Electric power plants.				
34	34	29	Electric power transmission.				
35	35	30	Gas producing plants.				
36	36	31	Miscellaneous structures.	8608 77	71		6164 86
38	37	32	Transportation of men and material.				
39	38	33	Rent of equipment.				
40	38	34	Repairs of equipment.				
41	--	35	Earning and operating exp. during construction.				
42	--	35	Injuries to persons.				
43	--	36	Cost of road purchased.				
44	39	37	Steam locomotives.	49995 00	66		36562 00
45	--	38	Electric locomotives.				
46	40	30	Passenger train cars.	10100 00	86		8358 00
47	41	40	Freight train cars.	109282 00	78		85388 00
48	42	41	Work equipment.	18552 92	80		14839 80
49	43	42	Floating equipment.				
50	--	43	Law expenses, 1% of R.V. of classes 3 to 36 incl.	12660 26	100		12660 26
51	44	44	Stationery and printing. Included in class 37				
52	44	45	Insurance. " " " 55				
53	45	46	Taxes. " " " 55				
54	--	47	Int. & Comm. 3% of R.V. of classes 3 to 53	45897 51	100		45897 51
55	45	48	Other expenditures, 2% of 1% of R.V. of classes 3 to 53	7649 59	100		7649 59
57	46	--	Stores and supplies on hand for use in California.	37507 89	100		37507 89
GRAND TOTAL.				1746708 79	92		1614080 16
Average per mile for main track.				40839 57	92		37738 67
I.C.C. Accts 4 to 36 - Road Accts.				1266026 01			1176179 49
" " " 37 " 42 - Equipment.				187929 91			125147 80
" " " 43 " 48 - General expenses				66207 36			66207 36
" " " 2 & 3 Right of Way & Real Estate				125736 32			125736 32