

time to time, from the city, in such sums as the former shall see fit, the stock or bonds of the city, in lieu of its subscription.

That this stock when received, is to be vested in two commissioners whom the company shall appoint, in trust to transfer the said stock to holders of orders of the company for the same, in sums not less than \$100.

That these orders shall be given in satisfaction of claims on the company, to persons willing to receive them, and shall be received in satisfaction of dues to the company.

By these means, a majority of the board believe, that the work may be carried forward with vigour and success; the stock of the city disposed of in small amounts at par; all necessity of disposing of the State's stock upon unfavorable terms avoided; and the claims of persons employed by the company satisfied by a fund carrying an interest of six per cent., and founded upon a safe and undoubted security.

To the 4th enquiry,—“Whether the company deems itself at liberty to apply the proceeds of the State bonds to the part of the work between Harper's Ferry and Cumberland, an affirmative reply is given.

The act prohibiting the application mentioned, was not accepted by the company, and never became a law. The written opinion of Mr. Latrobe, the counsel of the company on the subject, is respectfully submitted.

To the fifth enquiry the most concise and satisfactory answer may be given by referring your Excellency to the report of B. H. Latrobe, Esq., engineer, herewith submitted, (marked G:) shewing that the whole road of 96.9 miles, between Harper's Ferry and Cumberland, is now under contract, with the exception of a single section at Harper's Ferry; also the estimated cost thereof, \$2,009,697; and the amount already expended on the same, \$148,527; leaving still to be paid, \$1,861,170,—supposing the plate rail to be adopted.

The same report will show, in answer to the seventh enquiry, that the estimated cost of the road from Cumberland to Wheeling, is \$3,819,254—the same description of rail being used: and that if a heavier rail be adopted, a proportionate increase of cost should be allowed in both cases; and that nothing has been expended west of Cumberland, except for preliminary surveys.

It is proper here to state, that the species of rail with its foundation, fastenings, &c., to be used in the future progress of the work, have not yet been determined on by the company. The board will of course endeavor to avail itself of every new improvement, with a view to economy, in the structure of the rail and in the mode of preserving the cheaper kinds of timber which may be presented; but as this is a matter involved in some doubt, the cost of this item cannot be stated with the degree of certainty which might be desired.

The sixth interrogatory—“What is the amount of the present debts of the company?”