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May 2, 2007

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Mr. Vernon Williams
Secretary
Surface Transportation Board
395 E Street, S.W.
Suite 101
Washington, D.C. 20423-0001

Subject: F.D. No. 35002 – Savage, Bingham & Garfield Railroad Company –
Acquisition and Operation Exemption – Union Pacific Railroad Company

F.D. No. 35008 – Utah Transit Authority-Acquisition Exemption -
Union Pacific Railroad Company in Salt Lake County, Utah

Dear Secretary Williams:

Enclosed for filing in the above proceedings is the Reply of Savage Bingham & Garfield Railroad Company in Support of the Motion to Dismiss filed on behalf of the Utah Transit Authority.

Sincerely yours,

Robert P. vom Eigen

RVE:dmo

Encls:

cc: Parties of Record (w/encls)
Allan Weinstein, STB, (w/encls.)
via e-mail weinsteina@stb.dot.gov

**Before the
Surface Transportation Board**

Finance Docket No. 35002 –

**SAVAGE BINGHAM & GARFIELD RAILROAD COMPANY (“SBGR”)
ACQUISITION AND OPERATION EXEMPTION –
UNION PACIFIC RAILROAD COMPANY (“UP”)**

Finance Docket No. 35008

**UTAH TRANSIT AUTHORITY (“UTA”) –
ACQUISITION EXEMPTION –
UNION PACIFIC RAILROAD COMPANY (“UP”)
IN SALT LAKE COUNTY, UTAH**

**REPLY OF SAVAGE BINGHAM & GARFIELD RAILROAD COMPANY (“SBGR”)
IN SUPPORT OF UTA MOTION TO DISMISS**

SBGR, a newly created Delaware corporation, filed on February 27, 2007 a notice of exemption to acquire from UP and operate freight easements upon, over, and across a number of rail lines and track, including the Bingham Industrial Lead between milepost 0.18 at Midvale and milepost 6.60 at Bagley Spur that is the subject of this proceeding. *See Savage Bingham & Garfield Railroad Company –Acquisition and Operation Exemption*, STB Finance Docket No. 35002.¹ SBGR intervenes in this proceeding to support UTA’s Motion to Dismiss its notice of exemption, and to supplement the record by demonstrating that the common carrier obligations which SBGR seeks to assume from UP can be fully and efficiently fulfilled by SBGR.

¹ The STB, in a decision served on March 28, 2007, stayed the effective date of SGBR’s exemption pending issuance of a further order that presumably would issue upon the favorable ruling on the UTA motion to dismiss in this docket.

SBGR adopts the factual statement and legal argument contained in UTA's Motion, and further intends to show that existing and prospective shippers on the Bingham Lead and the lines accessed thereby will receive service five days a week that will fully meet their transportation needs.

First, it is important to understand that the traffic volume on the lines involved in this proceeding is small, and will not be impaired by the freight window. Savage's Senior Vice President – Rail Service Development, Kevin R. Haugh, explains in his attached verified statement that with less than 1600 carloads of local traffic in 2006 and 4,500 carloads of interchange traffic in 2006 that moves through Midvale Yard not originating or destined to local stations served by SBGR, the average daily traffic will about 23 carloads, only six of which need be forwarded to or received from shippers on the involved lines. *See Verified Statement of Kevin R. Haugh* at ¶ 5. attached hereto at Tab A.

In addition, there are two other carriers, both controlled by the Genesee & Wyoming Inc., that access the lines for limited purposes. The Utah Railway Company ("URR") serves as an agent of the BNSF Railway to serve two customers located on the Garfield Branch, currently on a two days per week basis. *Id.* at ¶ 17 and 29. Also, the Salt Lake City Southern Railroad ("SLCS") gains access to Midvale Yard to interchange UP traffic hauled by SBGR (discussed below), and to gain access to a 3550 feet segment of the Bingham Lead west of Midvale Yard for purposes of serving team tracks on an as needed basis. These team tracks are depicted as tracks #724 and #725 on Detail Sheet No. 2 of the map attached hereto at Tab B. Mr. Haugh explains that these affiliated carriers will coordinate their services with SBGR's so that these functions can be accomplished within the freight window. *Id.*

Mr. Haugh has developed an operating plan for the shippers on the line based upon his inspection of the lines and facilities, his discussions with UP operating employees and shippers, and his review of relevant traffic data. He describes that plan in his Verified Statement at ¶¶ 7-33. In addition, Mr. Haugh has met with each of the active shippers on the involved lines to explain how their service needs will be met, and at the end of that meeting no shipper raised any concern that had not been previously addressed. *Id.* at ¶6.² Mr. Haugh also explains that even though there are potential shippers that may locate on the Garfield Branch and the Dalton Spur off of an abandoned portion of the Bingham Industrial Lead, such additional traffic can be easily accommodated within the Exclusive Freight Period under the Administration and Coordination Agreement with UTA. *Id.* at ¶¶27-28.

Finally, SBGR hauls UP interchange traffic between the SLCS's interchange tracks at Midvale Yard and UP's Roper Yard. *Id.* at ¶¶ 11-15, 30-31. Mr. Haugh explains that operation, and demonstrates that, with UP's agreement to block the SLCS destined traffic separate from SBGR's traffic, there is no issue about performing all functions within the Exclusive Freight Period. Even if UP should fail to block the traffic as it promises to do, Mr. Haugh explains that on most days when the average numbers of cars in both accounts is less than 24 in each direction, there similarly should be no issue of SBGR setting off the SLCS traffic and serving the shipper facilities on line. *Id.* at ¶31.

In summary, SBGR contends that it is capable of providing efficient service to its customers and rail connections during the Exclusive Freight Period under the UTA

² Although invited to attend the meeting, KraftMaid Cabinetry did not send a representative. However, when Mr. Haugh invited the company to the meeting, he was informed by its representative that its interests were "peripheral" and had no current intention of using rail service. *See Haugh Verified Statement at ¶ 26.*

Administration and Coordination Agreement, and that that service will easily fulfill the common carrier obligations owed to shippers on the involved lines. Because that is the case, and for the reasons cited in UTA's motion, SBGR maintains that the Board's jurisdiction should not be invoked under these circumstances, and UTA's Notice for Exemption should be dismissed .

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Robert P. vom Eigen", is written over a horizontal line.

Robert P. vom Eigen
FOLEY & LARDNER LLP
3000 K Street, N.W.
Washington, D.C. 20007

Counsel for Savage Bingham
& Garfield Railroad Company

Dated: May 2, 2007

TAB A
VERIFIED STATEMENT OF
KEVIN R. HAUGH

BEFORE THE

Surface Transportation Board

Finance Docket No. 35002

**SAVAGE, BINGHAM & GARFIELD RAILROAD COMPANY ("SBGR") - -
ACQUISITION AND OPERATION EXEMPTION - -
UNION PACIFIC RAILROAD COMPANY ("UP")**

Finance Docket No. 35008

**UTAH TRANSIT AUTHORITY ("UTAH")- -
ACQUISITION EXEMPTION - -
UNION PACIFIC RAILROAD COMPANY ("UP")
IN SALT LAKE COUNTY, UTAH**

VERIFIED STATEMENT OF KEVIN R. HAUGH

1. My name is Kevin R. Haugh, and I am Senior Vice President – Rail Services Development for Savage Services Corporation ("Savage"), and my office is located in Salt Lake City, Utah.
2. I have worked in the rail industry for 30 years, beginning my career with the Union Pacific Railroad as a switchman/brakeman, and working my way up to trainmaster/manager of terminal operations in Green River, Wyoming, where I was responsible for yard and main line operations. Between 1989 and 2004, I worked for a number of companies that provided industrial switching and other services to rail shippers and carriers, the most recent of which was with CANAC Inc., a subsidiary of the Canadian National Railway, where I served as Executive Vice President & Chief Commercial Officer. In 2004, CANAC was acquired by Savage

Companies, and I moved to my current position with CANAC's new sister corporation. (Savage and SBGR are each a wholly-owned subsidiary of Savage Companies.)

3. The purpose of this verified statement is to explain how Savage Companies' new subsidiary, Savage Bingham & Garfield Railroad Company ("SBGR"), will fulfill its common carrier obligations to shippers on the Bingham Industrial Lead and Garfield and Bacchus branches.

4. First and foremost, I think it is important for purposes of this proceeding to understand that the scope of the services on these lines is very limited. Given that limited scope, I believe that SBGR can and will provide high quality service to all shippers and to its interchange connections, the Union Pacific Railroad ("UP") and the Salt Lake City Southern Railroad ("SLCS").

5. Six shippers on these lines generate about 1,600 carloads per year. In addition, SBGR will haul interchange traffic between UP's Roper Yard and SLCS's interchange tracks at Midvale Yard, which amounts to about 4,500 carloads per year. The average daily traffic volume at those levels equals about six (6) carloads for SBGR local service and 17 carloads of overhead traffic to and from SLCS during the five days per week that SBGR will operate. There is no question in my mind that we will be able to satisfy the current or foreseeable future needs of shippers on these lines during the Exclusive Freight Period ("freight window") under SBGR's Administration and Coordination Agreement with the Utah Transit Authority, ("UTA").

SHIPPER COALITION MEETING

6. On March 9, 2007, representatives of UP, UTA and Savage met with all of the active shippers along the Bingham, Garfield and Bacchus branches to discuss our intentions in regards to operating as a short line. All customers were able to ask questions and voice any and all concerns that they might have. At the end of the meeting, there appeared to be no concerns or

unanswered questions from any of the shippers. Approximately one week later, without any further conversations with me or to my knowledge with the UP, these same shippers, plus a company that told me that it will not ship by rail, (together, the "Shipper Coalition") filed a pleading that has led to this proceeding before this Board. The shippers are certainly entitled to exercise that prerogative, but I have no idea what problems they could have given the traffic volumes we are talking about on these branches.

SGBR's GENERAL PLAN OF OPERATION

Locomotives

7. Savage will provide two (2) General Electric B3600-7 locomotives for the short line operation. Each locomotive has 3,600 horsepower, and is capable of pulling tonnages up to 5,000 tons each. Based upon the maximum weight of 286,000 pounds in a rail car, the two (2) locomotives together have haulage capacity of up to 80 loaded rail cars, well more than three times the average daily traffic that SBGR will be transporting.

Employees

8. The railroad will be staffed by a General Manager and three (3) operations employees, for a total of four employees. All employees will be certified and trained as Engineers and/or Conductors/Brakemen upon commencement of SBGR service.

Garfield, Bingham & Bacchus Branch Car Averages

9. Based upon 2006 actual freight traffic data provided by UP, the three branch lines accounted for a total of 1,564 car loads. Looking purely at averages, the daily car moves based upon a five (5) day per week operation would be six (6) loaded cars per day plus empties. If the lines are considered separately, the Bingham branch in 2006 had a total of 1,323 carloads. On a five day per week service schedule, this is 5.1 carloads per day plus empties. For four days per

week of service, this becomes 6.4 carloads per day, and with three days of service, 8.5 loaded cars.

10. There are currently no customers that SBGR would service on the Garfield branch. The Bacchus branch has two customers that shipped or received 241 cars in 2006. One customer (Thiokol) would be served upon demand (less than once per week) and the other (Frito-Lay) has asked for two days per week service. Based upon two days per week servicing this branch, the total cars per day of service are 2.3 cars.

Interchange with UP at Roper Yard

11. Total annual cars for interchange with UP at UP's Roper Yard ("Roper") is approximately 1,550 carloads, plus an equal number of empties for SBGR, and approximately 4,500 loaded cars for SLCS. This provides an average of about 46 cars per day including empties, based upon a five day per week interchange, or 23 in each direction between the Midvale Yard ("Midvale") and Roper. Because cars occasionally will bunch on Mondays, the Monday haul will be more than the 23 car daily average in each direction, and cars for Tuesday through Friday will be less than the 23 car daily average. This will not be a problem for SBGR, because the locomotives can handle up to 80 loads, and the interchange will be a mix of loads and empties.

12. Total estimated time for delivery and pickup from Roper is expected to be no more than three hours daily. Travel time from Midvale to Roper and return (seven miles) is less than one hour, and will not need to occur during the freight window. Inspection of the train, air test, etc. will be less than one hour at Roper and Midvale.

Pre-Construction Operation

13. SBGR will establish an operating schedule based upon service Monday through Friday, with a period of up to 10 hours each day (with the possibility of providing 12 hours under the

FRA Hours of Service regulations). There will be no freight window limitation applicable to the operation during this pre-construction period.

14. The day will begin (approximately 5 – 6 AM) with SBGR delivering the previous days outbound cars, along with the SLCS's cars, into Roper. After delivering to UP, SBGR will pick up the cars destined for SBGR's customers as well as the cars for SLCS. The UP has agreed to provide cars in two (2) distinct blocks, which will separate SBGR cars from SLCS. Upon arriving back at Midvale, SBGR will leave the SLCS cars on tracks #1 or #2 in Midvale Yard, and head for the customers on the Bingham, Garfield and Bacchus branches. Midvale Yard and the interchange tracks are depicted on Detail Sheet No. 1 of the map found at Tab B to this filing. Time remaining in the shift is seven hours.

15. Based upon timetable speeds and locomotive horsepower, travel times to the end of the Bingham branch (6.8 miles) is estimated to be no more than 45 minutes, and to the end of the Bacchus branch (13.2 miles) is 1 hour. Servicing all of the customers (unlikely due to the car volumes) on all three lines is easily achievable, with several hours to spare. (I will discuss the service to individual customers below.)

Construction Operation

16. There will be two changes once construction by UTA has started (currently estimated to occur in mid 2008). The first change will be that the operation will move to an evening and nighttime slot. It is anticipated by both Savage and UTA that there will be ample time to continue the service for the customers along the branch lines. The second change is that SBGR will service the branches upon starting its shift, and interchange at Roper with the UP will take place at the end of the shift.

Passenger Operations & Freight Window

17. Upon completion of construction and the commencement of passenger service along the Bingham line, SBGR will adhere to a five hour window, Midnight to 5 AM, Monday through Friday. SBGR will begin its daily shift 1 or 2 hours prior to the freight window. The train will be ready to start up the Bingham line at midnight after requesting permission from UTA (which will perform the dispatching) to enter the lines. Speeds along the Bingham branch will be increased from 10 mph to 30 mph. Actual travel times from Midvale to the end of the branches will be reduced because of the increased speeds. There will be at least 4 hours daily of time to service the customers along the Bingham line and, given the current car volumes, there is ample time within the window to complete each days service requirements. SBGR, SLCS, UTA and the Utah Railway Company (“URR”), an affiliate of SLCS that serves two shippers on the Garfield Branch as an agent of the BNSF Railway,³ have agreed to utilize a Track Warrant Control System (“TWCS”) (provided in SBGR’s Administration and Coordination Agreement with UTA) that will allow the freight railroads, when applicable, to occupy specified track blocks along the Bingham and Garfield branches (URR and SLCS do not access the Bacchus branch). Under the TWCS the SBGR, SLCS and URR will operate on specified portions of the Bingham branch. SBGR has full access to the entire Bingham branch. SLCS’s access to the Bingham branch is limited to the first 3,550 feet of trackage commencing westward from milepost 0.18 at Midvale, to gain access to team tracks #724 and #725, depicted in brown on Detail Sheet No. 2 on the map found at Tab B to this filing. Once SBGR clears this segment at midnight to perform service to shippers along the Bingham or Bacchus branches, it will yield a block on the east end of the Bingham Branch back to the UTA dispatcher if SLCS needs access to the team tracks.

³ See ¶ 29, *infra*.

URR's access to the Bingham branch is limited to the trackage commencing at milepost 0.18 at Midvale to milepost 4.66 at Welby Junction, the connection to the Garfield branch. Only SBGR and URR may operate on the entire Garfield branch. Only SBGR has access to the Bacchus branch. For purposes of clarification, it is important to note that SLCS and URR are owned by Genesee & Wyoming, Inc. and are corporate affiliates of each other. SLCS is a short line handling carrier for UP and URR is a railroad agent for BNSF Railway. Additionally, URR currently occupies these branches (its two customers are on the Garfield branch) to serve those customers only two days per week. As discussed below, SBGR's customers on the Bacchus branch require service no more than two days per week. This should allow plenty of separation between the railroads and enable SBGR adequate time to service their customers.

18. Interchange with the UP at Roper will continue to take place at the end of the daily shift, and three hours (up to five with hours of service) have been allocated each day for this operation. The operation between Midvale and Roper is not restricted to the freight window.

INDIVIDUAL SHIPPERS

Interstate Brick

19. Interstate Brick ("Interstate") is located at approximately MP 6.5 (Bagley Spur) of the Bingham Branch. Interstate takes cars spotted to an open loading dock that holds at least four cars. Interstate stated in the initial Shipper Coalition filing that they ship 600 – 800 cars per year and need three switches per week. Actual cars in 2006 were 661, which equates to 4.2 cars, three times per week. Based upon their request, SBGR can meet their requirements for three switches per week.⁴

⁴ As with all customers on the line, SBGR expects and understands that with each revenue load (whether inbound or outbound) an empty move will also be required, and that SBGR will need to spot or pull empties for these customers.

SME Steel

20. SME is also located at MP 6.5 (Bagley Spur) of the Bingham Branch. SME has an open unloading area, and has the ability to take in five center beam or bulk head flat cars at a time. In the initial Shipper Coalition filing, SME stated for the record that they had annual volume of 1,200 – 1,300 cars. In fact, in 2006, SME received a total of 309 cars, almost 1,000 cars less than they asserted. SME also indicated in the filing that they required five switches per week. Using its undocumented numbers, SME would require service five days per week, and SBGR has time in its daily schedule to accommodate this. However, given SME's 2006 level of shipments, five days per week service would have SBGR spotting only 1.2 cars per day. On three days per week service, this would still be less than two cars per spotting day.

21. SME has stated to me that its business can be and is seasonal. At times, it requires five day service. The historic traffic level does not support this; however, SBGR has adequate time in all three operating scenarios to meet SME's needs on a daily basis. SBGR would very much welcome the growth in SME's business.

American Welding & Tank

22. American Welding (AW) is located along the Bingham branch, also at MP 6.5 (Bagley Spur). Rail cars are spotted in an open area for AW. In the Shipper Coalition filing, AW stated that it shipped 100 cars, and required switches four or five days per week. In 2006, the number of cars shipped was only 67 cars. Either total car scenario (AW's statement vs. 2006 actual) indicates that AW receives or ships fewer than 2 cars per week. It is clear, absent an astounding growth in traffic, there is no need to provide service four or five days per week. SBGR can accommodate even that amount of growth; however.

BMC West

23. BMC is located at approximately MP 2.0 (West Jordan) on the Bingham Branch. BMC also has an open area for spotting and pulling railcars. In the Shipper Coalition filing, BMC asserted that it had 500 – 550 cars and needed service five days per week. Actual 2006 shipments from BMC were 285 cars. Under BMC's asserted car volumes, no more than two cars per day would be spotted or pulled based upon five day per week service. Using the 2006 actual car volumes, one car per day would be spotted/pulled based upon five day per week service and less than two cars would be spotted/pulled based upon three days per week service. Again, SBGR can handle BMC's aspirations for traffic volume growth, and welcomes their success in growing their business.

Frito-Lay

24. Frito Lay ("Frito") is located at approximately MP 1 on the Bacchus Branch. Frito has an indoor car shed that is capable of holding at least 4 cars. Frito has indicated that it needs 1-2 days per week service. In the Shipper Coalition filing, Frito indicated that it has an annual volume of 200 – 250 cars. Actual 2006 car volume was 166 cars. SBGR is able to provide two day per week service for Frito. Based upon the volume specified in the Shipper Coalition filing, this would require 2 – 2.5 cars per switch. Based upon actual car volumes, SBGR would handle approximately 1.5 cars, 2 times per week. This level of service can be accommodated under SBGR's proposed operating plan.

ATK Thiokol

25. Thiokol is located beyond MP 1 on the Bacchus branch. Thiokol's statement of car volumes in the Shipper Coalition filing (60 – 70) is consistent with the 2006 actual car volume of 75 total cars. Additionally, service of one or two times per week is easily achievable in

conjunction with service to Frito-Lay, as their facilities are less than one mile apart on the Bacchus branch.

KraftMaid Cabinetry, Inc.

26. KraftMaid is a signatory to the Shipper Coalition filing. This is a new facility, and had no car volume in 2006. The facility is located on the Bingham branch. The Shipper filing indicates that KraftMaid will begin rail service in 2007. However, in messages traded with Sue Evans at the plant, she indicated that, although KraftMaid was keeping its options open, its interest in rail service was “peripheral” and she did not express any present intention to use rail service. Moreover, her interest in the rail option was not sufficient to justify sending a representative to the shippers’ meeting. A copy of her email to me is attached as Exhibit 1 to this statement. It should also be noted that there currently is no rail access into this facility. If KraftMaid changes its mind about rail service, SBGR would welcome the opportunity to serve it, and has the capability of doing so under the operating plan I have outlined.

New Opportunities

27. Savage has been notified by UP of the potential for two new customers along these lines. One customer, 84 Lumber, has indicated an interest in locating a distribution warehouse on the Garfield branch. Initial volume would be approximately 250 cars per year. This can easily be absorbed into the three SBGR operating scenarios provided at the beginning of this statement. There have been no formal discussions with SBGR around this warehouse, nor has any construction begun along the rail line.

28. The second opportunity would be a warehouse located on the Dalton Spur, which is accessed from the end of the current Bingham Lead, via a currently-abandoned segment of the Bingham Lead that was approved for abandonment by the STB in 2003. No formal discussions have occurred with this prospective customer. Extensive upgrades would be required in order to

put this track back in service. It is not known what the annual car volume might be, or whether this customer would be willing to invest the monies needed to put this industrial spur back into operating service. In any event, there is still ample time in the operating schedule to service this customer should the spur be reactivated.

BNSF CUSTOMERS ON GARFIELD BRANCH

29. Currently, URR acts as BNSF's agent serving Kennecott Copper and PW Eagle, both located on the Garfield branch. BNSF has no access to customers located on the Bingham or Bacchus branches. URR interchanges with BNSF at Provo Yard, and operates over UP lines to Midvale Yard. URR currently serves these 2 customers 2 days per week. Actual car counts have not been made available to me by BNSF. It is not anticipated at this time that the requirements of these customers will exceed 2 days per week service. When the freight carriers are operating within the freight window, utilizing the TWCS, there is adequate time and operating space for both railroads to serve all of their customers along the three branch lines.

MIDVALE YARD OPERATIONS

30. SBGR will share the Midvale Yard with SLCS and URR. On a daily basis, tracks #1 and #2, as well as the controlled siding will remain clear of rail cars so that interchange of cars can be done between SBGR and SLCS.

31. UP will block SBGR traffic on the head end of the train so that, upon arrival back in Midvale, it will be a quick set out of cars for SLCS. With a daily average of less than 24 cars in each direction, and given at least three hours allocated to the interchange process (much of which occurs on UP's interchange track and is not subject to the freight window), there is sufficient time under all three operating scenarios to switch the cars and still service the customers on the branch lines, even if UP fails to properly block the cars as outlined in the Agreement.

32. Given operating timetable speeds, the haulage capacity of the locomotives and the annual car volume, the travel time for each station is as follows:

Midvale Yard to Roper (or Reverse) – less than 30 minutes each direction

Midvale to Bagley Spur (Interstate Brick & SME) – 45 minutes each direction

Midvale to Bacchus (Frito Lay & Thiokol) – 1 hour.

33. Unexpected problems can arise that can impact service. Obviously, SBGR cannot promise that a car will never be delayed. However, I believe that there is sufficient time, even under the freight service window, to permit SBGR to recover from unexpected problems as they arise. UTA has the option under the Administration and Coordination Agreement, on certain evenings when special events in Salt Lake City occur, to reduce the freight window. UTA is obligated to provide 30 day advance notice to SBGR when possible. We understand that those events have been less than six per year in the case of UTA's existing operations on its North South line, and the interference with the freight operating window is of short duration. We are confident will be able to work with shippers to minimize any inconvenience caused by those rare events.

CONCLUSION

34. Whether we are talking about a 10 hour shift (2007 – 2010) where there is no passenger window, or a 10 hour shift with a five hour freight window in place (beginning in 2010) there is ample time, given the annual rail car volumes to service these customers. All spotting areas are shove in/pull out with little intra-facility moves. Operating times will not be a concern, even if 84 Lumber or the Dalton Spur traffic becomes a reality.

City of Salt Lake City) ss:
State of Utah)

VERIFICATION

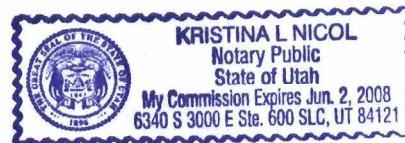
I, Kevin R. Haugh, Senior Vice President – Rail Services Development, for Savage Services Corporation, hereby verify under penalty of perjury that I am familiar with the facts stated in the foregoing Verified Statement and that they are true and correct. Further, I certify that I am qualified and authorized to file this Verified Statement on behalf of the Savage Bingham & Garfield Railroad Company.

Executed on the 30th day of April, 2007.


Kevin R. Haugh

Subscribed and sworn to before me
the 30 day of April, 2007.

Kristina Nicol
Notary Public



My Commission Expires:

EXHIBIT 1

TO

VERIFIED STATEMENT OF KEVIN R. HAUGH

From: sevens@KRAFTMAID.COM [mailto:sevens@KRAFTMAID.COM]

Sent: Thursday, March 08, 2007 3:27 PM

To: Kevin Haugh

Subject: Re: Coalition Meeting with Savage Services (Savage Bingham & Garfield Railroad)

Kevin,

I have confirmed with our Director of Operations that KraftMaid will not be sending a representative to the Coalition Meeting. Our interest has been peripheral in that we do not use the rail service for our freight, yet we were interested in knowing the options available.

Thank you.

Sue Evans
Manager--2nd Shift
KraftMaid Cabinetry, Inc.
West Jordan, UT
801-381-8264

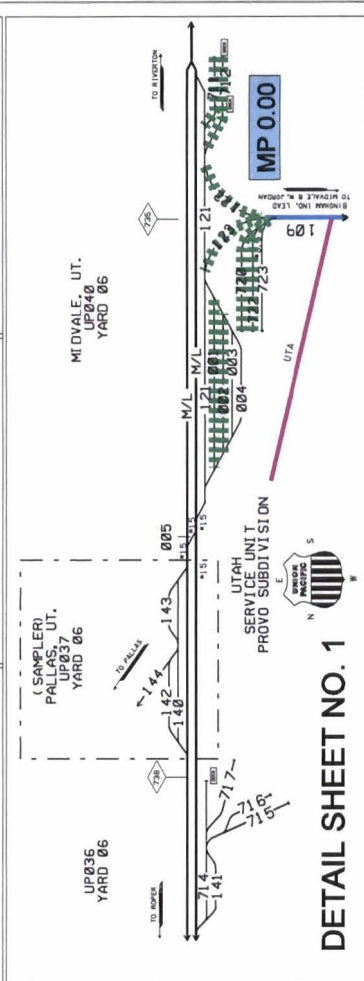
TAB B

MAP

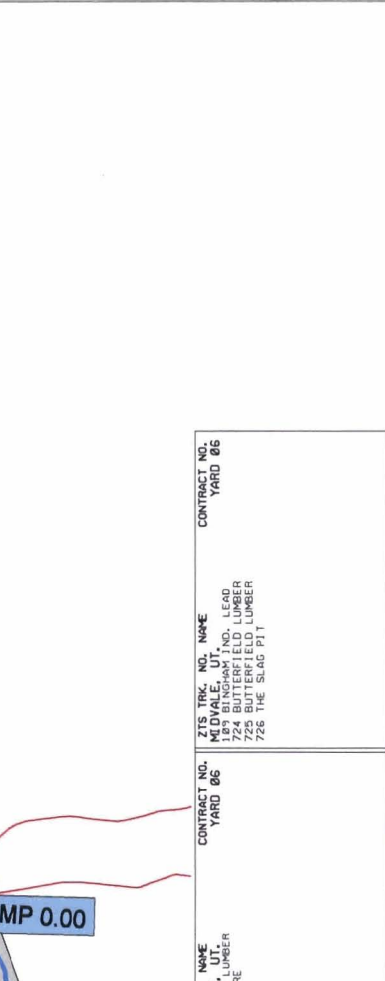
**UNION PACIFIC RAILROAD
AND
UTAH TRANSIT AUTHORITY**

DATED FEBRUARY 16, 2007

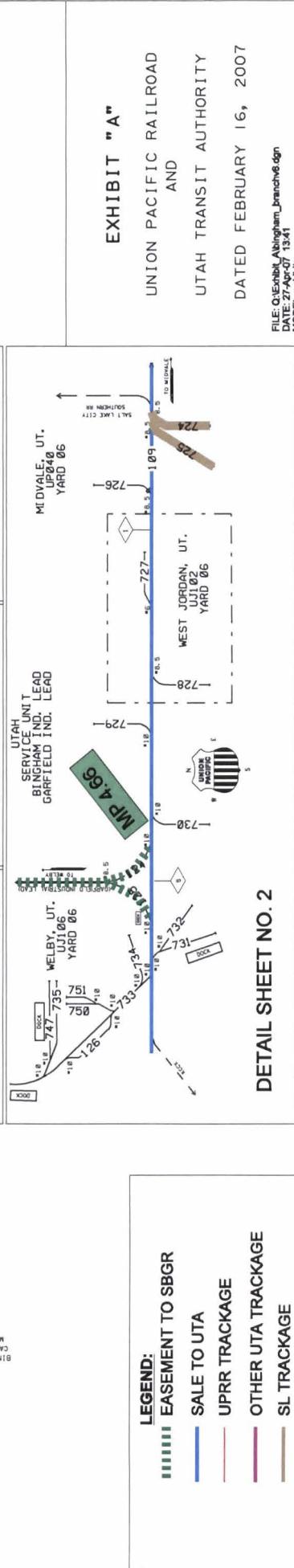
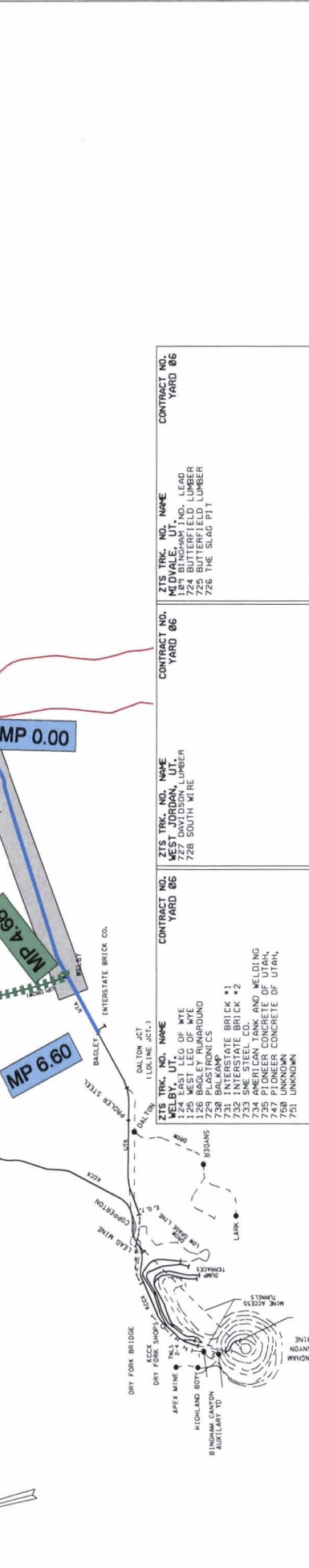
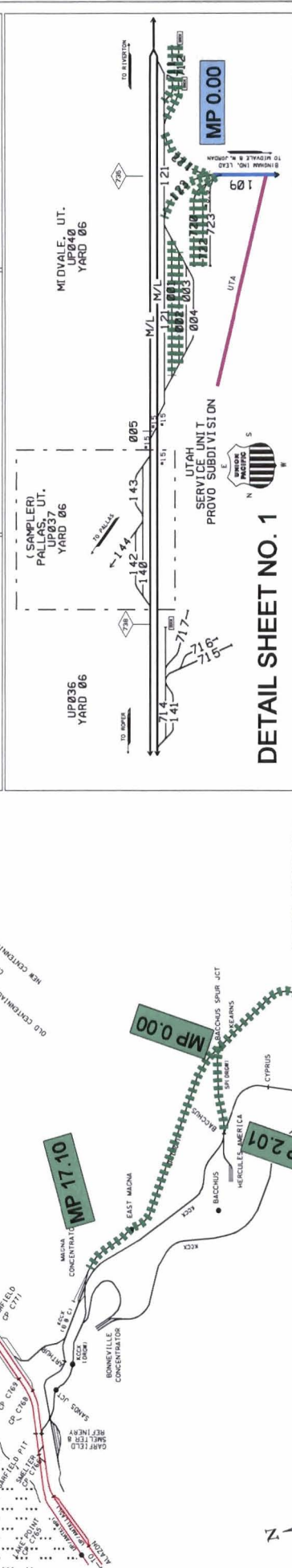
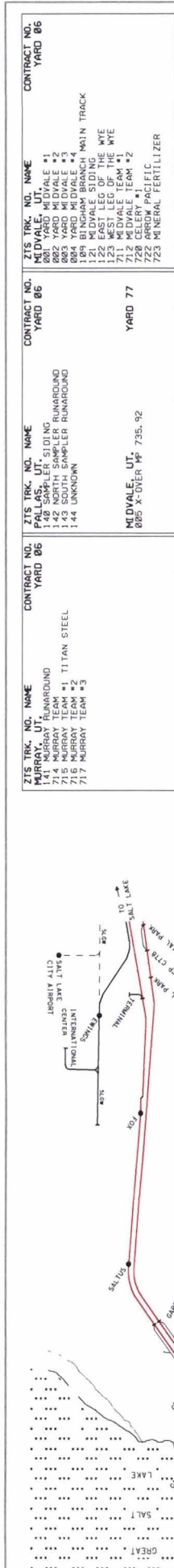
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71.4 MURRAY TEAM #1		1.42 NORTH SAMPLER RUNAROUND		882 YARD MIDVALE #2	
71.5 MURRAY TEAM #2		1.43 SOUTH SAMPLER RUNAROUND		883 YARD MIDVALE #3	
71.6 MURRAY TEAM #3		1.44 UNKNOWN		884 YARD MIDVALE #4	
71.7 MURRAY TEAM #4				189 BINGHAM BRANCH MAIN TRACK	
				121 MIDVALE SIDING	
				122 EAST LEG OF THE WYE	
				123 WEST LEG OF THE WYE	
				71.1 MIDVALE TEAM #1	
				71.2 MIDVALE TEAM #2	
				722 ARROW PACIFIC	
				723 MINERAL FERTILIZER	



ZTS TRK. NO. NAME	CONTRACT NO. YARD	ZTS TRK. NO. NAME	CONTRACT NO. YARD	ZTS TRK. NO. NAME	CONTRACT NO. YARD
MURRAY, UT. RUNAROUND	06	FALLS, UT. SIDING	06	MIDVALE, UT. #1	06
71.4 MURRAY TEAM #1		1.42 NORTH SAMPLER RUNAROUND		882 YARD MIDVALE #2	
71.5 MURRAY TEAM #2		1.43 SOUTH SAMPLER RUNAROUND		883 YARD MIDVALE #3	
71.6 MURRAY TEAM #3		1.44 UNKNOWN		884 YARD MIDVALE #4	
71.7 MURRAY TEAM #4				189 BINGHAM BRANCH MAIN TRACK	
				121 MIDVALE SIDING	
				122 EAST LEG OF THE WYE	
				123 WEST LEG OF THE WYE	
				71.1 MIDVALE TEAM #1	
				71.2 MIDVALE TEAM #2	
				722 ARROW PACIFIC	
				723 MINERAL FERTILIZER	



ZTS TRK. NO. NAME	CONTRACT NO. YARD	ZTS TRK. NO. NAME	CONTRACT NO. YARD	ZTS TRK. NO. NAME	CONTRACT NO. YARD
MURRAY, UT. RUNAROUND	06	FALLS, UT. SIDING	06	MIDVALE, UT. #1	06
71.4 MURRAY TEAM #1		1.42 NORTH SAMPLER RUNAROUND		882 YARD MIDVALE #2	
71.5 MURRAY TEAM #2		1.43 SOUTH SAMPLER RUNAROUND		883 YARD MIDVALE #3	
71.6 MURRAY TEAM #3		1.44 UNKNOWN		884 YARD MIDVALE #4	
71.7 MURRAY TEAM #4				189 BINGHAM BRANCH MAIN TRACK	
				121 MIDVALE SIDING	
				122 EAST LEG OF THE WYE	
				123 WEST LEG OF THE WYE	
				71.1 MIDVALE TEAM #1	
				71.2 MIDVALE TEAM #2	
				722 ARROW PACIFIC	
				723 MINERAL FERTILIZER	



CERTIFICATE OF SERVICE

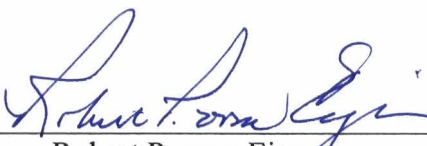
I hereby certify that on May 2, 2007, I served the foregoing document, Reply of Savage, Bingham & Garfield Railroad Company in Support of UTA Motion to Dismiss, by e-mail on the following:

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