

September 3, 2008

Phillis Johnson-Ball
 Section of Environmental Analysis
 Surface Transportation Board
 395 E Street SW
 Washington, DC 20423-0001

Ref: Finance Docket No. 35087

Dear Ms. Johnson-Ball,

As a resident of Lake Zurich, Illinois, I would like to state my strong opposition to the Canadian National Rail Road's acquisition of the EJ&E Rail Road currently pending an environmental review by the U.S. Surface Transportation Board in Washington, D.C. This acquisition has absolutely no value for Lake Zurich or any of the other Illinois communities along the EJ&E rail line and in fact will only serve to destroy the local environment and ruin the economy of our communities. The State of Illinois and the Chicago metropolitan area can ill afford the negative consequences of this transaction.

The STB draft Environmental Impact Statement has failed to identify the real impacts of the acquisition and the STB has entirely skirted the critical issue of the adverse economic impacts this acquisition will have on the local, state and national economies. It is bad enough already that our Federal government has led us into a major nationwide recession, but for the STB to further exacerbate the situation by approving this deal will only serve to further bury our struggling economy; all for the benefit of a foreign company.

The Canadian National has expressed no sincere interest in the environmental and economic needs of the Illinois communities that will be impacted by their operations. In fact, they have been less than cooperative with our local Lake Zurich officials. Repeated attempts at obtaining vital hazardous materials information for the public safety officials has either fallen on deaf ears at the CN, or they have simply chosen to ignore our requests. If this is indicative of their current level of cooperation with Lake Zurich then any future cooperation assuming they obtain STB approval will prove futile.

In reviewing the EIS released by the STB, there is just cause for much alarm by all residents, businesses and industries paying property taxes in Lake Zurich. It is rather apparent that the STB and CN are attempting to expedite the approval and acquisition processes in advance of the upcoming Presidential elections and before our next President is inaugurated on January 20th. Why? Simply put, the terms of the current STB members will expire and newly appointed members by the next President could spell disaster for the CN RR; as it should! This matter is of such importance that newly appointed STB members who will be in office to face the consequences of their decision should review it.

That said, it is now important to point out the fatal flaws in the EIS and to point out the costly mitigation measures that the CN and not Lake Zurich and US tax payers should incur in the unlikely event the STB approves this foolish attempt to monopolize the railroad freight industry in the US; which is the ultimate plan of the CN.

The Village President of Lake Zurich and the Board of Trustees have gone on record opposing the transaction, and I as a resident taxpayer strongly oppose this acquisition. My specific reasons are spelled out below:

- The acquisition will bombard quiet residential neighborhoods and school properties with increased noise and vibrations from dramatically increased train traffic.
- Negative impact on property values.
- Additional delays from increased train traffic will negatively impact public, vehicular and pedestrian safety.
- Average train lengths of 10,000 feet will block our at-grade crossings and all major arterial roads near these at-grade crossings.
- The added delay will increase emergency response times of the Village's emergency services personnel and will potentially cause unnecessary loss of life.
- Lake Zurich High School and May Whitney Elementary School directly abut the existing railroad tracks thereby presenting a hazard to students that will cross the tracks despite the danger and the warnings.
- Many School District 95 classrooms and children are within a few hundred yards of hazardous rail cargo.

The STB needs to clearly understand our economic situation and must require the CN be 100% financially accountable to mitigate all of the adverse public safety and environmental impacts imparted on the Village of Lake Zurich. The STB should not ignore our pleas for full consideration of the mitigation measures stated below:

Land Use and Socioeconomics - The projected increase in trains actually would influence negatively on the land uses abutting the line. For example, areas planned or approved for residential and other land uses may not be viable any longer because of the significant increase in freight trains, as well as overall quality of life issues. The Village recently experienced a negative socioeconomic impact due to the proposed increase of trains. Specifically, the Village lost a \$22 million dollar construction project for an affordable/assisted senior living facility and 45 full time jobs associated with this project. This project was within the Village's downtown redevelopment district, which STB identified in the Draft EIS. The proposed acquisition will continue to adversely affect current and future land uses, physical character of the adjoining lands in our community. The proposed transaction would significantly and adversely affect travel patterns, travel times, and accessibility within Lake Zurich. Home values near the line will decrease an average of 5.5% in excess of the 15% decline caused by the weak economy and mortgage-financing crisis. To mitigate this situation we do not want any more freight trains traversing our Village.

Safety - Recently, and based on current train frequency, three separate accidents occurred in our area involving the death of children. Although the railroad may not be at fault, greater train frequency will increase the probability of additional accidents of this nature. In order to address this safety concern, the installation of barrier walls along the rail

adjacent to residential and school property, pedestrian crossing bridges and controlled access points should be provided at no cost to Lake Zurich.

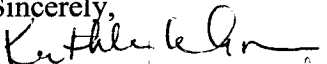
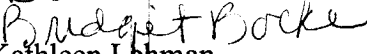
Hazardous Materials Transportation – The Draft EIS does not address any resources or educational support programs from CN for local communities or emergency responders. Multiple attempts have been made by the Village fire officials to secure information on the types and quantities of chemicals that CN expects to be transporting on the line. However, no specific information has been provided. Local emergency service responders are entitled to receive a detailed manifest that includes the information requested along with response training, evacuation planning, response and recovery resources, as it relates to the chemical hazards at no cost to Lake Zurich.

Noise and Vibration – The Quiet Zone should be maintained through an agreement with the CN, as the railroad still has ultimate control on whether they need to maintain this corridor. CN should perform a noise analysis as part of their environmental study and should contact every property owner residing in the subdivisions and adjoining areas noted below, (all located within 500 feet of the EJ&E tracks) to discuss additional landscape buffers and/or fencing. Noise walls or other types of sound barriers similar to those used by IDOT to protect properties from highway noise, should be built to mitigate sound and prevent egress and ingress onto the railroad right-of-way to protect these areas of the Village. These areas include: Concord Village, Wicklow Village, Braemar, Carolyn Court, Hillman's, Bruce, Mionske, Prospect Park, and Hefler's Subdivisions; The Landings and Terrace Lane Apartments; School District 95 (Lake Zurich High School; May Whitney); and the entire Downtown Lake Zurich Redevelopment Area.

Transportation Systems – The intersections at Old Rand Road and East Main Street would experience traffic backing up over the tracks, especially around school times and during the AM and PM rush hours. CN should fund construction of overpasses and/or underpasses for the following at-grade crossings: Oakwood Road, East Main Street, Old Rand Road, and Cuba Road. The Village believes that mitigation for these at grade crossing is appropriate and warranted.

In closing, I would encourage the STB to REJECT the Canadian National Rail Road acquisition of the EJ&E Rail Road, as this is the only correct decision given the catastrophic impact it will have in Lake Zurich and all of the communities in the Chicago metropolitan area. I wish to thank you for your time and thoughtful consideration.

Sincerely,



Kathleen Lehman

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