



#E1-981
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received
9/2/04

August 31, 2004

The Honorable Troy Fraser
P.O. Box 12068
Capitol Station
Austin, Texas 78711

Re: Vulcan Materials/Southwest Gulf Railroad

Dear Senator Fraser:

It recently came to my attention that the Medina County Environmental Action Association, Inc. ("MCEAA") wrote to you on July 8, 2004 complaining about a variety of environmental and other issues relating to the planned development of a quarry by Vulcan in Medina County and to the construction of a common carrier railroad line by Vulcan's subsidiary, Southwest Gulf Railroad ("SGR"), that will serve that quarry and other shippers. As you undoubtedly know, MCEAA is opposed to the Vulcan's planned development of a new quarry in Medina County.

While we believe that MCEAA's opposition is driven by an unyielding "not in my backyard" attitude, I do not intend here to respond to the emotional and inaccurate charges that MCEAA has raised in its letter. I can assure you, however, that Vulcan has at all times acted in good faith with respect to its plans for developing a quarry in Medina County and that it has consulted, and continues to consult, with local officials and citizens about those plans. I can also assure you that such a quarry would not be developed if there were not adequate demand for the aggregate that will be the product of the quarry. Most of that aggregate will be transported to destinations within Texas and, as you know, such aggregate is used to build roads, runways and other necessary infrastructure to support economic growth in this state. MCEAA's obstructionist attitude toward the planned quarry is unfortunate and, were that type of attitude to prevail, economic progress in our state and nation would quickly grind to a halt.

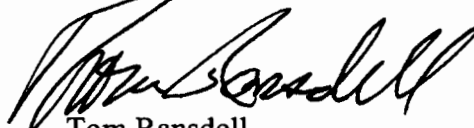
With respect to MCEAA's concerns regarding the construction of the SGR rail line, that line cannot be built unless and until SGR obtains permission from the federal Surface Transportation Board. That Board's Section of Environmental Analysis is currently undertaking an exhaustive environmental review of the impacts of that proposed rail line, as required under federal environmental laws. The Board will eventually issue a Draft Environmental Impact Statement (DEIS) before taking final action on SGR's request to build its line. MCEAA will have ample opportunity to comment on that DEIS, as well as participate in a public meeting that we understand will be scheduled by the Board's

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environmental staff once the DEIS is issued. As Mr. Fitzgerald's letter indicates, MCEAA has already made its views known to the Board, and Vulcan has responded to those concerns.

I would be pleased to respond to any specific questions that you might have and look forward to our continuing dialogue with respect to these matters.

Sincerely,



Tom Ransdell

cc: United States Senator Kay Bailey Hutchison
United States Senator John Cornyn
United States Representative Henry Bonilla
Senator Frank Madla
Victoria Rutson, Chief, SEA, Surface Transportation Board