

201049

DM&E POWDER RIVER BASIN EXPANSION PROJECT

PUBLIC MEETING

DRAFT ENVIRONMENTAL IMPACT STATEMENT

North Mankato, Minnesota

Wednesday, November 15, 2000

P R O C E E D I N G S

(1:05 p.m.)

MR. GARDINER: Good afternoon.

Thanks very much for coming. We're here to talk about the proposed DM&E expansion project, so if you're here for a training session, or a luncheon, we're not providing that.

My name is Charles Gardiner. I'm the facilitator today. My role is to make this meeting as productive as possible for you, as well as productive for the project team that's here to hear your comments. We're going to cover a couple of logistical items, and then we have a short presentation about the project, and then we'll get to your comments.

First of all, I just want to touch base on what our purpose is today. I want to describe a little bit to you the roles of the federal agencies that are involved in the project in reviewing the environmental

1 impacts of the proposed expansion. I want to
2 provide a very brief overview of the project,
3 and, also, an overview of the environmental
4 impact report, impact statement that's been
5 prepared. most importantly we want to hear
6 your comments on that Draft Environmental
7 Impact Statements.

8 So our agenda is in line with that.
9 I'm going to cover the team introductions and
10 some ground rules for this afternoon. Then
11 the team is going to talk about the role of
12 the Surface Transportation Board. The
13 Surface Transportation Board is the lead
14 agency in preparing the environmental review.
15 Also, the roles of the cooperating agencies,
16 the other federal agencies that are working
17 with the Surface Transportation Board in
18 reviewing the project. Then, we also do an
19 overview of the project and a quick snapshot
20 of the environmental impact review results.
21 again, most importantly we want to get to --
22 allow plenty of time for you to provide

1 comments.

2 Let me do some quick introductions
3 of the folks who are up front. Vicki Rutson
4 is here from the Surface Transportation
5 Board. She is the project manager for the
6 Board on the environmental review of the
7 project. Steve Thornhill is here from Burns &
8 McDonnell. Steve is the manager of the
9 consulting team that worked with the Surface
10 Transportation Board in preparing the Draft
11 Environmental Impact Statement. Tim Fell is
12 here from the Army Corps of Engineers. He's
13 going to talk briefly about their role in
14 reviewing the impacts, the waterways,
15 wetlands, and so forth. I'm the facilitator
16 today.

17 Let me cover a couple of things
18 about the materials you probably picked up at
19 the front door. The first is -- has the
20 Agenda on the front. Inside that are
21 procedures for receiving comments, the ground
22 rules are listed there. I'm going to cover

1 those in a minute. But, also, there's a
2 description on the back of how you can submit
3 written comments. a deadline for those
4 comments. Comments on the Draft Environmental
5 Impact Statement are due January 5, 2001.
6 There are some other deadlines listed here
7 about some of the permit applications and so
8 forth. So those are all the mailing
9 addresses you can submit written comments to.

10 There's also a sheet that looks
11 like this, a white sheet. It's a comment
12 sheet. You may feel more comfortable, if you
13 prefer to provide written comments today, we
14 offer this as a way -- a mechanism to do
15 that. You can sit and write your comments,
16 feel free to drop that at the table on your
17 way out. You also may have come with a
18 prepared statement. We encourage you to leave
19 that with us. It helps us in capturing all
20 of your comments.

21 There is also a short sheet like
22 this that has a couple of contact numbers on

1 it. The first is the Board's website. If
2 you're online, you can get access to the
3 Draft Environmental Impact Statement on the
4 website. You can take a look at it there. It
5 also has the project Hotline. That is not a
6 place to provide comments, but it is a place
7 if you have questions about the comment
8 deadline, or where the closest library is,
9 those kinds of things. You can call the
10 Hotline and we'll get back to you as quick as
11 we can.

12 There's also one other card in
13 there. This is -- we're going to cover,
14 hopefully, most of the procedural aspects
15 that you might be interested in in this
16 presentation. There may be something about
17 some of the process that we're involved in
18 here that you have a question. You can fill
19 this out, drop it at the back table, or bring
20 it to us during the meeting, and we'll try to
21 answer those if we haven't covered something
22 in the presentation.

1 It is not our intent or purpose
2 today to answer questions about the Draft
3 EIS. We're here to receive your comments on
4 it. So this is really for more procedural
5 questions. If you have a question, something
6 isn't clear in the Draft EIS, or there's
7 information missing, please turn that into a
8 comment and provide that to the team and
9 you'll hear in a moment how the team will be
10 addressing all of those comments. Those are
11 the logistical points.

12 Let me cover just some ground rules
13 that we want to operate by this afternoon.
14 First, and probably most importantly, I'd ask
15 that we have one speaker talking at a time.
16 All these microphones, I think, are on, so
17 they will pick up side conversations. We have
18 a court reporter here who is transcribing
19 your comments. it's important that only one
20 of you be talking so we capture things
21 accurately.

22 We want to honor the time limits.

1 We have a number of people who have signed up
2 to speak. We have set a three minute time
3 limit for people to comment. To the extent we
4 have time available at the end, we may come
5 back if people have further comments. But we
6 really want to be sure that we get to
7 everybody who signed up. So in fairness to
8 the people who are lower on the list we want
9 the people on the front of the list to keep
10 to those time limits. To give you a little
11 guideline about what that means, if you come
12 with a prepared statement, you get about a
13 page and a half at the most in three minutes.
14 So if you have a longer statement than that,
15 I would encourage you to start thinking about
16 what are the key points, and highlight those,
17 and, again, you can leave the longer
18 statement with us, we'll make sure that it
19 gets into the record.

20 Lastly, I want to be sure that we
21 respect others opinions. This project is
22 controversial. It has generated lots of

1 opinions for and against, and lots of
2 differing opinions. Our purpose today is to
3 hear all of those opinions and make sure that
4 we hear them all. So, you can certainly
5 support other people, but by clapping during
6 their presentation it's going to cut into
7 their time. If you have objections to
8 people's presentations, or rebuttal
9 statements, I encourage you to keep those to
10 yourself. Direct comments up here at your
11 opportunity to comment. So, I'll be working
12 to track all of these ground rules.

13 So now is a very good time for
14 everybody to nod and say we'll live by those
15 ground rules. So, with that, I'm going to
16 pass it to Vicki to start off a short
17 presentation, just an overview of the
18 project.

19 MS. RUTSON: Thank you, Charles.
20 Can everyone hear me? There's a few more
21 seats up front here if you brave souls want
22 to take a seat. Again, I'm Vicki Rutson. I'm

1 an attorney with the Surface Transportation
2 Board's Section of Environmental Analysis.
3 I'm very pleased to be with you all this
4 afternoon, and I'm anxious to hear your
5 thoughts on the Draft Environmental Impact
6 Statement.

7 I'd first like to tell you a little
8 bit about the Surface Transportation Board.
9 The Board is a federal agency located in
10 Washington, D.C. It's composed of three
11 members, a chairman, a vice-chairman, and one
12 Board member. Congress has charged the Board,
13 given the Board the authority of licensing
14 certain railroad actions. Those include
15 railroad mergers, railroad abandonments, and
16 the type of application that DM&E has filed,
17 a railroad construction application.

18 The Board's involvement in the DM&E
19 project began in February of 1998 when DM&E
20 filed an application with the Board asking to
21 construct a 262 mile new rail line into
22 Wyoming's Powder River Basin. DM&E's

1 application also asked for constructions in
2 Mankato and Owatonna, Minnesota. That was the
3 original application filed in February
4 of '98.

5 That application started two
6 processes at the Surface Transportation
7 Board. The first is known as the Merits
8 Review Process, or the Transportation Merits
9 Analysis. This is a three part test that the
10 Board looks at. The Board asks, in looking at
11 an application, is this applicant financially
12 fit. Is what this applicant is proposing in
13 the public interest. Is there a public need
14 for this proposal. On December 10th of 1998,
15 the Board issued a decision finding that
16 DM&E's application back in February of '98
17 met this three part test.

18 In that decision, though, the Board
19 said we don't have all the information in
20 front of us right now, because the
21 environmental review process, which is the
22 second process that occurs at the Board, has

1 only just started. Until the Board has all
2 the information from the environmental review
3 process, and that process is complete, there
4 can be no final decision on DM&E's
5 application.

6 That starts the process that we're
7 involved in right now, the environmental
8 review process. It's a multi step process
9 under a statute called the National
10 Environmental Policy Act, or NEPA. On
11 September 27th of 2000, the Board issued a
12 Draft Environmental Impact Statement. That's
13 the reason why we're all here this afternoon.

14 The D-E-I-S (DEIS), as it's called,
15 is intended to serve a number of purposes.
16 The most important purpose is to disclose to
17 you, the public, to federal, state and local
18 agencies, to tribes, and to affected
19 communities, what the Board believes to be
20 the potential environmental impacts of DM&E's
21 proposal. The Draft EIS also looks at
22 potential environmental impacts of

1 alternatives to DM&E's proposal, including
2 the no build alternative, or no action
3 alternative.

4 The DEIS also sets forth the
5 Board's preliminary recommendations on
6 mitigation and on certain routes that may be
7 considered environmentally preferable.

8 The Board issued the Draft EIS for
9 a 90 day comment period. That comment period
10 right now is due to expire on
11 January 5, 2001. Normally, there's a 45, a
12 minimum 45 day comment period required on
13 Draft EISes. Because this Draft EIS is long,
14 and because this process is very complex, and
15 DM&E's proposal is complex, the Board felt
16 that 90 days was appropriate. I know a lot of
17 folks are asking for additional time, and
18 we're certainly willing to consider those
19 requests.

20 When the environmental review
21 process is over, what happens next? We'll
22 take all of your comments and respond to them

1 in a Final Environmental Impact Statement. If
2 appropriate, and necessary, we'll conduct
3 additional environmental analysis in the
4 FEIS. When we issue the Final Environmental
5 Impact Statement, that is the end of the
6 environmental review process. At that point,
7 the decision-maker, the Board, will have all
8 the information in front of it to make a
9 final decision on DM&E's proposal.

10 At that point, the Board will issue
11 a final decision, and it will make one of
12 three decisions. It has three choices before
13 it, and it must make one of those choices.
14 The choices are to either approve DM&E's
15 proposal, as submitted; to approve DM&E's
16 proposal, but only with certain mitigating
17 conditions; or, third, to deny DM&E's
18 proposal. Those are the three choices.

19 In issuing the Draft Environmental
20 Impact Statement, the Board is considered the
21 lead federal agency, but we've worked
22 cooperatively with five other federal

1 agencies. These agencies also have a
2 decision-making role in this process. Those
3 other agencies are the Forest Service, the
4 Bureau of Land Management, the U. S. Army
5 Corps of Engineers, the Bureau of
6 Reclamation, and the Coast Guard. Tim Fell, a
7 representative of the Corps, is with us this
8 afternoon and will be speaking a bit about
9 the Corps' role in this process.

10 Another federal agency, the
11 Environmental Protection Agency, has a role
12 as well. EPA will be rating the Draft
13 Environmental Impact Statement and issuing,
14 in effect, a grade. A representative of EPA
15 is with us this afternoon, Mazin Enwiya.
16 Thank you, Mazin.

17 With that, I'd like to pass the
18 mike on to Tim Fell from the Army Corps of
19 Engineers. Again, thank you so much for
20 coming here this afternoon and I'm looking
21 forward to hearing your comments.

22 MR. FELL: Thank you, Vicki. As

1 Vicki said, my name is Tim Fell. I work with
2 the St. Paul District, Army Corps of
3 Engineers, out of the St. Paul office. Our
4 office will be responsible for reviewing the
5 project impacts that occur in the State of
6 Minnesota. The Omaha District of the Corps
7 of Engineers will be responsible for looking
8 at project impacts that occur in South Dakota
9 and Wyoming.

10 The Corps permit jurisdiction in
11 this matter is based on Section 404 of the
12 Clean Water Act and Section 10 of the Rivers
13 and Harbors Act for work in what are called
14 navigable waters. The Corps permit would be
15 required for work in navigable waters, or for
16 the placement or discharge of dredged or fill
17 material into other waters of the United
18 States that includes rivers, ponds, lakes,
19 and wetlands. A Corps permit would be issued
20 when it's determined that the proposal is not
21 contrary to the public interest. the plans
22 that are presented would represent the least

1 environmentally damaging alternative.

2 There are many factors that would
3 be looked at during this public interest
4 review. Some of those would include
5 wetlands, wildlife habitat, water quality,
6 safety, cultural resources, flood plain
7 values, and economics.

8 Information that's gathered during
9 this process, the public hearings,
10 information in the Draft EIS, the Final EIS,
11 comments that are made to us, to the Corps of
12 Engineers, through its public notice process,
13 and certainly comments that are made in this
14 type of public forum, this public hearing,
15 are all going to be used by the Corps to
16 consider that final permit decision.

17 With that, I'd like to turn it over
18 to Steve Thornhill of Burns & McDonnell.

19 MR. THORNHILL: Thank you. For
20 those of you standing in the back, there are
21 a few seats kind of toward the front,
22 scattered around, if you want to try and find

1 a seat.

2 As Tim said, my name is Steve
3 Thornhill. I'm with Burns & McDonnell
4 Engineering. We are the consulting firm that
5 was hired to work under the direction and the
6 supervision of the Surface Transportation
7 Board in preparation of the Draft
8 Environmental Impact Statement. What I'm
9 going to do today is just take a few minutes
10 to go into a little more detail about what
11 Vicki had discussed the DEIS contains, kind
12 of hit some highlights for the project
13 itself.

14 The Draft Environmental Impact
15 Statement contains, first, a description,
16 really, of the existing conditions within the
17 project area. what this is intended to do is
18 provide kind of an overview, paint a picture,
19 if you will, of what the environmental,
20 natural and human resources that occur in the
21 area are. that's intended to provide the
22 reader kind of some information on what's

1 there, and what the important things that are
2 present are.

3 It goes on, then, to present what
4 the alternatives that are determined
5 reasonable and feasible for the project are
6 and discuss and describe those. One of those
7 alternatives, as required under the National
8 Environmental Policy Act is the no action
9 alternative. after discussing the
10 alternatives, the Draft Environmental Impact
11 Statement presents the potential impacts of
12 each of those alternatives on the existing
13 environment, or the environmental resources
14 found in the project area.

15 As Vicki indicated, in September,
16 September 27th of 2000, the Draft was issued
17 for public review. There is a 90 day comment
18 period which is set to conclude on January
19 the 5th.

20 In looking at the proposed project,
21 the identified purpose and need for the
22 project includes two parts. The first part is

1 by constructing new rail line into Wyoming to
2 access the Powder River Basin coal mines.
3 The project would provide DM&E the financial
4 resources it would need to reconstruct its
5 existing line, thereby preserving, improving
6 service to its existing shippers and the
7 efficiency of rail transportation.

8 The second purpose would be
9 facilitated, again by construction into the
10 Powder River Basin, would provide a third
11 carrier, rail carrier access to the region
12 increasing competition for the transport of
13 coal.

14 There were four alternatives
15 evaluated for that extension. The first
16 alternative was to find as alternative A, or
17 the no action alternative. Alternative B
18 would involve construction of new rail line,
19 generally along the Cheyenne River Basin in
20 southwest South Dakota and into Wyoming. The
21 third alternative was alternative C, which
22 included kind of a modification of the

1 alternative B alignment that removed the
2 alignment from the Cheyenne River to avoid
3 sensitive environmental areas along the
4 river. The fourth alternative was alternative
5 D, and that included the additional
6 reconstruction of DM&E's existing system
7 combined with construction of new rail line
8 parallel to existing rail corridors in the
9 area to take maximum use -- or make maximum
10 use of existing rail corridors in the area.

11 Just to kind of hit on a few
12 highlights of what the project involved for
13 each of the three states involved, in
14 Minnesota, the DEIS evaluated the potential
15 impacts of reconstructing the existing DM&E
16 rail line, evaluated the potential impacts of
17 potential new constructions in the
18 communities of Owatonna, Mankato, and
19 Rochester. They looked at the impacts of
20 three new rail yards.

21 Some of the unique characteristics
22 that were identified for Minnesota included

1 the many communities along the rail line, the
2 farmers and farms located both along the
3 existing rail line and in the areas of
4 proposed new construction. The Mayo Clinic
5 presented a unique circumstance. Sensitive
6 riparian areas and wetlands throughout the
7 state. Again, both along the existing rail
8 line and in the areas of new construction.
9 The flood control projects present in the
10 communities of Mankato and Rochester.

11 In South Dakota, the project would
12 include the proposed new construction of rail
13 line to facilitate access to the mines.
14 There were two new rail yards proposed for
15 South Dakota, and the existing DM&E rail line
16 was proposed for reconstruction. There were
17 alternative alignments evaluated in the
18 Spring Creek, Hay Canyon areas of South
19 Dakota, and, also, around the community of
20 Brookings.

21 Some of the unique characteristics,
22 and, again, these are intended to provide a

1 summary. These are by far, by no means all
2 inclusive of what we determined. But in South
3 Dakota, the unique things that were
4 identified included impacts to Buffalo Gap
5 National Grassland, impacts to various tribal
6 issues, the numerous ranchers and farmers
7 found throughout the state, including both
8 those, again, along the new construction and
9 the existing rail line. Sensitive riparian
10 areas, particularly those along the Cheyenne
11 River, impacts to Angostura Irrigation
12 District, and, again, impacts to the many
13 communities in the area, particularly those
14 along the line, and impacts associated with
15 either rehabilitation, or construction of a
16 new bridge across the Missouri River at
17 Pierre, South Dakota.

18 In Wyoming the project involved the
19 proposed new construction of rail line to
20 access the mines. There was one new rail
21 yard proposed in order to facilitate the
22 transport of coal and the access to the

1 mines. There were alternatives evaluated to
2 access the Black Thunder Mine and the North
3 Antelope Mine. The unique characteristics
4 identified in the state of Wyoming included
5 Thunder Basin National Grassland, and impacts
6 to the numerous ranches and ranchers found
7 throughout the area.

8 In conducting its analysis, what
9 was determined was that numerous
10 environmental resources would be
11 significantly impacted by this project. Not
12 all of these resources would be significantly
13 impacted by all parts of the project in all
14 states. But some component of the project
15 would significantly impact each of these
16 resources. Those resources determined to be
17 potentially significantly impacted included
18 safety, pertaining mostly to highway rail
19 grade crossing safety, geology and soils,
20 water resources, wetlands, paleontological,
21 or fossil resources, cultural resources,
22 including both archeological and historic,

1 threatened and endangered species, land use,
2 noise, air quality, environmental justice,
3 esthetics, socioeconomics, and cumulative
4 impacts of this project combined with other
5 reasonable and foreseeable projects in the
6 project area.

7 The final thing that the Draft
8 Environmental Impact Statement attempted to
9 do was to present potential mitigation
10 measures that could be employed should the
11 project receive an approval to minimize or
12 mitigate the potential impacts. At this time,
13 the mitigation measures generally were
14 general in nature so that they could be
15 applied to all of the alternatives that were
16 evaluated in the DEIS. Because of that, most
17 of these could be classified as what would be
18 considered best management practices. Things
19 like use of silt fences and straw bales to
20 control erosion.

21 Many of the mitigation measures
22 involve requirements that DM&E coordinator

1 with local, state and federal agencies that
2 also had jurisdictional issues or concerns
3 with the project in order to develop
4 mitigation measures that would satisfy those
5 entities and minimize their concerns and
6 impacts.

7 However, in conducting its
8 analysis -- as I said, there were a number of
9 significant impacts to a number of resources,
10 it was determined that many of these impacts
11 would be difficult to effectively mitigate.
12 Because of that, an important part of this
13 process is that we are requesting your
14 comments on mitigation measures that you feel
15 specific to your circumstance, or your area,
16 would be effective in mitigating the
17 potential impacts of the project. If those
18 are available.

19 The final thing that was discussed
20 under mitigation was the concept of
21 negotiated agreements. These involve DM&E
22 being required, or requested to coordinate,

1 negotiate with local entities, agencies,
2 communities, or agencies for ways or plans
3 that can be developed that all the parties
4 can agree to that would effectively mitigate
5 different impacts of the project.

6 As part of the mitigation section,
7 it is determined how those agreements need to
8 be filed with the Surface Transportation
9 Board so that they can be considered in the
10 process and imposed as a condition of
11 approval should approval be given to this
12 project.

13 So with that, I will close. Thank
14 you all for coming. Thank you for your
15 comments. Charles.

16 MR. GARDINER: Thank you. We're
17 going to take a break here. There are a few
18 people out in the hall standing in the back.
19 There are 20 seats up front. Now is a good
20 time. Come up front. Come on up. There's a
21 bunch of seats over here. I'm assuming those
22 who are still standing will remain standing.

1 There are seats over here.

2 Okay. A couple of other logistical
3 items. Again, just to -- the types of
4 comments you can submit. Oral comments
5 today, that we are transcribing. Written
6 comments on the comment sheet. Or, if you
7 have got a written statement already, you can
8 leave those with us today. Then, written
9 comments by mail. If you don't have all of
10 those addresses, you can pick up a sheet on
11 your way out.

12 Vicki described a little bit about
13 the response process. The team will be
14 taking your comments and reviewing them and
15 responding to the substantive comments in the
16 Final EIS. The Final EIS goes before the
17 Board as they make their decision. So that
18 is the response process. We'll collect all
19 those comments in all of these meetings, as
20 well as the written comments, and go through
21 them and respond to them in the Final EIS.

22 More specifically, the things that

1 we're seeking comments on are the Draft EIS,
2 that Steve just described, and that includes
3 a couple of other elements. The Programmatic
4 Agreement addresses Native American issues.
5 The Biological Assessment deals with
6 threatened and endangered species. So those
7 are some specific components of it.

8 Also, as Tim talked about, the
9 Section 404 permit applications, that's
10 regarding impacts to waterways and wetlands.
11 the proposed Forest Plan Amendments that deal
12 with the Forest Service actions and reviews
13 of impacts. Those are three specific elements
14 that we're looking for your comments on.

15 The order that we'll take
16 commenters is if there are any federal or
17 state elected officials here, we'll take them
18 first. The pre-registered speakers, and I
19 have that list. We'll work through that list
20 next. Then, other speakers, some of you may
21 have signed up when you arrived here to
22 speak, we'll take those. Then, lastly, if

1 there are folks here who have spoken at
2 previous meetings, to the extent we have time
3 available we'll take comments from those
4 folks as well.

5 Again, the ground rules, for those
6 of you who arrived late, we've set three
7 minutes as a limit for speaking. That's about
8 a page and a half if you have a prepared
9 statement. So, think about summarizing,
10 highlighting your key points. again, please
11 provide the written statement to us. If you
12 could provide your name, and any affiliation,
13 if you're representing a group, that helps
14 the court reporter track things accurately.
15 Again, be concise, summarize your comments.
16 Again, I encourage people, a few tips, to
17 comment directly on the Draft EIS. That's
18 our purpose. The more specific you are, the
19 more direct you are about the impacts that
20 are assessed in there, the easier for these
21 folks to respond and get an answer back to
22 you. So, I encourage you to be specific and

1 on point about the environmental impacts.

2 With that, we'll launch into the
3 comment period. I believe all of these
4 microphones are on. If we could check that
5 just before we get started. As far as I
6 understand, there are no federal or state
7 elected officials here. So, I think we'll
8 start right in on our list. What I'll do is
9 I'll give kind of three names at a time so
10 you can get prepared and you might want to
11 start moving up toward the microphone if
12 you're on deck.

13 So, the first three names I have
14 are Dennis McCoy. Are you here? Good. Pat
15 Hentges. Right. Diana McKeown. All right.
16 Those are the first three. So, Mr. McCoy. I
17 will be timing. I'll give you kind of a 30
18 second warning, so it might be a good time to
19 start thinking about wrapping up.

20 MR. MCCOY: Say when.

21 MR. GARDINER: Go ahead.

22 MR. MCCOY: Great. Good afternoon.

1 My name is Dennis McCoy. I'm the Blue Earth
2 County Administrator in Mankato, Minnesota.
3 The Blue Earth County Board of Commissioners
4 took official action in July '98 and filed it
5 with the STB opposing the DM&E bypass south
6 of Mankato, known as Alternative M-2. The
7 Board's position regarding Alternative M-2
8 has not changed. It remains unanimously
9 opposed to the bypass south of Mankato.

10 I would have to say that the SEA
11 effort, while impressive in its volume, is
12 inadequate and must be revised. Important
13 factual impacts are not described in the DEIS
14 because of discrepancies in describing the
15 alignment. At the very least, the comment
16 period must be extended another 90 days. Blue
17 Earth County requests the DEIS would be
18 withdrawn, amended and reissued to accurately
19 reflect the impacts of Alternative M-2.
20 Failure to do so would render an incomplete
21 and unacceptable DEIS and may result in
22 additional future delays.

1 A significant portion of the
2 information described in the Alternatives is
3 not accurate and does not describe the
4 potential alignment impacts in the detail
5 expected in a DEIS of this significance.
6 Chapters 2 and 3 describe impacts and
7 considerations for an alignment several
8 hundred yards from the actual proposed
9 locations. Errors of this magnitude must be
10 systematically addressed and corrected so the
11 official record -- record is clear, concise
12 and accurate in -- in many areas.

13 The narrative descriptions in
14 Volumes 2 and 3 do not describe Alternative
15 M-2 as it appears on the maps in Volume 5 or
16 the Corps of Engineers Wetlands Permit
17 Application. The narratives describe an
18 alignment on the west side of the Blue Earth
19 River, and the maps show a significantly
20 different Skyline and LeHillier area
21 alignment which runs on the east side of the
22 river.

1 The narrative description is also
2 inconsistent with the detailed maps provided
3 to Blue Earth County by Burns & McDonnell
4 consulting engineers. Further, the
5 description on the east end portrays the
6 railroad as north of Highway 14 when it's
7 actually south of the highway at that point.

8 Blue Earth County strongly
9 disagrees with the conclusions stated on page
10 ES-51 that Alternative M-2 impacts can be
11 effectively mitigated. The inconsistencies
12 noted earlier do not support that conclusion
13 because the impacts have not yet been fully
14 identified as stated at 6.4.1. Recommending
15 an alignment without first identifying where
16 it goes and considering its impacts is
17 unacceptable.

18 It is also clear that Alternative
19 M-3 has significant impacts on our
20 communities which must be further considered.
21 The unresolved impacts of this Alternative
22 extend beyond those identified in the DEIS

1 and include but are not limited to the major
2 crossings at County Road 12, the Sakatah
3 Trail, and Third Avenue.

4 Blue Earth County encourages the
5 STB to extend the comment period, revise, and
6 republish the DEIS, and take the time
7 necessary to more closely examine the
8 impacts. Thank you.

9 MR. HENTGES: Thank you. We have
10 issued an eight page submittal on comments
11 and we'll expand that -- the committee has
12 received that. We'll expand that by further
13 filing --

14 MR. GARDINER: Will you state your
15 name?

16 MR. HENTGES: Pat Hentges, Mankato
17 City Manager.

18 MR. GARDINER: Thank you.

19 MR. HENTGES: That comments will be
20 filed before the January 5th deadline, and
21 that will be an expanded comment. A summary
22 of those comments is as follows: First,

1 similar to the M-4 alternative that was
2 abandoned for environmental concerns, the M-3
3 alternative, the in-city route should be
4 removed from further consideration due to the
5 seriousness of documented environmental
6 impacts. The City formally opposes the M-3
7 route and requests the STB to order the other
8 action alternative.

9 The City also requests that the STB
10 remain vigilant regarding any possible
11 negotiations between the Union Pacific and
12 the DM&E to upgrade the existing corridor
13 without environmental considerations and
14 regulatory oversight.

15 The balance of our comments will
16 center in five areas. First of all, the flood
17 control project. That is of grave concern to
18 the community. If acceptable testing of the
19 flood control project is completed, the City
20 requests that the Corps of Engineers issue a
21 clear and concise recommendation regarding
22 possible impacts. Furthermore, the City

1 requests that the Corps of Engineers warrant
2 the project, any modifications, and indemnify
3 the City should the project fail, or
4 guarantee federal disaster relief.

5 Second, trackage agreements. The
6 City is very concerned with the Union Pacific
7 and the DM&E negotiating the revised trackage
8 agreement that would involve the
9 consideration of additional trackage within
10 the UP right-of-way. In this scenario, the
11 additional trackage may be owned and operated
12 by the Union Pacific, but would be designed
13 to accommodate increased traffic of the DM&E.
14 The effect of this agreement would avoid the
15 jurisdiction of the STB and the NEPA, the
16 National Environmental Policy Act. The City
17 requests the STB to enforce the statements
18 contained in the Draft DEIS that the
19 extension is permitted into the Powder Basin
20 that an action alternative be required. A
21 revision of the trackage rights agreement is
22 to simply upgrade the UP trackage to

1 facilitate the DM&E operations is not one
2 stated in the action alternatives contained
3 in the application or the Draft DEIS.

4 Additionally, under corridor
5 improvements, the City has an ongoing task
6 force establishing the corridor plan. This
7 effort is not intended to advocate the M-3,
8 in-city alternative or signal a willingness
9 with the DM&E -- the project. The plan is
10 submitted to the STB before the end of the
11 comment period. We will submit that plan.
12 The mitigation within the plan is another
13 area of concern. We feel that in like -- if
14 likely Alternative M-3 is ordered, the City
15 would expect a comprehensive mitigation
16 package be developed and paid for by the DM&E
17 and that includes a whistle-free and corridor
18 improvements.

19 Finally, just the negotiations on
20 agreements, we want to state that we do not
21 have any ongoing negotiations with the DM&E
22 and do not have a partnership agreement in

1 place at this time.

2 MS. MCKEOWN: My name is Diana
3 McKeown. I hold a BS in environmental studies
4 from the College of Natural Resources from
5 the University of Minnesota, and I'm the
6 Energy Program Coordinator for the Clean
7 Water Alliance of Minnesota which is a state
8 chapter of the National Organization of Clean
9 Water Action. Clean Water has over 40,000
10 members in the State of Minnesota and we were
11 alerted by members in south Minnesota in July
12 of '98 about this environmentally devastating
13 project.

14 We respectfully request a 180 day
15 comment period for the DEIS. In addition, we
16 also request the period for commenting on the
17 Corps of Engineers 404 permits be extended
18 to 180 days as well. I believe that the
19 Minnesota Pollution Control Agency will also
20 be asking for an extension of the Corps of
21 Engineers' comment period since they have
22 just, for the first time, assembled their

1 team in the last ten days. These documents
2 are large, confusing, and hard to read,
3 analyzing comments, not only for public
4 citizens, but also for professionals, as well
5 as citizen groups. This is the busiest
6 season of the year for most people with the
7 holidays in November and December, and for my
8 organization this also includes the election
9 that, unfortunately, is not over yet.

10 I will comment briefly, and I'll
11 submit written comments. The Clean Water
12 Action Alliance of Minnesota supports
13 Alternative A, no action alternative. My
14 comments will outline generally why we
15 support Alternative A and our written
16 comments will be more detailed.

17 I'm mostly looking at the
18 environmental impacts of energy generation on
19 our water resources here in Minnesota. As I
20 speak here today, across the globe, in the
21 Hague, Netherlands, negotiators from all over
22 the world are working to further the work on

1 Kuhn Treaty to reduce carbon emissions and
2 greenhouse gases. For the U.S. the agreement
3 will have us reduce greenhouse emissions
4 seven percent below 1990 levels.

5 Much of those greenhouse gases in
6 the U.S. come from coal fired power plants.
7 In this room we are discussing whether or not
8 to allow a private project, that not only
9 takes farmers' and ranchers' lands, violates
10 sovereign nation treaties, impacts our air
11 and water quality, lowers property values,
12 increases noise pollution, has safety
13 impacts, as well as delaying emergency
14 vehicles, but also may diverge from our
15 national policy and potentially national
16 commitment to reduce our global contribution
17 to climate change.

18 In addition to that, our national
19 decision -- there's another looming national
20 decision that will have an impact. The EPA
21 will be making a determination by
22 December 15th of this year on whether to

1 regulate mercury from coal fired power
2 plants. Every indication is that they will
3 do that. While the DEIS cheerleads the
4 efforts of the DM&E to adhere to the Clean
5 Air Act by using low sulphur coal, they don't
6 mention that the low sulphur coal also has
7 lower BTU values and that the power plants
8 would need to burn more to get the same
9 thermal value meaning, yes, more carbon, more
10 mercury, and, also, potentially the same
11 amount of sulphur. In addition to using low
12 sulfur coal, it's not the only way to meet
13 the Clean Air Act amendments of 1990 as the
14 DEIS lead us to believe. These pending
15 decisions would have negative economic
16 impacts on the production of coal fired
17 energy, perhaps causing electric utilities to
18 switch fuels making this project literally in
19 vain.

20 I guess the other thing I wanted to
21 mention was, we still -- the question of
22 whether back hauls by DM&E has still never

1 been answered. This obviously is an
2 important question that could also have
3 environmental consequences and needs to be
4 analyzed. Thank you. I have documents to
5 submit. How do I turn them --

6 MR. GARDINER: You may submit those
7 at the front desk.

8 MS. MCKEOWN: Thank you. Okay.

9 MR. LOUWAGIE: Good afternoon
10 members of the Surface Transportation Board.
11 I am Don Louwagie, and I am a soybean, corn
12 and soybean farmer from Marshall, Minnesota,
13 and I am proud to be Minnesota's Soybean
14 Growers Association current president. I want
15 to discuss the importance of rail
16 transportation for Minnesota's soybean
17 farmers and MSGA's strong support for the
18 Dakota, Minnesota & Eastern Railroad's
19 construction application.

20 The MSGA supports the DM&E's
21 application because we believe it will
22 increase rail capacity, improve farm income,

1 boost rural economic development, and reduce
2 the pressure on Minnesota's rural road
3 network. All of this will help maintain and
4 improve Minnesota's soybeans and entire
5 agricultural economy through a competitive,
6 environmentally sound and safer commodity
7 transportation system.

8 Minnesota's 33,000 plus soybean
9 farmers are very dependent upon rail systems
10 as over two-thirds of our soybeans are
11 exported out of this state. With soybeans now
12 Minnesota's number one acreage crop, and
13 Minnesota producing 10 percent of the U.S.
14 soybeans, and about 5 percent of the world's
15 soybeans we need a modern railroad. There
16 will be even greater potential for a
17 long-term future of Minnesota soybean farmers
18 if we improve and expand the DM&E rail
19 system. Minnesota's soybean farmers will be
20 able to export soybeans and meal off the West
21 Coast to the largest growing world markets
22 for soybeans, that is Asia and China. Only

1 about 8 percent of the soybeans now are
2 exported through the U.S. Pacific Northwest
3 ports. We cannot now compete off of the
4 Pacific Northwest because the trains are too
5 slow, taking the DM&E nine days to move from
6 end to end. Rebuilding the DM&E will cut the
7 transportation time from days to hours, and
8 connecting with the other railroads will
9 allow the DM&E to open new markets for our
10 soybeans.

11 As Minnesota's soybean policy
12 organization, MSGA is working to help farmers
13 get paid what they need and truly deserve by
14 producing soybeans by developing the world's
15 markets. Today the big short-term issue for
16 Minnesota's farmers is survival through a
17 period of extremely low prices. This is the
18 main issue affecting our bottom line income.
19 Soybean prices are at a 30 year low. The
20 Federal government has been attempting to
21 provide farmers financial survival
22 assistance. However, we must eventually have

1 markets for our soybeans if we are to prosper
2 and not just survive and that takes a modern
3 rail transportation. Because of Minnesota's
4 location, our soybeans are at the end of the
5 export pipeline. We must modernize and expand
6 the rail transportation.

7 At present, much of DM&E's track is
8 worn out with large sections of its mainline
9 track restricted to low speeds. Higher speeds
10 with more rail cars will mean more volume and
11 a better basis price for Minnesota's farmers.
12 I hope from my comments you have come to
13 understand the MSGA and Minnesota's soybean
14 farmers strongly supports the DM&E's
15 application now before you. We believe the
16 technical issues, environmental concerns, and
17 safety issues have been and can clearly be
18 addressed. We urge your prompt approval.
19 Thank you.

20 MS. KILANOWSKI: Thank you. I have
21 here for Ms. Rutson a whole folder full of
22 requests for an extension that I will leave

1 at the front desk and along with the copies
2 of what would have been my full report if I
3 had been given more than three minutes today.
4 So I will read as fast as Ms. McKeown did.

5 This project is to send 115 to 135
6 cars, 37 times a day through the beautiful,
7 serene area that will require horrendous
8 cuts, fills, pollution of our waters, soil
9 and air. It's just going to destroy the
10 southern part of Mankato, LeHillier, and
11 Eagle Lake. 196.4 acres of farm land, 67.8
12 acres of woods, 24.2 acres of residential
13 lands are going to be affected just in the
14 southern bypass.

15 There is a statement in the DEIS
16 that states that farm land is abundant in
17 Minnesota, but it doesn't make it right to
18 take away that farm land from those of us
19 that are out there under eminent domain.
20 There are a minimum of eight homes and two
21 businesses that will be taken out. There are
22 many, many, many more homes and farms that

1 will be drastically affected by the noise,
2 vibration, and pollution along with the
3 devaluation of our property. The Mount Kato
4 ski area will be forced to close if this
5 southern route is approved.

6 There are 19 roads in the southern
7 bypass that will be affected and several
8 township roads are projected to close. This
9 not only affects the residents of the bypass,
10 it affects the many communities that depend
11 on these roads to get them to Mankato, which
12 is the regional hub for this whole area for
13 shopping and for medical.

14 My home happens to sit right on
15 County Road 41, not very far from the planned
16 southern route projection. With every road
17 around me being crossed with passive
18 crossings, the threat for us out there on how
19 to get fire department, ambulance, safety
20 patrol is of extreme concern. One of the
21 doctors that was at our meeting last night
22 stood up and said, "How is ever going to get

1 to town when he's called on an emergency
2 C-section and every road out of his home has
3 a crossing on it?" It's a big concern to us.

4 We implore you, on behalf of the
5 Southern Bypass Coalition to, please, not
6 pick the southern route as your choice. Thank
7 you.

8 MS. HOPKINS: Good afternoon. I'm
9 Ann Hopkins of the SRF Consulting Group. Our
10 firm has been retained by Blue Earth County
11 to review the Draft EIS for the DM&E
12 expansion project. The County wants to
13 ensure that the information in the DEIS is
14 clear, accurate, and provides a balanced
15 comparison of alternatives.

16 We have completed a preliminary
17 review of the document and my comments today
18 will provide a general overview of the issues
19 that appear to warrant further analysis. More
20 detailed written comments will be submitted
21 by Blue Earth County prior to the end of the
22 comment period.

1 In reviewing the Draft EIS for the
2 area near Mankato, Minnesota there appears to
3 be an imbalance in the level of detail
4 provided for the two primary Alternatives,
5 M-2 and M-3. More detailed information seems
6 to be provided for the existing alignment,
7 Alternative M-3, than for the southern
8 alignment, Alternative M-2, leaving a gap in
9 knowledge about the potential impacts of
10 Alternative M-2.

11 In addition, the Draft EIS provides
12 inconsistent descriptions of the M-2
13 alignment and appears to reflect little field
14 reconnaissance. Important infrastructure is
15 not accounted, including flood control
16 structures along the Blue Earth River.
17 Furthermore, it appears that steep grades in
18 the Blue Earth River valley were not taken
19 into account in analyzing the impacts of
20 Alternative M-2. As a result, the Draft EIS
21 may have underestimated the potential impacts
22 of Alternative M-2.

1 To more clearly understand the
2 potential impacts of this alternative, Blue
3 Earth County is developing a set of plans,
4 profiles and cross-sections for Alternative
5 M-2. These materials will be used to
6 evaluate the following: The accuracy of
7 impacts on farmland, woodlands, and wetlands.
8 Visual impacts of potentially large cuts and
9 fills in and near the river valley. The
10 number of properties that would be adversely
11 affected by noise, vibration and right-of-way
12 acquisitions.

13 In addition to this analysis, more
14 information is needed about the following
15 issues: Economic impacts of reduced
16 agricultural productivity, water quality
17 impacts on the Blue Earth River, noise
18 increases over existing conditions along the
19 M-2 alignment. Travel time impacts on rural
20 roadways crossed by the M-2 alignment,
21 environmental justice issues affecting low
22 income and minority households. Finally, the

1 issue of safety will be carefully considered.
2 A substantial amount of data is included in
3 the Draft EIS, but appears to be incomplete
4 in some areas resulting in a potentially
5 skewed comparison of alternatives. In
6 addition, the Draft DEIS does not provide a
7 clear illustration of the accident frequency
8 data for the two alternatives. Each
9 jurisdiction with roadways crossing the M-2
10 alignment needs to understand the impacts on
11 safety and delay affecting their roadways and
12 the measures available to minimize these
13 problems.

14 Blue Earth County wants to ensure
15 that the decision-makers have a clear and
16 balanced understanding of all the key impacts
17 resulting from Alternatives, both, M-2 and
18 M-3. We appreciate the opportunity to address
19 you today. Thank you.

20 MR. AMUNDSON: Good afternoon. My
21 name is Lee Aumundson. I'm the Steele County
22 Engineer in Owatonna, Minnesota. I'm

1 responsible for the maintenance and
2 construction of roads and bridges throughout
3 the County, as well as other improvements.
4 I'm appearing, as was stated earlier, on
5 behalf of Steele County.

6 The Steele County Board has taken a
7 position regarding -- they're opposing the
8 proposed bypass around the City of Owatonna.
9 Steele County does want to ensure that
10 adequate mitigation measures are required as
11 a condition of this project.

12 We have four concerns that I'll be
13 addressing. Number one is safety
14 requirements. We're concerned that adequate
15 sight lines are available for all crossings.
16 Also proper grade warnings are at all
17 crossings. Grade crossings. Also, lights and
18 gates would be provided on all major
19 crossings including county roads. Lights and
20 gate crossings of two sidings proposed in the
21 county. There's one for the easterly side and
22 one for the central part of the county.

1 Also, we would be concerned that there's
2 maintaining and improving of the clearances
3 on substandard bridges.

4 SPEAKER: We're having difficulty
5 hearing you people.

6 MR. AMUNDSON: Is that better?

7 SPEAKER: Yeah.

8 MR. AMUNDSON: I'm sorry about
9 that. The second item regards transportation
10 needs. We are concerned that we keep all
11 county and township roads open, the necessary
12 ones. There's maybe one or so townships roads
13 that could be closed off. We are also
14 concerned that we could coordinate our grade
15 crossing improvements between the DM&E and
16 the county. Where elevation of grade
17 crossings change make necessary changes to
18 the county roads, including the approaches to
19 the crossings. The sidings should be sited so
20 as to minimize road crossings and their
21 location. Also, trains stopped on sidings or
22 mainline, including trains waiting for I&M

1 interlocking to clear should be stopped clear
2 of all cross roads.

3 The third item is noise. In
4 addition to Owatonna, the City of Owatonna,
5 the railroad passes through the
6 unincorporated communities of Meridan and
7 Havana. Provide noise mitigation for all
8 trackside residents to the same extent as
9 provided in the cities.

10 Number four, effects of I&M
11 interchange track. If interchange track is
12 to be built, address the same safety,
13 transportation, and noise concerns mentioned
14 earlier for roads and homes along the
15 interchange track. The DEIS fails to address
16 the effects of increased traffic on the I&M
17 resulting from the DM&E interchange track.
18 We believe the DEIS should consider the
19 downstream effects of this proposed
20 interaction. Thank you for your time.

21 MR. KERMES: Good afternoon. My
22 name is Robert Kermes, and I'm employed by

1 Xcel Energy as the regional manager for coal
2 supply. I'm located in Minneapolis. On
3 behalf of Xcel Energy, I would like to begin
4 by thanking the STB for conducting these
5 public hearings and for giving us the
6 opportunity to enter our comments to the
7 record.

8 Xcel Energy is a combined electric
9 and gas utility based in Minneapolis with
10 service territory in 12 states in the western
11 and north central United States. Xcel
12 generation capacity includes 16 coal fired
13 generating facilities. These coal fired
14 plants account for 56 percent of Xcel's total
15 generating capacity.

16 Coal deliveries to the Xcel
17 generating plants originate from coal mines
18 in the western United States. Most of the
19 coal delivered to the generating plants in
20 Minnesota originates in the Powder River
21 Basin of east central Wyoming, also known as
22 the PRB. The demand for this PRB coal has

1 increased significantly during the past
2 decade, primarily for two reasons. First,
3 it's an abundant supply of coal deposits very
4 close to the surface. secondly, its
5 environmental advantage of coal due to its
6 extremely low sulphur content and very low
7 ash content. Xcel's Minnesota generating
8 plants have been built or modified to take
9 advantage of these attractive supply and
10 environmental characteristics.

11 Currently, all of the coal shipped
12 from the PRB is carried by two railroads, the
13 Burlington Northern Santa Fe Railroad and the
14 Union Pacific Railroad. Xcel ships coal on
15 both of these railroads to its generating
16 plants and with one minor exception, each of
17 these plants can receive deliveries by only
18 one of these railroads. This lack of
19 competition has resulted in tens of millions
20 of dollars in additional annual
21 transportation charges that are borne by
22 Xcel's electric energy customers. Since

1 Xcel's fuel costs are directly passed through
2 to electric rate payers any reduction in fuel
3 costs that would result from the DM&E rail
4 service would directly benefit Xcel's rate
5 payers.

6 During the year 2000 we expect to
7 ship over 12 million tons to Minnesota
8 generating plants at a delivery expense of
9 more than \$225,000,000. Approximately 60
10 percent of that expense is for rail
11 transportation. With quantities and expenses
12 of this magnitude the issues of competitive
13 alternatives are extremely important to meet
14 the demands of Xcel's customers as
15 economically and as reliably as possible.
16 With competition we have estimated that this
17 number could be reduced by approximately 50
18 million dollars per year.

19 The construction and operation of
20 the proposed DM&E rail line from the PRB
21 through South Dakota and southern Minnesota
22 will offer several direct and indirect

1 benefits to Xcel and its customers in this
2 region. For example, there have been periods
3 of congestion in the mines and on the
4 existing joint railroads serving the PRB.
5 Projections indicate that demand for this
6 coal will continue to grow and increase the
7 opportunities for this congestion.

8 During the past few years we have
9 experienced disruptions to rail deliveries
10 due to extreme weather events such as the
11 Mississippi River flooding in 1993, a series
12 of blizzards in North Dakota during 1996
13 and '97 and the subsequent Red River Valley
14 flooding. Another railroad could provide a
15 possible alternative or backup route in such
16 emergencies.

17 The route proposed by the DM&E will
18 benefit several hundred -- will be several
19 hundred miles shorter than existing rail
20 routes, will allow better utilization of less
21 rail equipment and translates into fewer
22 locomotive miles traveled resulting in less

1 diesel fuel consumption and fewer related
2 emissions.

3 While Xcel Energy and our customers
4 stand to benefit from this additional line we
5 are also sensitive to the concerns of local
6 communities like Mankato and Rochester. Xcel
7 continues to encourage efforts to address any
8 outstanding issues between DM&E and these
9 communities and we're confident a mutually
10 beneficial resolution is possible. Again, on
11 behalf of Xcel Energy I'd like to thank you
12 for your time this afternoon.

13 MR. WIETECH: Good afternoon. I'm
14 Dan Wietecha, the City Administrator for the
15 City of Courtland. Although the Draft EIS
16 does specifically say that the DM&E would be
17 required to coordinate with existing
18 utilities when designing its expansion, the
19 City of Courtland specifically requests that
20 our sanitary sewer force main be included in
21 that design.

22 Our sewer, we pump the sewage

1 underneath the Minnesota River, and then a
2 distance of about five miles, at which point
3 it goes underneath the Cottonwood River to
4 the City of New Ulm for treatment. During
5 that five miles our force main is between 30
6 and 60 feet off of the center line of the
7 existing railway. We would like to make sure
8 that any improvements to the railway in this
9 area, the proposed Middle East Staging and
10 Marshalling Yard option in this area, and the
11 possibility of a new bridge being built over
12 the Cottonwood River in this area address our
13 sewer in both the construction and as well as
14 the design for any future ground vibration
15 that may be resulting from the increased
16 traffic. Thank you.

17 MR. JORDAHL: Good afternoon. My
18 name is Bill Jordahl and I represent Alliant
19 Energy Corporation. I'm speaking in support
20 of the preferred alternative for the upgrade
21 and in opposition to the no build
22 alternative.

1 Alliant Energy supplies 1.3 million
2 electric customers in southern Minnesota,
3 Wisconsin, Iowa, and Illinois, and 57 percent
4 of our electric energy is supplied by coal.
5 Sixteen million tons of coal that we burn a
6 year comes from the Powder River Basin.
7 And 57 percent, nationally, of electric
8 energy comes from coal as well. I would
9 submit that without coal the U.S., the United
10 States' huge existing electric supply needs
11 could not be met.

12 We strive to bring our customers
13 reliable energy day in and day out. We also
14 place a major emphasis on being a good
15 environmental steward. Our power plants were
16 among the first in the nation to be
17 exclusively low sulphur coal burning plants.
18 We, as I said, bring in 16 million tons a
19 year from the Powder River Basin as the Xcel
20 gentleman noted. By 2002 -- the Powder River
21 Basin is already the highest source of coal.
22 By 2002 the demand there will increase

1 another 70 million tons a year.

2 Some suggest that other sources of
3 fuel will be able to replace coal, but
4 raising the capital to replace existing coal
5 generation in addition to meeting new
6 capacity for electric demand which grows by 2
7 to 3 percent a year, at least, is an
8 economically dubious and formidable
9 proposition.

10 Coal burning technology is also
11 becoming increasingly sophisticated and clean
12 as well. Another Wisconsin energy company
13 recently proposed building two new coal fired
14 plants in a nonattainment area in
15 southeastern Wisconsin that would be capable
16 of producing 1200 megawatts of power using
17 technology that would basically reduce
18 harmful emissions to zero. Even carbon
19 dioxide is beginning to look like, and I
20 grant that it is still tentative, is
21 beginning to look like that can be
22 technologically remediated in the generating

1 process as well, so coal may have a long
2 lifetime ahead of it as an energy source.
3 It's also domestically available and cheap to
4 extract.

5 Coal is, however, a cost that is
6 out of our control for the most part. having
7 a third rail line will increase competition,
8 and it will increase -- it will create a much
9 shorter route for our supply of coal that
10 will cut the distance by 300 miles to one of
11 our major power plants that supplies southern
12 Minnesota and other parts of our system, and
13 will cut another distance by 200 miles to
14 another of our plants. So we support the
15 preferred alternative. Thank you.

16 MR. SALMON: Good afternoon. My
17 name is Brad Salmon, and I'm here
18 representing Northern Con-Agg and I'd like to
19 thank you for this opportunity to speak with
20 you about the Powder River Basin expansion
21 project and the impact its failure could have
22 on our future.

1 Northern Con-Agg mines Kaolin clay
2 in Brown, Redwood and Renville Counties and
3 has supplied the cement plants in Iowa with
4 this clay for the past 10 years. The
5 properties of the Kaolin found in Minnesota
6 are needed in the manufacturing of quality
7 cements. The DM&E was vital in obtaining this
8 market and has maintained excellent service
9 since it began. They were able to
10 accommodate a request this year for
11 additional car loading due to the recent
12 embargo of the Minnesota Central Railroad,
13 which had also been shipping Kaolin clay to
14 Iowa. The Minnesota Central is a parallel
15 line directly north of the DM&E line, and its
16 future is uncertain. If needed money for the
17 Minnesota Central does not occur, the DM&E
18 will become even more vital to the shippers
19 in southern Minnesota.

20 Northern Con-Agg's ability to
21 remain competitive is heavily dependent on
22 the low transportation costs that the DM&E

1 rail can provide. We are concerned that
2 failure of the expansion project could result
3 in unpredictable, unsafe, higher shipping
4 rates, or possibly no service at all. It
5 would be devastating to us to sustain the
6 impact of two failed rail lines. With the
7 addition of new export markets, particularly
8 grain, the expansion project would attract
9 potential shippers, ultimately helping to
10 keep transportation costs to a minimum. The
11 project would also provide a safer and more
12 efficient railroad, not to mention the
13 additional jobs and positive economic impact
14 it will have on the surrounding communities.

15 We ask that the STB approve the
16 Powder River Basin expansion project, not
17 only for the future of our company, but for
18 the future of other shippers and their
19 communities. Thank you.

20 MR. WALBRAN: This is a picture
21 from my paper route. I'm Mark Walbran. I'm
22 the City Attorney for the City of Owatonna.

1 on behalf of the City of Owatonna, I would
2 like to thank you also for coming to southern
3 Minnesota today. I'm going to talk a little
4 bit about noise, taxes, justice, and houses.

5 The environmental impact statement
6 in the City of Owatonna identifies some 1200
7 houses that would have decibel levels
8 increase beyond the 65 decibel threshold. In
9 the county there's a similar number. Now,
10 our City's partnership agreement with the
11 DM&E does require that the DM&E comply with
12 the sound and noise requirements that this
13 body is going to impose, and yet we feel that
14 the EIS is deficient in a number of respects.

15 The DEIS does identify what the
16 problem is. In a word, noise and vibration.
17 the EIS does also include the tables which
18 outline numerous mitigation strategies that
19 are available, sound walls, insulation, and
20 the like. The problem is that the DEIS
21 doesn't appear to adequately address the
22 remedies, first, to owners whose properties

1 are adversely affected, and, second, to
2 governments whose job it is to provide public
3 services where the tax base is eroded because
4 of the effects of adverse noise.

5 The Draft DEIS does suggest
6 solutions. For instance, it does create the
7 Community Liaison Officer whose task it is to
8 develop cooperative solutions. The EIS in
9 Volume 4, paragraph 36, does say that the
10 Community Liaison Officer is to work with
11 affected land owners and appropriately
12 redress any damages. It says that this
13 redress is to occur during project related
14 construction and during reconstruction. We
15 respectfully submit that it should also
16 include a redress of damages for the
17 subsequent maintenance and operation of the
18 applicant's rail line, the same language that
19 it uses with respect to public utilities on
20 the next page.

21 The question arises is whether
22 redress of damages includes a condition for

1 payment of compensation in the nature of
2 interest condemnation for the diminution of
3 value to the homeowner and also for the
4 diminution, or devalue, or depression of the
5 tax base which affects the government's
6 ability to meet the needs of its citizens.
7 Thank you very much.

8 MS. BLASING: First of all, I call
9 this whole idea a nightmare from hell. I
10 don't live near the railroad. I don't live
11 near the railroad. I live five miles north of
12 Janesville and I can hear the trains go
13 through town.

14 Furthermore, to the Army Corps of
15 Engineers, I had a daughter who used to work
16 with you in St. Paul. The same last name as I
17 have got. There is -- my concern is about the
18 citizen's concerns as they are experiences I
19 have had in life. I lived in Waseca,
20 Minnesota all my younger life before I
21 married, and I have been out in the rural
22 area about 45 years. Family members of mine

1 were involved in carrying dying families off
2 the railroad. My brother was in the rescue
3 squad in Waseca, Minnesota. My father's
4 business was on the railroad right-of-way and
5 every time that trains started backing up
6 they would leave, shut down their concrete
7 business and go and try to find the -- the
8 dying people.

9 One family of three were carried
10 into the hospital. Another family, a mother
11 with five children was killed on the old M&N
12 Saint L line. The carnage of the whole
13 family dying was so bad my brother was sick
14 for a month after they went there, after they
15 went there and picked those pieces of flesh
16 up. There is the same -- the carnage left,
17 and the story of bad accidents. Trains do
18 not go through Waseca at any more than 35
19 miles per hour by city ordinance following
20 that accident. I knew these people. The
21 family of three that died in the accident
22 further down the railroad right at the edge

1 of town caused the brother who was in the
2 seminary at Augsburg College and his young
3 bride to give up their plans in life and come
4 back to the farm. The young bride was a
5 classmate of mine from Augsburg. They had to
6 assume the responsibility for raising the
7 surviving child. As we go on, and on, and
8 on, and this is only an example of what has
9 happened with 12 to 14 trains a day going
10 through Waseca, Minnesota.

11 I lived there, I worked in the
12 county courthouse. I have had many
13 connections in life. If you're going to cut
14 me short, I'm going to address you -- my one
15 last episode that I remember was living at
16 rural Janesville and getting a call on a
17 Saturday morning, my older brother,
18 addressing the fact that mother had stopped
19 the 400 on the 13, number 13 railroad
20 crossing. We never sued the railroad, but
21 they sued my father for the semaphore that
22 they pushed our car into, our family car.

1 Now, I'm going on with the concerns
2 of the schools in our areas. I have a sample
3 of the literature I received of about a 60
4 pound carton of all these books. I turned
5 them over to the superintendent of the
6 Janesville school, Dr. Hanlon, about two
7 weeks ago. He in turn addresses the question
8 he has about school buses. We have
9 consolidations between Waldorf, Pemberton and
10 Janesville. These school buses will have to
11 go, and I'm sure this is the situation,
12 Mankato buses, there are students in from
13 communities around and surrounding. There
14 are agencies which have not been brought into
15 this environmental impact review. These
16 concern the Department of Health, the
17 Department of Education -- and I respectfully
18 call your attention to these three,
19 Departments of Health, Education and Welfare,
20 the Department of Education, and, again,
21 there are three agencies which are not in
22 this environmental impact which concerns the

1 public --

2 MR. GARDINER: To the extent we
3 have time available we can come back and
4 finish.

5 MS. BLASING: No, I won't. I won't.
6 the president -- the presidents of our
7 nation, in their debates, the candidates
8 address the power plants, which are still not
9 updated, and it was a discussion on the
10 television. That's another factor to be
11 considered here. If you don't like my
12 speaking, I'm sorry, but I think the impact
13 review should include the Department of
14 Safety, Transportation, the Department of
15 Welfare and Health and the Department of
16 Education. Those are factors concerning our
17 public. Our kids. It sounds like animals are
18 more important than the children in our
19 country.

20 MR. BEHSIMAN: Good afternoon. My
21 name is Tom Behsiman and I represent the
22 Train and Engine Service Employees of the

1 Dakota Minnesota and Eastern Railroad and I
2 work out of Waseca, Minnesota. I'm employed
3 by the Dakota Minnesota and Eastern Railroad.
4 They pay my paycheck, but I work for the
5 shippers of the railroad.

6 My job is to move freight safely
7 and efficiently on a rail line and in its
8 existing condition I can't do that. Every
9 day, when I'm out there, you just have to
10 wonder, "Am I going to make it home tonight?
11 Is this going to be the last night?" because
12 of the condition of our railroad.

13 Some positive environmental impacts
14 that I would like to touch on on building
15 and/or rebuilding of this line improve
16 safety, transportation service will be
17 enhanced and national highways. Improved
18 safety, that starts right replacing the
19 existing rail. It makes my job safer, it
20 makes the public safer. Asking for no action
21 is dangerous. We'd have a change from track
22 Board control, which is called dark

1 territory, to a modern signalling system
2 which is, you know, proven to be far more
3 safe than a track Board control system.

4 Another item, we would replace
5 older locomotives, most of them built in
6 the '60s and '70s with higher horsepowerd
7 locomotives thus replacing a three locomotive
8 constant to two. If you think about the '60s
9 and '70s, you think of high emission cars.
10 Well, that's what we're working with now.
11 Our track can't handle any larger
12 locomotives.

13 We'd have more and better grade
14 crossing protection with increased train
15 speeds and also with that we'd have
16 predictability of train speeds. Right now we
17 will travel through, say, Eagle Lake at 10
18 mile an hour one day and the next day it's 30
19 and how is anybody supposed to know how fast
20 we go? With the new and rebuilt line train
21 speeds would be maintained, the public would
22 be aware when a train is coming, it's going

1 to be a 40 to 49 mile an hour train.

2 Also, in regards to the
3 transportation service, a rebuilt line would
4 bring predictable and reliability to our
5 current and future shippers. An important
6 item is that the DM&E's route target areas
7 for coal, Superior, Wisconsin, Twin Cities,
8 Mississippi River area, and Chicago, the DM&E
9 has, with the rebuilt, would have the
10 shortest route, the most direct route of
11 these areas. Along our route the population
12 amounts are lower than the existing BN or UP
13 routes. So by a third carrier you're going to
14 affect less people.

15 Also, competitor's existing routes
16 are congested, as you heard from the Xcel
17 representative, and the Alliant
18 representative. This will only get worse with
19 increased demand for western coal. A third
20 carrier would also reduce stress on existing
21 railroads and more densely populated routes.
22 A third carrier would also provide

1 competition, thus lowering electric rates.

2 Thank you.

3 MR. LARSON: Good afternoon. My
4 name is Dave Larson. I am from the Lower
5 Sioux Reservation in southwestern Minnesota
6 right down the river valley from here. We are
7 a people who at one time were considered very
8 influential and powerful people in this area.
9 We are down to a little remnant of what we
10 used to be. What's really sad is that for --
11 since the 1860s we have not been allowed to
12 teach people who we are, or talk about our
13 perspective, or what's important to us, or
14 what our values were all about. People who
15 had an agenda have been teaching about us,
16 incorrectly, for a great many years, and as a
17 result 150 years after the terrible thing
18 that happened in this City, people still
19 think terrible things about us.

20 Through the help of some good
21 friends here in Mankato we were able to set
22 aside a park where we could do some teaching

1 about who we are and start doing some
2 rehealing that's over a hundred years old.
3 It's really sad that before the teaching
4 started, and still in many cases it's the
5 same, that people know more about immigrants
6 than you do about the people who were here
7 when the first Europeans came. It's sad
8 that -- we have such a little chance to teach
9 people about who we are and something about
10 the truth of history because there's not much
11 truth in what's being written in most books
12 or taught in most schools about us.

13 Once a year we have a gathering
14 here in Mankato to teach about who we are.
15 It's just across the railroad tracks at Land
16 of Memories Park and we're inviting in public
17 school students and upwards of a thousand
18 students come in every fall. Not one teacher,
19 I don't believe, or any of the students ever
20 really knew the truth, and they were always
21 amazed at how much friendlier we are and how
22 much nicer a people we are than they were

1 taught. So, that is a very important thing.

2 Also, because of the
3 misunderstanding there was the largest legal,
4 and that's the word, legal execution in
5 America took place in this little town.

6 There is now a marker up to indicate our
7 trying to reconcile, to get back together, or
8 to get together maybe for the first time,
9 because reconcile means coming back together.

10 I think people never really knew who we were.

11 We are trying hard now to reach out to
12 people, because Dakota is who we are. Dakota
13 means friend or ally. With the help of

14 non-Indian friends here in Mankato we are
15 beginning to reach out to people, and that is
16 our greeting. I want to give you that

17 greeting, "Howmepawmea. Tomtay wishtay naw
18 quishu usia, Hello my relatives." because if

19 you believe in God, then you know we all come
20 from the same God, the same creator, and for
21 some reason people have a hard time seeing us

22 as relatives. The only way we can teach that

1 is to be allowed to have access to and from
2 Land of Memories Park, to have access to this
3 section downtown.

4 So, I want you to know that we
5 haven't spoken out much before because people
6 who had the power over us outlawed our tie to
7 God. It's only been since 1978 that it was
8 legal for us to pray. One of the places we
9 feel the most comfortable praying and doing
10 ceremonies, and even doing weddings, is down
11 here in Mankato at Land of Memories Park. So
12 we have very little power, very little
13 control, even our own lives. We don't have
14 the power to be proactive we only can react,
15 and so today I ask all of you to remember us
16 in all of this discussion. Our people from
17 now depend on you to maybe to stay alive,
18 because if we don't get some help, we will
19 disappear. People say the "Last stand of
20 Custer," but as we can see there are people
21 at Custer more all the time. But we are the
22 ones who in our last stand. We ask you for

1 help. We ask you to remember who we are. We
2 do need your help. Thank you very much.

3 MS. MEISTER: Good afternoon. My
4 name is Judy Meister. I'm President of the
5 City Council in Owatonna, Minnesota. I'm a
6 part-time public servant who also holds down
7 a full-time job as do my six council
8 colleagues. I am not a railroad expert. As
9 such, making the right decision in the matter
10 of the DM&E Railroad for the 21,000 people I
11 represent is an extremely difficult decision.

12 As I studied the DM&E expansion
13 issue the most frustrating part was the lack
14 of unbiased information. The answers were
15 few, or vague, or unknown. Initial STB
16 comments, the document said, in effect, not
17 to push the adverse effects of the railroad
18 from one population to another. Did this mean
19 no bypasses would be allowed? If allowed,
20 who would pay for a bypass? State officials
21 said not to look to them for money. Cities
22 in Minnesota have many more trains than what

1 Owatonna would be expecting. If Owatonna
2 would have to pay for a portion, what would
3 be the effect on property taxes? Would our
4 citizens approve an additional local sales
5 tax to pay for a bypass? Would enough
6 revenue even be generated to pay for a
7 bypass?

8 I read a national news magazine
9 article of the resurgence of rail traffic.
10 Does this reveal a trend? A trend that is
11 inevitable? In other words, would it be
12 futile to try to stop the train, the train
13 that does not benefit Owatonna?

14 We look to our federal and state
15 representatives. They and the Commissioner
16 of Transportation advocated that we negotiate
17 the best local agreement we could, that it
18 was basically out of their hands. At the
19 suggestion of some residents the council
20 voted to hire an engineer to study a possible
21 bypass around the city and we hired an
22 attorney who specialized in railroad issues.

1 These moves involve six figure expenditures
2 for the taxpayers of Owatonna. These were
3 funds that should not have had to be spent,
4 but they were funds that were necessarily
5 spent to provide the council with information
6 needed to make a good decision.

7 In March the council voted 4 to 3
8 to accept the community partnership agreement
9 rather than pursue a bypass. We did this
10 because on the advice that concessions made
11 by DM&E were well above and beyond what could
12 be expected to be lawfully mandated and
13 because of the STB uncertainty over bypass
14 approval.

15 While other concerns were not
16 specifically addressed in the agreement, we
17 are putting our faith -- at that time we
18 citizen representatives put our faith in the
19 STB to address these issues later. With the
20 issuance of the DEIS it seems more questions
21 than answers have emerged. I'm letting it be
22 known to the STB that I expect this

1 regulatory body will see to it that the
2 citizens of Owatonna are protected by the
3 enforceability of our community agreement and
4 by any other means that can be had. Our
5 people should not endure any situation any
6 less favorable than that of any other
7 community along the line. No one in the path
8 of the DM&E should suffer any more or less
9 than anyone else. It means an exhaustive
10 study of noise and vibration, it means the
11 best resolution of the I&M interchange, and a
12 lot of other things I can't say in three
13 minutes.

14 In closing, we negotiated through a
15 flawed process. We worked through the system
16 as we were urged to do to obtain the best
17 agreement that we could. However, if there is
18 some better benefits that will be ordered by
19 the STB we expect to have those benefits as
20 well as still keeping the best of our
21 agreement. Please do not make innocent people
22 who have no vested interest in this, or

1 benefit in this project suffer from its
2 consequences. I put my faith in you. You are
3 not an elected body of the government, but
4 you are here to serve the people. The
5 citizens of Owatonna deserve your very best
6 consideration and I thank you for that.

7 MR. SPARKS: My name is Greg
8 Sparks. I'm City Administrator in Owatonna
9 and I'm speaking on behalf of the City of
10 Owatonna. My comments would be relative to
11 the connecting link between the DM&E and the
12 I&M rail link. That's noted in the DEIS, in
13 Volume 4, in Chapter 6, as well as on the
14 Executive Summary at page 52 on Owatonna
15 Alternatives.

16 The DM&E originally proposed
17 Alternative O-3, a 2.94 mile rail line as a
18 means of connecting with the I&M rail link
19 that runs on a north/south route. This was
20 followed up with a second alternative known
21 as O-4 which is 1.7 miles. The City has gone
22 on record previously as preferring

1 alternative O-5 which would replace the
2 existing diamond switch in town in order to
3 make that connection with the I&M.

4 The City believes O-5 is the
5 preferred alternative and we encourage the
6 STB to make the strongest recommendation to
7 the Union Pacific to negotiate in good faith
8 with the DM&E to accomplish this correction.
9 We oppose alternative O-4 for the following
10 reasons: The new trackage would be built
11 adjacent to a residential subdivision in the
12 City. The evaluation of those homes in that
13 area is currently at approximately 6.2
14 million, and another additional 40 lots in
15 this subdivision are readily available for
16 development. The City is currently in the
17 process of extending water and sewer to
18 service those lots at a cost of
19 over \$200,000.

20 A major concern is that
21 environmental impacts on the I&M rail link
22 were not included in the DEIS. But yet in

1 Volume 2, Chapter 3, in relation to impacts
2 on Winona, I would just point out at
3 footnote 6, on page 3.2.32 that the SEA would
4 not normally evaluate down line impacts of a
5 construction project on the rail line owned
6 and operated by another rail carrier. It
7 goes on to say the SEA determined the
8 majority of coal traffic reaching Winona
9 would interchange with Canadian Pacific for
10 movement south through Winona because it's
11 reasonable such movement of trains would
12 occur and the citizens and elected officials
13 in Winona expressed concern for noise, air
14 quality, transportation safety, the SEA
15 determined it appropriate to consider these
16 potential impacts along the CP rail line in
17 Winona. We believe that's a similar
18 situation as to what we see on the I&M rail
19 link and yet the I&M has not been a part of
20 this DEIS and I believe there are a number of
21 environmental impacts that need to be
22 considered.

1 We're concerned about the potential
2 of trains to block off access to homes in the
3 southeast part of Owatonna creating a high
4 concern for public safety from ambulance,
5 police, and fire services. We also oppose O-3
6 for similar reasons. We believe it negatively
7 impacts future construction of a planned east
8 side beltway road to serve Owatonna, and that
9 both of those alternatives are unnecessary if
10 O-5 is adopted. Thank you.

11 MR. HANSON: My name is Charles
12 Hanson. Can you hear? My name is Charles
13 Hanson. I live at 706 Prescott Northwest in
14 Sleepy Eye, Minnesota 56085. I represent
15 myself, and my son Scott. First we'll talk
16 about myself. I own a home on 706 Prescott
17 which I had recently had a purchase agreement
18 with Mr. and Mrs. Leon Crowell. They have
19 three children. They were going to buy my
20 home. Two weeks ago they contacted me and
21 said that in all honesty, they loved the
22 home, but he can't -- him and his wife can't

1 go through with this because of the rail
2 trains, 20 to 40, flying by 40 to 50 miles an
3 hour every day. There was nothing wrong with
4 the home. There was nothing wrong with the
5 price. But he couldn't do it. He couldn't see
6 himself endangering his children.

7 My son Scott lives on the same
8 street. He has a new home that he built
9 approximately three years ago. He doesn't
10 want to sell his, but what's the impact going
11 to be on his property when his time comes to
12 sell? We own two lots that are improved with
13 utilities stubbed in on Prescott. What is the
14 impact of that -- is the value going to be on
15 those spots? We also, in back of our houses,
16 and the two lots, we own approximately 34
17 acres of land. What is the financial impact
18 on that land if we decide to sublet it, or
19 sublot it, to divide it into sections? It's
20 a -- it's a bad thing, but I don't think that
21 anyone that owns land or owns a home along
22 this proposed route should suffer a financial

1 loss because of a commercial, supposedly
2 profitable venture, that we would suffer a
3 loss for someone like that. Thank you.

4 MS. BLASING: I'd like to submit
5 these pictures to you so you know what I'm
6 talking about.

7 MS. FREEBERG: I'm Norene Freeberg
8 and I live at 523 Mound Avenue, which is in
9 the Sibley Park area. Now, we have been told
10 that we will have two exit and entrances, or
11 however you want to say it. Two ways in and
12 out of this area. They are both viaducts. The
13 street leading to the park entrance is named
14 Park Lane. It is not in any condition to
15 really handle a lot of heavy traffic which
16 would be going in and out of there. the other
17 street coming in there is Woodland Avenue,
18 which services the Honeymead plant.

19 In another picture there I have the
20 road going into the park. to show you, it's a
21 one -- it's a one -- a one way road and it
22 winds through the park. This is to be one of

1 our entrances to Mound Avenue. The other end
2 of the -- on the Mound Avenue end, when we
3 get down to the other underpass, we have --
4 we have to go under the 169 highway, and all
5 those braces, and everything that are up
6 there, and then we come to the underpass
7 which is six foot something high. it's known
8 to waylay a lot of traffic. We've had all
9 kinds of vehicles stuck under there. this --
10 and we have another entrance to private
11 property, which has been dug down deeper to
12 take a little bigger vehicle, but that's
13 subject to flooding. also, our viaduct is --
14 both of the viaducts are subject to flooding.

15 I don't know, I -- I think that we
16 need to be -- we need a safety valve. We
17 need -- we have a nursing home. We have the
18 City shop, their crews, their equipment, that
19 service the whole of Mankato down there and
20 we have to get in and out of there.
21 furthermore, the railroad that is proposed
22 would come through on my side over the

1 tracks, the river side, and it could be built
2 up higher. It could be a better structure.
3 But we still have to contend with the other
4 railroads lower. Lower clearance there. are
5 they going to upgrade theirs? How are we
6 going to get out of there? We have to have
7 fire engines, and snowplows, and all kinds of
8 things in this area to service. We have semis
9 coming in there to take lime to the water
10 treatment plant. We have semis coming in
11 there to the -- there's a Lutheran Home, or
12 the nursing home down there. I think that we
13 have to be protected. I am beginning to feel
14 like an endangered species.

15 MR. SCHULZ: I am Roy Schulz. I
16 live at 111 Hosanna Court in Mankato. I have
17 no land that is involved in the new DM&E
18 railroad passage, but I am concerned about
19 where you want to build it. We certainly
20 should encourage railroad traffic. We know
21 that the trucks and other haulers are kind of
22 raising cane with our roads and they don't

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1 like to do it either. But we have to have all
2 the consumers taken care of.

3 I guess my point is, why follow
4 Highway 14 road with the trackage? I was in
5 the legislature in the '50s and '60s, and we
6 were real concerned about where they were
7 going to put the new interstate. We had some
8 input, but not too much. The majority leader
9 of the senate and the house and myself as
10 assistant majority leader were contacted, and
11 of course we wanted it on U.S. 14, or in that
12 area, and we know how bad that road has been
13 and still is. But the highway department, the
14 U.S. Highway Department, I can say now did
15 the right thing, they put it near Highway 16.

16 My point is that the DM&E should
17 follow I-90 from Rapid City to Winona. I have
18 been around the world a little bit, from
19 London to Sydney, Australia, and a few other
20 places in between, and most of these foreign
21 countries are way ahead of us. They have
22 corridors where they have railroads and

1 transmission lines right near their
2 autobahns, or their interstates, or
3 interprovincial highways, and they come and
4 laugh at us when they come over here and see
5 what we're doing. I think they have a right
6 to.

7 But following the I-90 corridor
8 would certainly help a lot. We would miss
9 Brookings, Tracy, New Ulm, Mankato, Waseca,
10 Owatonna, and Rochester. Another thing it's
11 very easy to service. It's very easy to
12 service on -- off of an interstate. There is
13 other options, too, available, but I guess my
14 time is running out. I know the Corps of
15 Engineers has indicated that the railroad
16 track right close to the River Front Drive,
17 the dike would not be hurt by the vibrations.
18 I rather doubt that. Have you ever stopped at
19 a railroad crossing with your car and felt
20 the vibration on your car, or get out and
21 just stand there? I certainly would hate to
22 see a fracture of that dike, and I'd hate to

1 see motorboats going down River Front Drive.
2 The best way to go, of course, is to I-90 and
3 it would be a lot better for DM&E and
4 everybody else. Thank you.

5 MR. SHORT: Good afternoon. For
6 the record, my name is Gene Short. I'm a
7 county commissioner in Redwood County. I'm
8 also a member of the nine county Southwestern
9 Regional Developmental Commission and
10 secretary-treasurer of the Minnesota Valley
11 Regional Rail Authority trackage that was
12 mentioned earlier north of the DM&E proposed
13 route.

14 I don't have a prepared comment or
15 anything to turn in to you today. But I would
16 like to address some issues that the previous
17 speaker just mentioned regarding
18 transportation and truck traffic and the
19 alternatives that we may face should
20 something not happen.

21 The draft environmental statement
22 that was prepared, page ES-48, it's proposed

1 that 66,000 freight cars of corn, wheat,
2 soybeans, bentonite, kaolin clay, cement,
3 wood and so on will be shipped annually.
4 That equates to 3.8 semi trucks per rail car.
5 That's 251,000 trucks that have to go some
6 place to move this product. I'm afraid what
7 we're going to face as far as road
8 deterioration, traffic accidents, and
9 everything else that goes along with that
10 alternative.

11 I would hope that there's some
12 mitigation efforts that can be done. I
13 realize the concerns of many. With all of
14 this it can happen. There's no mention of the
15 coal in my presentation here, but there's
16 estimated another 750,000 cars of coal which
17 is going to add even more truck traffic. So,
18 perhaps there are some good alternatives and
19 perhaps the I-90 route is one of those.

20 I might also mention that the
21 importance of moving our product from farm to
22 market is between 10 to 12 cents a bushel and

1 for those farmers in all of this southern
2 Minnesota that raise corn and beans, it's
3 important that you do get another 10 to 12
4 cents a bushel. So with that, I appreciate
5 being able to comment today and I thank you.

6 MR. HARTER: My name is Phil
7 Harter. I live south of town about a mile and
8 a half south of the proposed southern route.
9 I don't -- I'm not affiliated with anyone
10 except myself today. I hope to add a little
11 bit of common sense to the discussion.

12 First, I'd also like to add my name
13 to those that are asking for additional time
14 for comment. It seems kind of foolish that
15 when DM&E hasn't even laid out the details of
16 where the line is going, I don't know how
17 citizens can adequately comment on it.

18 I believe there are several factors
19 that make the southern route a serious
20 detriment to the City of Mankato. While the
21 southern route appears to move traffic out of
22 Mankato, I believe that is an illusion. If

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1 it's financially viable for DM&E to construct
2 this line to haul coal, I believe it is
3 financially viable for Union Pacific to also
4 haul coal. The bottom line is, there is going
5 to be coal trains going through the existing
6 corridor regardless of what DM&E does.

7 While you look at the possible
8 expansion of Mankato, primarily for
9 residences, you will note that Mankato is
10 pretty well locked in on all sides except for
11 the south. In just the last few years
12 numerous residences have been built along
13 Stadium Road, less than a mile and a half
14 from the proposed southern route. Two new
15 developments, Pole Creek Subdivision and
16 South Brook are closer yet to the proposed
17 route. In 30 years it's not hard to envision
18 that the City would extend all the way to
19 County 90.

20 In addition, there is no
21 infrastructure designed in the south to
22 support a rail line as there is in the

1 current corridor with spurs into the
2 industrial park. The City has benefited from
3 additional taxes on the upscale homes that
4 have been built in recent years south and
5 east of Minnesota State University. It makes
6 no sense to build an additional corridor to
7 the south and stifle development in that area
8 and reduce the taxable value of all
9 properties in Mankato. There is nothing to be
10 gained by anyone choosing the southern route.

11 The southern route would scar the
12 area and reduce Mankato to a century old rail
13 town with tracks on all sides and no way for
14 anyone to escape the hazards of trains. I
15 urge the STB, if they decide that this
16 project should go forward, that they choose
17 the existing corridor through Mankato. I
18 would also urge that they exercise and
19 require DM&E to mitigate all damages and to
20 construct the track for their train and Union
21 Pacific's with the most modern technology. I
22 trust that the STB will exercise common sense

1 and logic and choose the existing corridor
2 for the required improvements. Thank you.

3 MR. BOERG: Hi. My name is Jerry
4 Boerg, and I would also like to express my
5 opposition to the proposed southern route
6 around Mankato of this railroad expansion
7 idea here. I would also ask, because it's
8 very difficult to get through this document
9 in time, that there also be an extension to
10 the comment period so that we can be better
11 able to determine what -- what some of the
12 points are in there.

13 I have three things I would like to
14 address relating to environmental issues on
15 this route. First is to historical. Again,
16 having not been able to find it in the
17 document, but I don't believe there's any
18 mention of Fort LeHillier. This is French
19 explorers' fort that was built somewhere up
20 the Blue Earth River from where it meets the
21 Minnesota River. Right now there's a little
22 bit of controversy amongst amateur and

1 professional archeologists as to exactly
2 where this fort was, since there are no
3 stones necessarily laid, but there is other
4 evidence that has been found in various
5 places that could indicate this 300 year old
6 fort was there. So if there is -- any
7 environmental impact statement should include
8 some of the historical aspects along this
9 river valley.

10 Second, it has been mentioned
11 already, there are a great number of Native
12 American heritage sites right along this
13 river valley, of the Blue Earth River valley
14 where it meets the Minnesota River. Some of
15 them have been identified, some of them have
16 not been identified. A very careful study
17 should be made of all of these things in
18 order to determine whether this is going to
19 be negatively impacting religious and
20 cultural things that are important to various
21 people.

22 My third point has to do with the

1 quality of the housing in the area. I think
2 any environmental impact needs to address the
3 quality and the devalue of the houses that
4 are going to be found along this route. As
5 has been mentioned, due to the nature of the
6 rivers, and everything like that north -- or
7 the City of Mankato really has only one
8 direction in which housing can be expanded,
9 and that's to the south, due to the
10 industrial nature of the northern side of the
11 city, the northeastern side, and the
12 commercial development that's found on the
13 eastern side, a lot of the new housing has
14 been built to the south of town and is
15 already being approached with inside of one
16 mile of this new rail corridor. I can assure
17 you that if a rail corridor is built in the
18 south, southern bypass area there, that there
19 is not going to be much more development in
20 that area. No one is going to put 2
21 or \$300,000 into a house if they're going to
22 find that there's going to be railroad noise,

1 dust, and, et cetera, for the problems.

2 So in summary, I'm opposed to the
3 southern bypass, but if it must come along,
4 mitigation must be taken care of for all of
5 the three points I have mentioned, the
6 historical issues, Native American issues,
7 and quality housing issues. Thank you.

8 MR. ANDERSON: Hi. I'm Danny
9 Anderson from New Ulm, Minnesota. I'm a
10 homeowner over there, and I grew up and lived
11 by the railroad all my life, and I bought two
12 homes along the railroad, one on the south
13 end of town. I lived there three years, and
14 I just recently bought one on the north end
15 of town. But, you know, I'm going to talk
16 about something totally different. I had
17 some pages prepared but I'll never be getting
18 through them in three minutes, so I'm going
19 to have to wing it. Excuse me.

20 But, I'd like to talk about some
21 principles involved. You know, one of the
22 things, I went to the meetings in New Ulm

1 that we had at the city council and I read in
2 the paper yesterday that -- was it Mankato or
3 somebody backed out of their agreements with
4 DM&E, and, you know, they made all these
5 agreements and stuff and they keep getting
6 changed, you know, with bypasses, overpasses,
7 underpasses, and all these things.

8 But, you know, the principles
9 involved that really bother me, first of all,
10 you know, I mean, selfishly, yeah, I don't
11 want the railroad coming through every 37
12 minutes, or whatever it's going to be,
13 because, you know, it's going to affect my
14 property value and also my peace and
15 serenity. Noise. I don't like noise.

16 But, anyways, there's one thing
17 that really bothers me that the railroad did
18 about three and a half years ago when I lived
19 on the south end of town is that, I don't
20 know, it came about they ended up selling all
21 of the remaining land that they had next to
22 the railroad tracks. People bought them up

1 as little sublots. You know, 25 hundred
2 bucks a lot, or whatever, and then they were
3 bought, and resold, and resold, people put up
4 all these tin sheds, threw all their stuff in
5 there, you know, motor homes, things like
6 that. There's a lot of personal property.
7 People also put up businesses right along the
8 railroad tracks. I'm talking trains from me
9 to the wall. That's how close the trains are
10 now because they sold all the lots. They did
11 that about three and a half years ago.
12 Nobody had a clue that they were planning
13 this big expansion at that time. They never
14 said anything about it and then in February
15 of '98 they file for an expansion. You know,
16 nothing was said about that.

17 First of all, you know, I question
18 the timing of things and what was their
19 motivation for doing that and, also, by doing
20 that, if you look at it honestly they've put
21 people's lives in danger. They moved more
22 people right next to the railroad tracks,

1 because people have worked and lived there
2 every day. Every day there's people working
3 right along the railroad tracks. There's a
4 school on the south end of New Ulm that's
5 within that wall of the railroad tracks.
6 Every day there's kids sitting in the school
7 right there next to the railroad tracks.

8 Now, the reason I bring this up is
9 because of the dirty word "derailments."
10 Okay. Last year, or a year and a half ago we
11 had a derailment in New Ulm. Lucky it was a
12 slow moving train and it just kind of fell
13 over. Fell over on the side tracks where
14 there no, there were no tin sheds. Okay?
15 But where it happened, a very dear friend of
16 mine, and I also have relatives over there,
17 had it fallen the other way it would have
18 wiped out a business where a dear friend of
19 mine lives.

20 Now, I want to ask you this. You
21 know, what's going to happen if you have a
22 fully loaded coal train going through there

1 and it derails. I talked with a person from
2 the railroad and it's going to take over a
3 mile for that train to stop, and it's also
4 going to branch out for over a block
5 whichever way it goes. How many people are
6 going to get wiped out because of that? You
7 know, what are the principles involved here?
8 Why did they move all those people, sell all
9 those lots before they announced this?
10 That's what my question is. Now based on
11 that, you know, can -- you know, entering
12 into the agreements, the agreements are
13 always being changed, I don't know, I
14 think -- you know, for me it's a matter of
15 trust. I don't know. They keep changing
16 their mind on the agreements of overpasses
17 and underpasses. Keep that in mind. Thank
18 you.

19 MS. KOENIG: My name is Judy
20 Koenig, but I'm reading this for Lavern
21 Goettl.

22 MR. GARDINER: Okay.

1 MS. KOENIG: All right? This is
2 concerning the Alternative D and about the
3 marshalling and staging yard, the east
4 yard, 3.5.3.3. These are good, wonderful
5 friends of ours that would not have known
6 about this had I not been involved in it
7 because I am -- I live in Eagle Lake. The
8 letter is --

9 We live east of Mankato on a farm,
10 which is -- it's also about that far from
11 Eagle Lake. County Highway 3 and 186 border
12 on the east and north of our farm. The DM&E
13 railroad track goes through the middle of our
14 farm. We have lived here for 43 years. We
15 are opposed to any DM&E expansion for the
16 following reasons: We know firsthand the
17 inconvenience of a railroad going through our
18 property. Three people at three different
19 occasions have been killed on this track by
20 our farm. We have witnessed a derailment as
21 the train was going through our farm. We
22 raised four children and always had to be on

1 alert about their safety with railroad tracks
2 so close by when they were young. We have to
3 deal with crossing over the track with
4 machinery to get to our fields and always
5 hope the train would not be coming. We've had
6 to call the DM&E to notify them to trim and
7 cut down the brush and trees that were
8 obstructing our view when crossing the track
9 on numerous occasions.

10 We have wetland property on our
11 farm. Deer, geese, wild turkeys, and
12 pheasants all live on that property. We have
13 lots of trees, wild flowers and bushes to
14 protect the wildlife. We enjoy watching the
15 deer come out in the early morning or evening
16 to graze on food -- for food. One time we
17 counted 25 wild turkeys in our field. What
18 would 35 to 40 trains a day do to the safety
19 of the wildlife let alone their habitat which
20 would be destroyed to accommodate a new
21 expansion?

22 It seems to us this is a private

1 enterprise to make money at the expense of
2 the public and not to promote the public
3 good. Therefore, we oppose the DM&E expansion
4 anywhere, any time. There are other
5 alternatives to making energy than using coal
6 from Wyoming. Farmers have lots of corn out
7 there that could be utilized both in
8 Minnesota, Wisconsin, and Illinois that would
9 be a lot closer for people in Chicago to use
10 for energy sources and with a lot less
11 pollution. Let's use common sense, save our
12 land, our property, our environment. Thank
13 you for listening to my viewpoint. Lavern and
14 Joe Goettl.

15 MS. WORTEL: Good afternoon. My
16 name is Katie Wortel and I'm here
17 representing myself today and also Mankato
18 Area Environmentalists. Not all the
19 information is before the public, so the
20 public cannot comment on the information that
21 is not before them. Either the comment period
22 must stay open until well after all the

1 information is in or a new Draft DEIS should
2 be prepared that contains all the information
3 and then a new comment period established.

4 I bring to your attention just two
5 examples of deficiencies of information among
6 hundreds of possible examples. Number one,
7 DM&E's Alternative M-3, which is the existing
8 corridor, includes plans for a passing track,
9 actually just referred to by the previous
10 speaker, labeled East Rail Yard, or the
11 Alternative D on the maps, pages 49 and 50.
12 Yet under the current preferred Alternative
13 M-2, the bypass map, pages 55 to 57, there is
14 no indication of where the passing track will
15 be located. Will there be passing track on
16 the M-2 line, and if so, the public should
17 have this information and the right to
18 comment on it before the comment period ends.
19 This passing track with two-way train traffic
20 and a wider corridor could have significant
21 safety impacts that nobody knows anything
22 about today.

1 Secondly, DM&E's Alternative M-2,
2 the existing corridor, will necessitate much
3 more construction activity than simply adding
4 ballast, new ties, and new rail. Elevations
5 of the track will be changed, the existing
6 Union Pacific rail line will have to be moved
7 to make room for a second line. Will UP track
8 be brought to the same elevation as the DM&E
9 track or will we have track at two different
10 elevations? If elevations of both are
11 changed and made the same how will rail
12 service be maintained? The public has the
13 right to comment on this construction plan
14 through Mankato, and that plan is not there.

15 If elevations of the tracks are
16 lower, as is proposed at Third Avenue, what
17 will be done with all of the contaminated
18 soil? Gas stations must remove and treat
19 such soil. The soil beneath 130 year old
20 train tracks must be saturated with bad
21 chemicals, including leached wood
22 preservative and all kinds of weed killer.

1 This soil might be so bad as to be classified
2 as hazardous waste. A testing and mitigation
3 plan must be required, not only in Mankato,
4 but wherever the soil is dug up.

5 Mankato Area Environmentalists has
6 long worked on energy issues. There can be
7 plenty of evidence brought to the record that
8 coal power is bad for people and must be
9 phased out. We are on the brink of a new
10 healthier, more sustainable air in which
11 clean regional renewable energy sources can
12 be tapped to their fullest, including
13 biomass, wind and photovoltaics. Biomass can
14 mean new and better revenue sources for
15 farmers and increase regional rail service
16 demand by expanding the rail capacity for
17 coal at this time this window of opportunity
18 for a cleaner energy and transportation
19 system may be lost. This alternative must be
20 discussed in the new Draft DEIS. This would
21 be a means to upgrade the DM&E line and
22 improve local economies, and decrease

1 pollution from coal power and actually would
2 be a project for the common good. Thank you.

3 MS. WOLFE: I wish to start by
4 saying that my name is Vicki Wolfe and I'm a
5 homemaker and I'm married to a DM&E employee.
6 The reason I'm here is to give full support
7 to the DM&E expansion project. There are many
8 reasons for my supporting the project. The
9 main one is safety issues. Being actively
10 involved with Operation Life Saver, improved
11 safety is a major concern of mine. With new
12 rail and track structures, less derailments
13 will occur because of the old rail and
14 infrastructures. New signalling and
15 controlling systems will mean a safer work
16 environment for employees as they now are
17 using radios without the help of computers
18 and communication backup protection. With new
19 communication systems the dispatchers can see
20 exactly where the trains are and be
21 forewarned in advance like the accident that
22 happened, horrific accident that happened

1 this summer with Dan Vandaline (?).

2 Statistics have proven that train
3 speeds can affect the amount of damage done.
4 It usually is not a factor in whether a
5 collision will occur. Most highway-rail to
6 grade crossing collisions involve train
7 speeds at 35 miles or less. In 25 percent of
8 the collisions the car runs into the side of
9 the train in broad daylight with the vehicle
10 going around gates or in some cases simply
11 ignoring, or not being aware of the train
12 crossing warning signals.

13 The impact of the lower pollution
14 caused by less fuel emissions and the wear
15 and tear on highways by semi trucks should be
16 of great economical importance. It takes 400
17 semi trucks to do the same job as one single
18 train. Along with having newer engines with
19 higher standards for emissions and a shorter,
20 more efficient route than competing routes,
21 this would be an added bonus.

22 The concern over the coal dust is

1 most exaggerated in my opinion. Most of all
2 of the dust will be lost or disposed of
3 before leaving the mines, or the mine area.
4 If we were to lose as much dust as some
5 people think, then what's the use of hauling
6 the product?

7 Utilizing a passenger service in
8 the future would have a beneficial economical
9 plus effect along, along with a nostalgic and
10 historic tourism value throughout the entire
11 area of the DM&E rail service. Thank you for
12 your consideration in this matter and I urge
13 you to please give a variable conclusion to
14 this case in time to savor this project in
15 the 2001 building season. I feel that the 90
16 day public comment period is doubled the
17 normal time and should be more than adequate.
18 Thank you.

19 MAYOR VETTER: My name is Bill
20 Vetter, and I serve as Mayor of the City of
21 Skyline, a small residential community on the
22 southwest edge of Mankato. I also am the --

1 have the distinction of being the longest
2 serving mayor in the County of Blue Earth
3 with 22 years of service.

4 We're very much disappointed that
5 we did not receive notification as we should
6 have relative to this project on a timely
7 basis. We received our notification by means
8 of a publication in the Mankato Free Press
9 and that surprised us. We really didn't
10 think we were going to be affected to any
11 extent until we started delving into the
12 proposition, and as of Monday night, our
13 council passed two resolutions.

14 The first resolution was in
15 opposition to the sought bypass. The second
16 one was to request that we have a totally
17 reinforced concrete structure over and around
18 the passage of the rail facility through
19 Skyline.

20 Last evening at 8:30 I received a
21 very rude shock, because I attended the
22 Southern Bypass Group meeting. After the

1 meeting was over, one individual came up and
2 said, "Do you realize that seven or eight
3 homes are going to be taken out of your quiet
4 residential community?" I said, "I don't
5 believe it." Well I have a great big pack of
6 paper sitting on my seat that I just received
7 which does in fact confirm that.

8 When we passed the initial
9 resolution it was based on the -- or the
10 initial two resolutions, it was based on our
11 opposition to dirt, noise, and vibration.
12 Now we have a very significant additional
13 element because we have extended in this area
14 a special situation involving a number of
15 home building projects where the earth has
16 subsided to a major degree.

17 It is my belief that if we would
18 remove the seven or eight homes in our City
19 of Skyline that that will start an
20 unsupported destructive move that will cause
21 the demise of our city and we therefore must
22 strongly recommend against the movement of

1 this particular project. Thank you.

2 MR. SCHMIT: Good afternoon. I'm
3 Larry Schmit with Mount Kato ski area. Until
4 just recently we thought that the road -- the
5 railroad was going to be south of
6 County 90, 3, 400 miles -- or yards away from
7 the ski area, according to the descriptions
8 and the maps that we have seen. So I'd like
9 to see there be an extension to have time to
10 respond to that.

11 Where it is located right now,
12 according to the maps I have seen, it would
13 go through three of our chairlifts, quad
14 chairlifts, it would take up to about 40
15 to 45 percent of our lift capacity and eight
16 of the 18 trails, which would put us out of
17 business. We'd no longer be competitive. We
18 would not be a viable ski area. We would not
19 be able to bring the people out of the
20 Dakotas and Nebraska and Des Moines and the
21 outlying areas into the community. It would
22 just, you know, put the ski area out of

1 business. Thank you.

2 MS. YOUNG: My husband relinquished
3 his time. Does that give me six minutes?

4 MR. GARDINER: I think we're going
5 to stay at three minutes. If we have time
6 I'll come back and give you another
7 opportunity after everybody else.

8 MS. YOUNG: Thank you.

9 MR. GARDINER: Thanks.

10 MS. YOUNG: I am Janette Young, a
11 lifelong resident of Mankato, a retired
12 health education, health educator in our
13 District 77 schools. I have been working with
14 a coalition against the coal trains going
15 through Mankato since it first started
16 in 1998. I also would like to say that
17 everybody here, I think, can agree we have
18 now a political foregoing between the county
19 residents and the city. As of maybe a couple
20 of weeks ago the county has been quiet for a
21 long time assuming that it was going through
22 the city. When it came back otherwise I am

1 congratulating them for getting active. The
2 only win/win solution to this is no trains,
3 the option of no trains. That's the only
4 win/win totally.

5 However, I can go along with
6 everything they said against environment,
7 against safety, and particularly the lady
8 that said increase of deaths. As bad as they
9 all are, they would be all multiplied many,
10 many times over going through the city route
11 because of the population per acre and the
12 number of intersections in the city going
13 through a city route versus going through the
14 county.

15 I also think that it's impractical
16 to assume that we can adequately address the
17 many things without an extension. I think we
18 need to request at least 180 days as a
19 minimum to go through all of the things that
20 are not -- have been adequately answered in
21 DM&E statement.

22 I think the lady that spoke about

1 deaths is something that should be really
2 considered. Because the increase in deaths
3 and the safety of children going to school
4 should be utmost in the interest of safety
5 and increasing -- that less deaths should be
6 prime concern, and there will be more deaths
7 if it goes through the city than if it goes
8 through the county. Thank you very much.

9 MR. BICKEMEYER: I'll say right up
10 front that I am for the project. listening to
11 all the environmental arguments strongly feel
12 that they are way overstated and not backed
13 by evidence in fact. what I would like to
14 specifically address is the coal dust issue.
15 I do a lot of hiking and exploring and rock
16 hunting and mineral prospecting through the
17 states of the Dakotas and Montana. I see no
18 evidence of coal dust whatsoever. I often
19 walk miles of the track, the Burlington
20 Northern coal route tracks and I could wear
21 white pants, and white shirt, and white socks
22 and come back perfectly clean when I got

1 back. There's no evidence of any dust on the
2 foliage or the plants along the track. I
3 can't say the same for my farm and my
4 soybeans along my county roads however, and I
5 don't protest to the counties that they can't
6 have a road beside my farm because my
7 soybeans are covered with aggregate dust.
8 Thank you.

9 MR. ZUPFER: My name is Curt
10 Zupfer. Got that? A resident of North
11 Mankato. I'm going to do this fast. I have
12 been a resident of North Mankato during the
13 period of '52 to '53 and left for four years,
14 came back from '57 and I have been living
15 there ever since. I made my living here every
16 since. The title of this might be, "Not in my
17 back yard."

18 First, I might relate that the
19 separate city of North Mankato is not
20 referred to in the Draft, but is left out of
21 it entirely by mention. This would then lead
22 me to believe that the serious impacts that

1 this project would invoke upon the
2 proximity 13,000 plus residents have not been
3 evaluated or considered. The rail tracks are
4 directly across the river from North Mankato
5 and all of the impacts are the same except
6 for the geographical location of the
7 crossings.

8 One of our major concerns for many
9 decades in these communities was flood
10 control. The threat hung over these
11 communities going back into the 1800s. This
12 threat was alleviated by an investment of
13 approximately 120 million dollars in a
14 comprehensive flood control project which has
15 since proved its worth. This project
16 spanned 20 plus years to completion. This
17 accomplishment required the close cooperation
18 of both cities. During the flood crises in
19 the years of 1950, 1965, 1969, and other
20 lesser ones in later years, thousands of
21 residents, students, government people, out
22 of town residents came here to fight these

1 floods and save lives and property. The
2 communities of North Mankato, and West
3 Mankato, LeHillier, and other sections were
4 under water and in some years saved from
5 flooding. In 1965 the complete evacuation of
6 lower North Mankato was ordered at the Sibley
7 Park area and the LeHillier were under water
8 up to 15 feet in some areas. Families were
9 uprooted, school facilities, businesses,
10 government facilities, and utilities were
11 severely damaged and destroyed. The list was
12 endless.

13 Now we are to believe that 37 mega
14 tonnage coal trains per day running right
15 next to our flood control structures will not
16 increase our risk of serious damage to the
17 integrity of our flood project. Are we to
18 believe this? No way.

19 Next. Air pollution. Our unique
20 valley does not always clear out air
21 pollution immediately. This is dependent
22 upon many weather related conditions.

1 According to USA Today, dated October 17th of
2 this year, I quote, "Within the next few
3 months, the EPA is expected to declare that
4 diesel exhaust is a likely human carcinogen."
5 Would an additional 111 engines per day
6 through this city cause us a problem? Good
7 question. Our air quality now needs
8 improvement, but could you imagine if the
9 project would come to completion?

10 I'm going to skip some. Safety.
11 Thirty-seven coal trains per day, three
12 engines, 120 coal cars going up 50 miles an
13 hour right through the center of our city
14 certainly poses major safety risks. Will
15 they stop running completely when we are
16 trying to maintain the integrity of our flood
17 walls during high water crises? If they do
18 not, are the flood workers at great risk? I
19 would certainly say so.

20 In summation, I will ask, can the
21 DM&E upgrade without coal trains? Upgrading
22 without coal would not cost 1.6 billion

1 dollars. In the EIS page ES-7 it states, "The
2 Board examines whether there is public need
3 for this new service." Public need is a big
4 word here. Is it corporate or is it the
5 people's? They also are asked to determine
6 is the project in the public interest? Is it
7 corporate or the people's? I will continue
8 to ask is this coal being transported to
9 market on an adequate basis now? Is the coal
10 and the burning emissions of mercury produced
11 good for our air, fish, birds, wildlife,
12 lakes, and land? Is it going to help us
13 combat global warming? My last question. Is
14 it fair and equitable that over 50,000
15 residents in this area cannot control the
16 degradation of their quality of life if this
17 is approved? The best decision is, I-90 or
18 no build. Thank you.

19 MR. SCHEMAN: Jim Scheman, New Ulm,
20 Minnesota. Just for the record here, how many
21 people here, raise your hand, are for the
22 DM&E expansion. Can we see? Okay. So we're

1 two, four, seven, nine, ten people. Okay. How
2 many are opposed? That makes it 10 against
3 the house. Okay.

4 Well, at any rate, here, the DM&E,
5 if they're concerned about environmental
6 issues, knowing they wanted to expand, why
7 did they allow an assessment for a high
8 pressure sewer line between Courtland and New
9 Ulm, Minnesota right next to the tracks? In
10 fact, it's so close to the tracks that when
11 they built it, it undermined the tracks,
12 stopped traffic for a week, and slowed down
13 traffic for an extended period of time past
14 then. What's going to happen when they
15 expand? Are they going to be allowed to move
16 dirt? What are they going -- what are they
17 going to be able to do on how close are they
18 going to be able to come to that sewer line?
19 What's going to happen to that sewer line?
20 That's a big concern of mine.

21 Also, if they're environmentally
22 concerned, why did they bulldoze all the old

1 creosoted railroad ties right next to the
2 intersection of 68 and the cutoff to
3 Courtland and leave them on the corner for
4 two years?

5 The next thing, with Shag Road and
6 the proposed station there for their
7 switching yard, has anybody considered the
8 slowdown of traffic? It won't be going 40
9 miles an hour, it will be going much slower.
10 How about these people getting in and out of
11 Shag Road and 20 south of New Ulm? That's
12 it.

13 MR. QUALLEY: I thank you for
14 giving me the opportunity to speak. My name
15 is Nathan Qualley. I live in the
16 unincorporated town of Judson. I actually
17 live right off the tracks. They run right
18 beside the house. In fact, I am still for
19 the trains coming through. But, the only
20 question that I pose towards them is that we
21 see some safety measures actually taken.

22 The reason I am most for this is

1 because I know that if this goes through
2 we're going to have improvements on the track
3 and that's going to increase the safety of a
4 train ever derailing into our house. I know
5 that ribbon rail is a fifth of a mile long
6 and what they've got now nowhere near as
7 that, and you'll see little shifts of where
8 the tracks meet and just stuff like that can
9 cause a derailment at any time. it's truly
10 safety issues that bother me.

11 As far as the train going through,
12 as far as I see it, democracy is built for
13 corporations and it's not built for
14 socialism. Because socialism is where the
15 government controls how companies work and
16 not the will of the people. Because,
17 honestly, socialism has failed in every
18 country that has tried it. It's still failing
19 in China and these other countries. What you
20 are saying is that a corporation cannot
21 expand because of the fact that we don't like
22 it. I don't think that that's right. I don't

1 think that's fair to a company that's
2 offering competition under a very limited
3 field. You're looking at an industry that
4 creates millions of dollars of revenue for
5 both sides.

6 If you really don't want this train
7 to come through, I think you should be
8 fighting the electric companies that give you
9 power, because that's where this is going.
10 The farmers need the trains. The farmers are
11 what built the railroad industry to what it
12 is today. The farmers and the timber and the
13 loggers. now think we can just kick them out.
14 Well, there are still farmers out there that
15 use it and I'm glad that we had the soybean
16 president today, and I'm glad to hear from
17 people that still actually use the railroad
18 instead of just hearing on the news how many
19 people hate the idea. Thank you.

20 MR. BALCOM: Good afternoon. My
21 name is Tom Balcom. I'm the Environmental
22 Planning Director for the Department of

1 Natural Resources. As an aside, I was
2 disappointed that the DNR didn't make
3 Ms. Blasing's list of important state
4 agencies, because I think we are a factor
5 here.

6 The Minnesota DNR has been involved
7 with the DM&E railroad expansion project for
8 more than two years providing information
9 about natural resources in state lands along
10 the proposed route and providing preliminary
11 review of information being developed to
12 apply for the Minnesota Department of Natural
13 Resources public water permits and Corps of
14 Engineers water resources permits. The
15 Minnesota DNR has also participated in two
16 surveys of railroad right-of-ways and
17 adjacent lands along nearly the entire rail
18 line in Minnesota.

19 The Minnesota DNR's involvement has
20 provided us with an opportunity to assess the
21 natural resources that will be affected by
22 the DM&E railroad project. These preliminary

1 comments will be followed by detailed written
2 comments prior to the January 5, 2001
3 deadline.

4 Our initial reaction is that the
5 proposed project would have negative impacts
6 on wetlands, streams, native prairies,
7 forests, fisheries, wildlife, and recreation
8 areas along the DM&E corridor in Minnesota.
9 The Minnesota DNR permitting process will
10 help avoid and minimize the impacts on
11 wetlands, streams and other protected water
12 bodies which the DNR has permitting authority
13 over.

14 Where use of State lands is planned
15 required easements could dictate impacts
16 on -- that impacts on natural resources would
17 be minimized. Likewise the Corps of
18 Engineers permitting process will help reduce
19 impacts to water resources under its
20 jurisdiction.

21 However, a project of this scope
22 would bring unavoidable negative impacts on

1 natural resources that could not be entirely
2 mitigated. The DNR favors the project
3 alternatives that minimize impacts on natural
4 resources and that suitably address
5 accumulative impacts.

6 We have some specific concerns.
7 I'll just touch on a couple now and save the
8 rest for the Rochester meeting. Minneopa
9 State Park would be impacted by one
10 alternative location for the Middle East
11 Staging Yard and Marshalling Yard, a facility
12 that would be a major intrusion into the
13 park. In addition, increased rail traffic
14 would be incompatible for the purposes for
15 which the park was established.

16 The proposed Mankato southern
17 bypass would result in 10 new stream
18 crossings, eliminate 24 acres of wetlands, 68
19 acres of woody vegetation and 196 acres of
20 agricultural land resulting in considerable
21 impacts to aquatic and terrestrial fish and
22 wildlife habitat.

1 The Cumulative Impacts and
2 Mitigation chapters and the Biological
3 Assessment appendix are poorly written,
4 repetitive, and not very detailed. In
5 addition, the DEIS contains many more
6 inaccuracies, inconsistencies, and omissions,
7 making review of the document difficult.
8 Thank you.

9 DR. PROCTOR: Hello. I'm Dr. Beth
10 Proctor and I'd like to start by saying I
11 have over 20 years experience in the
12 environmental arena and today I'm speaking
13 for myself.

14 On the Draft EIS I found it
15 difficult to understand, misleading, and
16 confusing. I found the information very
17 repetitive. The same data was presented many
18 different ways. I found -- I thought this
19 EIS, Draft EIS was intimidation by volume. I
20 call it cotton candy, but not quite as sweet.
21 It has a lot of volume and no substance.

22 If you look at intersections, how

1 many intersections actually are there? I
2 found a number of inconsistencies there.
3 Siding locations are not on the map. They're
4 I.D.'ed by mile posts. The cumulative impacts
5 were condensed from the impacts in part 3.

6 The mitigation is unbelievably
7 brief. In a 2,000 page document the
8 mitigation runs from 7, dash, 11 to 7-28. It
9 is generic, nonspecific, one size fits all. A
10 recurrent phrase that's in this section is
11 "to the extent feasible." Who determines "to
12 the extent feasible"? Who pays for the
13 mitigation? If there is an accident --
14 excuse me, when, not if, there is an
15 accident, who pays for that? Does the
16 DM&E -- what is DM&E's liability and are they
17 self-insured?

18 I found that this Draft EIS was
19 sorely lacking. I believe that the Draft DEIS
20 needs to be revised and open again for public
21 comment. If that is not the case, I would
22 like you to consider this. The DM&E bought a

1 dilapidated railroad about 10 -- about 15
2 years ago. They estimated the cost of repair
3 to be 10 million. They have spent more
4 than 100 million and they still have a
5 dilapidated railroad with a safety record
6 that is 10 times worse than any comparable
7 railroad. Now they want to lay 200 miles of
8 new track, plus repair and upgrade existing
9 tracks while running up to 37 trains a day.
10 With this kind of record, how can you allow
11 this railroad to expand? Thank you.

12 MR. GARDINER: Thank you. Let me
13 try it again. Mary Roy? Okay. That
14 concludes the people who have signed up. I
15 want to go back through and we did skip over
16 some people who may have arrived since then.
17 Julie Anderson? Okay. Walt Luneberg. Chuck
18 Ragan. You're here. Great. Do you want to
19 come up and supply your comments?

20 MR. RAGAN: The other people in
21 Mankato might know me. I'm Chuck Ragan. I
22 own Chuck's Body Shop in Eagle Lake. I know

1 that the railroad -- well, number one, I do a
2 lot of work for insurance companies. All you
3 people think that you're going to do some
4 good talking here. I'm probably not going to
5 do any good either. There ain't no way you're
6 going to buck big buck companies like the
7 railroad. It will be just like trying to buck
8 State Farm, Farmers, or American Family. I
9 deal with these insurance companies all the
10 time. These big companies, you're not going
11 to win.

12 I know when I bought the property
13 alongside the railroad tracks in Eagle
14 Lake 30 years ago, my house is right beside
15 the shop. You guys are talking about this,
16 that, you guys don't even realize what it's
17 doing to the ground. My shop is right beside
18 the railroad. My shop, the floors are
19 cracked. I have got two garages. The
20 garage -- both the floors are cracked. The
21 house, the foundation, and my house is, is
22 cracked and caving in. Now I ain't going to

1 blame all this on the railroad. The house
2 faces Highway 14, the old Highway 14. I'm
3 going to blame that on the semis that went by
4 all the time.

5 The railroad never bothered me the
6 whole time I was there. Now they closed old
7 Highway 14, turned it into County 17, or 55,
8 whatever they did. I have the new four lane
9 behind me. Thank God they've got the access
10 right beside my body shop so I can still do a
11 good business. Business has been very good
12 for me for 25 years. If this railroad goes
13 through that crossing, it's going to finish
14 my business off. I'm very proud of my
15 business. I just turned my business over to
16 my son and my daughter. If this railroad goes
17 through, there ain't going to be no Chuck's
18 Body Shop there. If they're going to
19 spend 1.4 billion dollars, hey, I ain't got
20 nothing against what you're doing. Buy me
21 out. I have got some more property on
22 highway -- the new Highway 14, hey, I'll be

1 glad, six months, I'll tear it down, move it,
2 and build a new shop. Thanks.

3 MR. VOGEL: Good afternoon. My
4 name is Allan Vogel. I'm the Director of the
5 Office of Freight, Railroads & Waterways for
6 the Minnesota Department of Transportation.

7 We believe the Surface
8 Transportation Board has done a commendable
9 job describing the no action alternative.
10 MnDOT believes that the DM&E is a critical
11 element of a balanced, multi-modal
12 transportation system in Minnesota and shares
13 the STB's conclusions that there are
14 significant environmental and social costs if
15 this railroad were to fall into further
16 disrepair and/or service abandoned.
17 Competitive transportation options for
18 shippers in Minnesota is critical and this
19 railroad provides economic advantages to the
20 agricultural communities in southern
21 Minnesota.

22 As part of the STB's process to

1 review and solicit comments on the DM&E's
2 construction application, MnDOT submitted
3 specific comments and requested that several
4 conditions be imposed on the railroad.
5 Several of MnDOT's comments and requested
6 conditions have an impact on the subject of
7 this DEIS. I'll go into more detail in a
8 moment, but recognize that the Surface
9 Transportation Board's failure to acknowledge
10 the critical nature of the comments and
11 conditions sought by MnDOT have influenced
12 your approach in addressing topics for the
13 DEIS.

14 In particular, the STB choosing to
15 ignore the significant increases in rail
16 traffic that will be experienced in the City
17 of Winona with environmental consequences
18 must be addressed. Let me speak specifically
19 to train volumes. The analysis contained in
20 the DEIS for the environmental impacts is
21 terribly flawed because of how poorly and
22 inconsistently the STB has addressed the

1 issue of train volumes.

2 For example, when determining noise
3 or vibration consequences of this
4 application, the STB assumes current train
5 levels in Minnesota that range between 8
6 and 14 trains per day. Our own analysis and
7 records would conclude that four trains per
8 day in Minnesota is on the high side of the
9 average traffic for the DM&E. You move to
10 train volumes of 37 trains per day and a full
11 buildup. Now, this figure represents for the
12 railroad a best business case and represents
13 for the communities a worst case scenario.
14 Most important in consideration of train
15 volumes is how inconsistent the number of
16 trains is used in your analysis.

17 First, there should be some
18 recognition that some number of trains will
19 in fact interchange at Mankato and Owatonna.
20 Not all trains are going to continue east
21 through to Rochester and into Winona.
22 Second, if you must choose to conduct your

1 analysis based on 37 trains, how can you
2 possibly remain silent on the environmental
3 consequences within the City of Winona?
4 Third, for the DEIS to state that 37 trains
5 through the city does not present serious
6 traffic consequences is a flawed conclusion.
7 Let me speak for a moment to Rochester. First
8 we're extremely disappointed that after all
9 this time and effort no preferred alternative
10 has been identified.

11 I want to remind the STB that the
12 Department conducted a thoughtful and
13 technically sound Minnesota rail corridor
14 safety study that was dated February 2000 and
15 provided to the STB. My advice to you is that
16 you review that study again and recognize the
17 great separations based on train volumes are
18 an essential element of resolving this
19 alternative.

20 With respect to bypass alternatives
21 for Rochester, recognizing that it's totally
22 unacceptable that there be at-grade crossing

1 of four lane divided highways, MnDOT will not
2 accept this conclusion because safety is in
3 fact compromised, and, in fact, MnDOT will
4 not accept at-grade crossings of any four
5 lane divided roadway at any location in
6 Minnesota.

7 A bypass alternative that provides
8 for 34 new at-grade crossings over a
9 relatively short distance is also
10 unacceptable. The STB should identify the
11 appropriate mix of road closures and safety
12 improvements on any bypass alignment that
13 would ensure safety of the motoring public
14 and railroad employees.

15 I have a number of other comments
16 that I would like to make and I know that I
17 am scheduled to speak this evening as well,
18 and so what I will do is I will conclude my
19 remarks in this evening's session, if that
20 would be all right. I appreciate this
21 opportunity. Thank you.

22 MR. MATHLOWITZ: Dean Mathlowitz

1 from Sleepy Eye, Minnesota, a resident and a
2 civic activist in Sleepy Eye. On
3 August 5, 1979 my older brother Leon drove
4 into the side of a DM&E train. Four o'clock
5 in the morning, a pretty dark night, a
6 blacktop road, going 50 miles an hour, he
7 didn't have a chance because there was no
8 protection.

9 After that my dad got busy. He was
10 a highway contractor. He knew the contacts.
11 He knew Mr. Vogel, the people, and he knew
12 the governor, and he got railroad crossings
13 safer in Minnesota and a lot of other places
14 by increasing reflectorization, increasing
15 the accountability of the railroads and going
16 and understanding the railroad business.
17 Taking the time to research it.

18 Railroad crossings can be safe. The
19 DM&E has committed very much more strongly
20 than many, many, many other railroads in this
21 expansion to make crossings safe. They've
22 gone ahead and done it in Sleepy Eye ahead --

1 still with their 10 mile an hour trains and
2 their measly little old traffic because they
3 care about people. They've been lambasted
4 here. They've had a few people brave enough
5 to stand up and say that it's important. I
6 believe it's important also.

7 I also have joined the Southern
8 Grain Belt Shippers Association. We're
9 advocates of making shipping of all the
10 existing products along the rail line, clay,
11 grain, all the different wood products,
12 making it more cost effective for business.
13 That's what makes this economy run. That's
14 why the railroad was put there in the first
15 place. They were here first, folks. If your
16 house is right next to it, then whoever built
17 it, when you bought it, they made a decision
18 that there was going to be a train running
19 by, and it never was told how many trains
20 were going to be running and how fast. They
21 owned the property. They can run the trains.
22 That's all I have to say.

1 MR. GARDINER: All right. Thank
2 you. Okay. That concludes the people that
3 signed up to speak. We have a little more
4 time, so is there anybody who hasn't had a
5 change to make comments they would like to?
6 Okay. Why don't you come up? Is there
7 anybody else? Okay. I see a few hands. Why
8 don't we go in this order? Be sure to
9 introduce yourself for the record.

10 MS. MADDOCK: My name is Pam
11 Maddock. I live on the southeast side of
12 Mankato. I am strongly opposed to the
13 southern bypass. You have heard many good
14 reasons this afternoon. Concerns about
15 noise, pollution, the environment, wildlife,
16 and especially safety issues. They're all
17 very valid reasons whether you live in the
18 city or in the county.

19 However, my first choice would be a
20 no build alternative. But if that is not the
21 alternative, I strongly feel it has to go
22 through the city of Mankato because the

1 railroad has been established here for 131
2 years, it will remain in Mankato to serve
3 businesses. To create a second corridor
4 through our county is not a viable option. We
5 need one corridor to serve our community. we
6 already have that established. Thank you.

7 MS. BLASING: You want to buy my
8 house?

9 MR. ROCHETEL: My name is Dan
10 Rochetel and I live at 20167 589th Avenue and
11 I oppose the M-2 southern bypass. It's going
12 to pass -- well, less than a half mile north
13 of my house. I guess, in retrospect, if I
14 wanted to live by the railroad I would
15 have -- I would have bought by the railroad.
16 I choose not to. I'm not naive, though. I
17 understand that progress is going to happen.
18 But appraisers tell me that I stand to take
19 a 30 percent hit on my property. I don't
20 expect that I should have to absorb that.

21 I think whatever happens --
22 whatever package -- whatever is going to --

1 whatever you decide to choose to take, I
2 would expect the compensation for the
3 landowners has to be a part of that package.
4 I don't expect and I don't expect other folks
5 along the railroad, especially on new routes,
6 to subsidize the railroad, or its
7 benefactors.

8 I think we've got to remember here
9 that the corporation's concerns are profits
10 and/or their stock and shareholders. Not to
11 say that I own any stock, but I don't expect
12 somebody else to subsidize it.

13 It seems also appropriate to me
14 that the extension of the comment period is
15 certainly appropriate. There seems to be a
16 lot of unclear facts in the document. I have
17 not seen it. Probably wouldn't even know how
18 to read it. But people here a lot smarter
19 than me seem to give me an indication that
20 it's unclear, it's obscure, and it sounds
21 like it's incomplete.

22 I guess just to summarize, in

1 whatever case you decide to go, or whichever
2 route we decide to go, try to make the most
3 informed, fair, and just decision. Thank you.

4 MS. CLINKE: Hi. My name is
5 Kellian Clinke, I'm going to read this as
6 fast as I can.

7 MR. GARDINER: Not too fast. The
8 court reporter has got to get it.

9 MS. CLINKE: Let me start by saying
10 that more time is needed by ordinary citizens
11 who work 40 hours a week, not only to study
12 the DEIS itself, but the intended NEPA laws,
13 applicable court cases, railroad studies,
14 noise emission studies, treaties made with
15 Native Americans across the corridor, and
16 other relevant, and there's a world of
17 information relevant, pertinent, and critical
18 to understanding the DEIS and more
19 importantly the alternatives not presented.

20 Throughout the hearings that have
21 been held across the rail corridor, you have
22 heard how poorly or advance research and how

1 incomplete it is. I join my friends from
2 Wyoming to Winona in saying that in fact we
3 both need a new improved DEIS as well as more
4 time to study it should a complete one be
5 undertaken and successfully completed.

6 My job here is to look at the
7 Powder River Basin expansion project in light
8 of agriculture. Chapter 3, I'm going to say,
9 talks about the approximate county percentage
10 of prime farmland acreage ranging from 30
11 percent for Winona to 88 in Redwood County,
12 but it doesn't talk about how much of this
13 prime farmland is going to be divided up and
14 made harder to work for rails and access
15 roads to improve the rail and much of that
16 prime acreage is going to burn as trains go
17 through shooting sparks with every mile they
18 make.

19 They don't talk about how many
20 individual farmers are going to be
21 inconvenienced by the doubtful benefit of
22 having 37, mile and a half, trains roll

1 through every day. They talk about 186 miles
2 of croplands, but not how they're going to
3 fight the fires or safeguard the kids or the
4 dogs on these farms.

5 In addition, of course, it's hard
6 to express the intrinsic value of all that
7 silence, of all that uninterrupted beauty. I
8 grew up in Wyoming and I know something about
9 the nature -- the beauty of nature
10 uninterrupted, unfettered by man. There's a
11 lot of uninterrupted beauty that they are
12 disturbing and it's damn hard to put a price
13 tag on it and it's impossible to mitigate.

14 I know that you have heard from
15 ranchers in Wyoming whose ranches are going
16 to ring from thunder and farmers in South
17 Dakota whose homesteads are going to become
18 unusable, certainly made unsafe for the farm
19 kids by the proposed expansion and upgrading
20 of rail track. The DEIS makes the claim that
21 without expansion of the DM&E into the coal
22 fields of Wyoming the farmers could

1 potentially lose their viable rail system to
2 get their grain to market. Two problems with
3 that. I believe the DM&E could use money
4 available through the Federal Railroad
5 Administration, the Railroad Rehabilitation
6 and Improvement Financing Program, and I have
7 a copy of that grant application, to improve
8 the rails, if that's their intent.

9 Secondly, the possibility exists
10 that grain would actually get squeezed out of
11 the picture if coal takes precedence. The
12 DM&E may or may not prioritize getting grain
13 to market over getting coal to the East. We
14 just don't know. We do know that on
15 November 7th the National Grain and Feed
16 Association announced that 418 of its member
17 rail user companies haven't signed a one year
18 extension of the agreement with rail carriers
19 to arbitrate specific types of rail disputes,
20 an agreement that has apparently served both
21 the rails and rail customers very well and
22 argues well for relationships between the

1 farmers and the Burlington Northern and Santa
2 Fe Railroad, as well as the Union Pacific.

3 I'm going to reserve my time to
4 tonight.

5 MR. HEFFENER: Good afternoon. My
6 name is John Heffener. I'm the Washington
7 attorney alluded to by the City of Owatonna.
8 Mark Walbran and Greg Sparks wanted me just
9 to emphasize a few short points. Two of which
10 were sort of touched upon, two of which
11 really were not touched upon. The four points
12 that I would make are, first of all,
13 mitigation costs. Owatonna, like other online
14 communities, needs the Board's help. If the
15 STB approves this transaction, Owatonna will
16 be faced with certain mitigation costs.
17 Arguably, we don't get any benefit from this
18 construction project, but we sure are going
19 to face significant mitigation costs. The
20 citizens of Owatonna are going to face
21 significant mitigation costs. The question
22 is, how will these costs be mitigated. Who

1 will be responsible for paying them? That's
2 item number one.

3 Item number two, as other
4 representatives of the City have pointed out,
5 the DEIS is very vague. It identifies issues,
6 but it doesn't really identify solutions. The
7 third and fourth points are what I want to
8 spend my time on.

9 The third point is the so-called
10 Community Partnership Agreement. The fourth
11 point is the STB's reliance on voluntary
12 agreements. With respect to the Community
13 Partnership Agreement, the City originally
14 supported an outer loop, the railroad
15 supported an inner loop. We eventually
16 arrived at sort of an understanding embraced
17 in a document called a Community Partnership
18 Agreement.

19 Now, under that agreement, and this
20 is the point that I want the Board to
21 understand, we have the right to back out at
22 any time. The railroad cannot back out

1 unless we back out. So, if for some reason
2 or another we were to have a change of heart,
3 we do have that ability and we also have the
4 ability to choose whichever is better, a
5 regulatory result from the Board, whatever
6 that result is, or the Agreement. So we can
7 go either way in terms of the benefits.

8 My final point deals with the STB's
9 over reliance on what I call voluntary
10 agreements. We certainly agree that a
11 voluntary agreement is far better than a
12 regulatory solution. But, in order for
13 parties to obtain a voluntary agreement, it's
14 a function of two things. One, how much
15 bargaining power you have, and, two, whether
16 or not there is a regulatory solution lurking
17 in the background. Let's face it, DM&E does
18 not have the same bargaining power as the
19 Union Pacific. The City of Owatonna, does
20 not have the same bargaining power as either
21 of those two railroads. But, if the Board is
22 willing to use its regulatory powers, then

1 there can be a voluntary solution. Thank
2 you. I appreciate the time.

3 MR. HUNTERMAN: My name is Alan
4 Hunterman and I live at 7 Skyline Drive. I'm
5 on the city council up in Skyline. I do want
6 to address our community for -- I do thank
7 the Surface Transportation Board for allowing
8 me to speak on this. Our honorable mayor was
9 up here earlier and expressed his concern,
10 but what I want to tell you, Skyline is --
11 belongs to the League of Small Cities. We
12 are a city in itself. We have 125 homes up
13 there. Just as of last night, when we first
14 found out that it looks like they're going to
15 possibly take some homes out of there -- and
16 I invite you to drive by that community and
17 look by there what it would do to that
18 community. It's strictly residential. if you
19 look on the west side of the Skyline slopes,
20 that is all trees. if they take that hillside
21 out, that's the only thing that's supporting
22 that ground. If they're taking the homes,

1 they're taking all that hillside out. that is
2 very -- that is soil that could erode very,
3 very easily.

4 There are, if you go by there,
5 there are some caves under there. so, that's
6 one address, something I really want to
7 address to you to take a look at that. I
8 cannot imagine the cost to the railroad, what
9 this will cost them. We live -- Skyline is
10 high. We're up in the air. I can hear the
11 trains real easy coming through Mankato.
12 Coming through down the LeHillier way. Now,
13 I can't imagine what it would be when we
14 would have them that close. Coming right to
15 the west of us.

16 The other -- and so the noise is
17 going to be absolutely much more. if they're
18 going to run -- now, we found out last night
19 that that train will only handle about a one
20 or two percent grade. Now, if you go down
21 there and look at this, there's more than one
22 or two percent grade trying to get out of

1 that valley. So I can't imagine the trestles
2 or how high they'll have to build that line
3 in there.

4 So, I -- it's got to be a
5 tremendous expense. Like it was stated
6 earlier, of all these crossings. I'm -- I'm
7 just going to tell you, I'm so against that,
8 that southern bypass. I would be for going
9 on Interstate 90. Thank you very much.

10 MR. KASAM: Good afternoon. My
11 name is Marty Kasam. I'm a Mankato township
12 supervisor. The first thing I want to start
13 out by saying is that I think it's really a
14 shame that this proposed expansion is pitting
15 the county residents against the city
16 residents. it seems like we're -- when it
17 gets right down to it, if the rail is going
18 to go through, we have to choose between
19 breaking up the county or breaking up the
20 city and I'm -- I'm really disappointed in
21 that and I hope you keep that in mind when
22 you make your decisions.

1 If we had to choose, we certainly
2 would be voting against the southern bypass.
3 The majority of the southern bypass does go
4 through Mankato Township. I think if you look
5 at the maps we have one of our residents up
6 here that runs a business, it's the Mount
7 Kato ski area. If you look at the maps, it
8 appears that it's just going through some
9 ground there that doesn't have a lot of
10 elevation to it, but if you drive out there
11 and look, you'll see that it will actually
12 take away their business.

13 Another -- we just had a meeting
14 last night, and we talked about different
15 things, and I'll just cover some things that
16 were brought up. Safety issues. It's always
17 a concern. We think that one death is too
18 many when we have kids out playing. young
19 people driving out on the roads. Because all
20 of the crossings in our township would be
21 just at-grade crossings. That is a lot of
22 train traffic through there.

1 A school bus route. The school --
2 one of the school bus businesses is in our
3 township and he said last night that his
4 buses in one day will cross the rail line 37
5 times. That's with loads of kids.

6 Emergency vehicles, we need to
7 address that. If -- we're served by rural
8 fire departments. If a fire department has to
9 wait because of an at-grade crossing for a
10 mile long train, a lot can happen, whether
11 it's a fire, or a heart attack, or any of
12 those things. So the railroad crossings are a
13 real concern of ours. of course, the noise,
14 vibration.

15 One of the other things, if you
16 look on the, on the map of this proposed
17 southern route, we, meaning the county, just
18 spent millions of dollars of doing an upgrade
19 along that valley. We just built a brand new
20 bike path. We just upgraded Indian Lake, a
21 conservation area, and this rail would wipe
22 out that entire bike path and part of our

1 conservation area on Indiana Lake.

2 Also, I believe that in the future
3 the southern bypass is going to be the outer
4 limits of the City of Mankato, and there
5 again, like it's been stated before, we would
6 end up with two rail corridors in Mankato. I
7 don't think we need that.

8 My last point is that we would like
9 to ask for a 180 day extension so that we
10 could do more research. I guess my real last
11 point is, is that we are, as a township,
12 being forced to hire attorneys to help us to
13 make good proposals to you and to state our
14 case maybe at the Washington, D.C. level. The
15 initial cost estimates that were given to us
16 the other night are \$30,000 to run this
17 through. That's about 20 percent of our whole
18 annual budget. We do need to buy gravel and
19 other things with that. So, just keep that
20 in mind, please. Thank you.

21 MR. MATHLOWITZ: Good afternoon.

22 I'm Brian Mathlowitz from Mathlowitz

1 Construction Company. We're located in
2 Leavenworth, Minnesota by Sleepy Eye. We are
3 a DM&E shipper. We ship Kaolin clay to Iowa.
4 We support this improvement project and we
5 support a cooperative spirit to address the
6 issues to allow it to move forward which we
7 believe should happen.

8 Rural Minnesota needs this railway.
9 We need a state of the art railroad.
10 Highway 14, which is our main life blood,
11 isn't really rescheduled for rebuilding from
12 Mankato west until after most of us are
13 passed away. Without this railroad, what
14 else have we got? Without improving this
15 railroad, it will -- without the improvement
16 project this railroad will deteriorate and
17 eventually go to abandonment, which it was
18 already scheduled for once before.

19 Missouri would love to sell clay to
20 Iowa. They're actively pursuing clay
21 interests to sell into Iowa. This is just
22 one example of the economic development that

1 Minnesota would lose by not having this
2 railroad be improved. Our business, of
3 course, would disappear.

4 We believe the increased speed of
5 the trains is an issue, but at the same time
6 I did lose a brother who hit this train at a
7 crossing that would be improved. As many
8 crossings would be improved. Whether you hit
9 a train at 40 miles an hour or 4 miles an
10 hour the result is the same. The crossings
11 that would be improved will save lives. The
12 amount of time that each train will be in a
13 crossing will be considerably less than it is
14 today. Three minutes compared to 10 minutes
15 with the slow motion trains versus the fast
16 trains.

17 So, I do speak with some, some
18 emotional attachment as losing a brother, and
19 we believe that safety can be improved, and I
20 look forward to that improvement. Our
21 property in rural Minnesota is declining and
22 will decline -- continue to decline without

1 this railroad. We built a million dollar
2 improvement on our shop last year which today
3 is only worth \$200,000 because the regional
4 centers are getting all the economic
5 activity. The Mankatos, the St. Clouds, the
6 Willmars, the Minneapolis. The economies are
7 booming. Rural Minnesota is being left
8 behind. We need to be connected. Since we
9 can't be connected with our highways, this is
10 another alternative to get connected to the
11 regional centers so rural Minnesota economies
12 can stay up and not get lost behind,
13 especially our farmers so they can move their
14 products, and clay, et cetera. There was a
15 time when every community welcomed the
16 railroad. That's what made communities.
17 Leavenworth, Minnesota was supposed to be the
18 county seat. It is now a population of 20.
19 The reason it didn't get anywhere is because
20 the railroad went on the other side of the
21 river much to everybody's chagrin.

22 So please find ways to work

1 together to move this project forward. Thank
2 you.

3 MR. BROCK: Good afternoon. My
4 name is Cameron Brock. I'm an engineer for
5 the Dakota, Minnesota and the Eastern
6 stationed in Waseca, Minnesota. This isn't
7 my -- I'm not playing dress up, I just got
8 off the switch engine a couple of hours ago
9 to attend this meeting. Don't tell the boss.

10 First of all, I'd like to say that
11 every business owner in Mankato and
12 Rochester, I'm moving you to the interstate.
13 You have to move. you have to pay for it
14 yourself. The railroad has -- I mean, that's
15 stupid. Right? The railroad has their
16 property. They've had it for 120 years. No,
17 it's ludicrous to say to move it. The whole
18 process would have to start over. Who pays
19 for the move? The railroad. The railroad is
20 not publicly funded. The railroad is
21 privately funded unlike the interstate
22 highways. The railroad pays for itself. pays

1 taxes to every place it goes through.

2 I have been an engineer for 23
3 years. Twenty in this area on this pike. I
4 have gone through Mankato for 20 years, and I
5 myself, I'm speaking only for myself, I don't
6 want to go around Mankato either. I have been
7 going through town. But the thing is, the
8 DM&E railroad track ends on one end of town,
9 starts on the other end of town, you're
10 controlled by UP who owns the track through
11 town. The UP, unless they play ball, we're
12 under their thumb and that's not -- that
13 doesn't -- that's not conducive to coal
14 trains who have to meet a schedule and be on
15 time.

16 Now, I understand the partnership
17 agreement would -- that was disbanded at the
18 City of Mankato trying to get the UP to the
19 table, which was not done, and, so, that's
20 why the DM&E had applied for a bypass just in
21 case that scenario didn't work. We do not
22 want to be under their control.

13 I want to see that trend reversed.
14 I say instead of fighting the railroad let's
15 get some more industry on the edge of the
16 town, a separate district for rail service,
17 and everybody can benefit from this
18 prosperity. Let's get a Daimler Chrysler
19 plant built up on the hill here, you know.
20 It's not out of the realm of possibility with
21 a first class railroad. You can do these
22 things. That's how it's done. Thank you.

1 MS. BLASING: May I have some
2 question to ask or a point to make --

3 MR. GARDINER: Let me finish with
4 the people.

5 MS. BLASING: Ah --

6 MR. GARDINER: Ma'am, let me finish
7 with the people who haven't spoken yet.

8 MS. BLASING: The length of these
9 trains --

10 MR. GARDINER: Ma'am, I would like
11 to finish with the people who haven't spoken
12 yet.

13 MS. BLASING: Okay. I'm sorry.

14 MR. GARDINER: Go ahead.

15 MR. BERG: I have a real short
16 comment. I'm Jim Berg. I'm a county
17 commissioner. We have a real safety concern
18 with the Shag Road area of Cottonwood
19 Township east of New Ulm. It's been
20 mentioned before by Mr. Scheman. We'd ask the
21 Surface Transportation Board to take a real
22 serious look at this staging area. We think

1 it's unsafe for the residents. It is a
2 residential area. there's only one -- there
3 will be only one outlet to that area and then
4 with the slowing trains we'd like to have
5 them to take a real serious look at that.
6 We're afraid that there is a real safety
7 problem involved in that. That's the only
8 comment I have. this issue will be addressed
9 further more tonight. So, thank you.

10 MR. BOWIE: Rich Bowie, Owatonna,
11 Minnesota. I am scheduled this evening, but
12 I did have a discussion with someone that
13 spoke earlier in the foyer area and this
14 gentleman was the head of the Grain Growers
15 Association here in Minnesota. I can't
16 believe how uninformed he is as to this
17 issue.

18 He wasn't cognizant of the fact
19 that should Kevin Scheiffer make it out to
20 the Wyoming coal fields that grain could
21 become a secondary commodity for him.
22 There's so much information on this issue,

1 and people have been held hostage with half
2 truths and lies through this whole
3 proposition that even someone with a position
4 such as his, a representative of Minnesota
5 Grain Growers misinforming people at this
6 podium. If Kevin Scheiffer gets that coal,
7 that grain is going to become secondary.
8 Once that grain is secondary, our highways
9 are going to be -- they're talking about 40
10 truck loads of grain equals one car load.
11 Well, if -- we're going to have 40 truck
12 loads for every grain car that we can no
13 longer haul from western Minnesota. That's a
14 fact. I think you know that, too. But there
15 are so much misinformation. We haven't been
16 informed. We've been held hostage by
17 information, misinformation by Kevin
18 Scheiffer for the longest time. Left out on
19 our own to negotiate with him, and quite
20 frankly his larcenous ways. Thank you.
21 MS. BLASING: May I make an
22 additional comment here?

1 MR. GARDINER: Just let me make
2 sure that there aren't other folks who
3 haven't --

4 MS. BLASING: First of all, --

5 MR. GARDINER: Ma'am.

6 MS. BLASING: -- the railroad is
7 going down to Winona and these cars are going
8 to go north on a Canadian owned line.

9 MR. GARDINER: Ma'am, would you
10 like me to conclude the meeting?

11 MS. BLASING: There are plants
12 going up in Michigan. There are plants where
13 this coal is going to go that have never been
14 updated, they've been grandfathered in. There
15 are many things that we are not told. I've
16 watched two summers the DM&E -- the DM&E did
17 not clean the vegetation around the crossings
18 near Janesville and Smiths Mill, and those
19 are things that if they are going to put a
20 railroad in and expand that they should have
21 been doing.

22 MR. BROCK: They didn't have the

1 money then. They don't have the money until
2 the coal line goes through.

3 MR. GARDINER: We're going to
4 conclude the meeting. Thank you very much.
5 We appreciate all of your thoughtful
6 comments. Please provide your comments in
7 writing. Thanks.

8 (Whereupon, at 4:11 p.m., an
9 afternoon recess was taken.)

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1 night, first, the team would like to describe
2 to you the roles of the different federal
3 agencies that are involved in the
4 environmental review of the proposed
5 expansion. We're going to provide a short
6 overview of the project, and an overview of
7 the results of the preliminary environmental
8 impact analysis. most importantly, we want to
9 hear from you, hear your comments on that
10 Draft Environmental Impact Statement.

11 So, the agenda we're working
12 through -- I'm going to do some team
13 introductions in a moment. I'm going to
14 cover some meeting ground rules. The team is
15 going to talk about the role of the Surface
16 Transportation Board. That's the lead
17 federal agency reviewing the environmental
18 impacts of the proposed project. Also, the
19 roles of the cooperating agencies, the other
20 federal agencies that are cooperating with
21 the Surface Transportation Board. the team
22 will also give you an overview of the

1 project, the environmental impact analysis
2 results. then, we'll get to the public
3 comments.

4 Just quickly, let me introduce the
5 folks who are up here. Vicki Rutson is here.
6 She is with the Surface Transportation Board.
7 She is the project manager of the
8 environmental impact review. Steve Thornhill
9 is here from Burns & McDonnell. He is the
10 project manager of the consulting team that
11 has been working under the direction of the
12 Surface Transportation Board to prepare the
13 Draft Environmental Impact Statement. Tim
14 Fell is here from the U.S. Army Corps of
15 Engineers. He's going to describe a little
16 bit what their role is, particularly related
17 to impacts of waterways and wetlands. I'm
18 Charles Gardiner, the facilitator for this
19 evening.

20 Let me -- before I do the ground
21 rules, let me cover a couple of things that
22 you have in your hands. The first is, it

1 looks like this, a gray sheet on the cover.
2 That's the agenda. It also has the guidelines
3 for providing comments. I'm going to go
4 through some of those in a moment. But also
5 the ground rules. It also describes about
6 providing written comments. On the back of
7 it are the addresses where you can provide
8 written comments on the Draft Environmental
9 Impact Statement, as well as on some other
10 components of related -- that we're going to
11 talk about in a moment.

12 We also have a white sheet that
13 looks like this. If you don't have any of
14 these things, they're at the front table.
15 You can pick them up during the meeting or
16 afterwards. But the white sheet here is --
17 some of you may feel more comfortable or
18 prefer to provide written comments tonight.
19 This is a tool you can use to do that, jot
20 some comments on that and leave it with us at
21 the front desk. You may have come to the
22 second -- I don't know -- to the second --

1 there's also a short sheet like this. That
2 has a couple of key contact information on
3 it. First is the Surface Transportation
4 Board's website. So, if you're online, you
5 can go there and actually view the
6 environmental document. So that's one way to
7 view it. Also on here is the Environmental
8 Hotline number here for the project. That is
9 not a place to provide comments, but it is a
10 place where you can ask questions if you want
11 to know where the nearest library is. Can't
12 remember what the comment deadline is, and so
13 forth. You can call the Hotline and we'll
14 get back to you as soon as we can.

15 Lastly, we have a comment card that
16 looks about like this. That's really for you
17 to ask questions about the process, the
18 procedural questions. We're going to try to
19 cover everything in the presentation about
20 the process, the comment deadline, and all
21 those sort of things, but you might have
22 something that occurs to you that we didn't

1 cover, just fill these out, get it to someone
2 working the back table and during the meeting
3 and if you have a question we'll try to
4 answer it for everybody.

5 We're not intending tonight to
6 answer questions about the Draft EIS. We
7 would prefer that you reshape those comments
8 on the Draft EIS. So if you have a -- if
9 something wasn't clear to you, it wasn't
10 understandable, tell us that. Tell us that
11 the document needs to be clearer or about "X"
12 or "Y." The team is going to describe in a
13 moment how we will be responding to comments
14 that we receive either orally tonight or in
15 writing. We'll describe that in a minute.
16 Let me -- and then I'll cover the ground
17 rules.

18 First, all these microphones are
19 on, so it's important that one person speak
20 at a time. Particularly in the back, the
21 tendency is to, you know, get a little side
22 conversation, it's quite distracting. Also,

1 we found that even out in the hallway it
2 tends to be fairly noisy, particularly for
3 the people in the back, so if you're going to
4 talk, go further away from the doorway
5 outside.

6 We do have a court reporter who is
7 recording comments provided at the microphone
8 and it is distracting if other people are
9 commenting. We want to be sure that she
10 captures things accurately. We have
11 established some time limits for your
12 comments. We've done that to be sure that we
13 give everybody a fair opportunity. We have a
14 lot of people signed up. We want to be sure
15 that the people who are late on the list get
16 an equal opportunity to provide their
17 comments. We have set a time limit of three
18 minutes. To give you some guidance on that,
19 three minutes is about a page and a half of
20 even double spaced text. So, if you come with
21 a statement that's longer than that, you
22 probably won't get through it. It's not

1 helpful to the court reporter to read faster.
2 I encourage you, if your statement is longer,
3 to make some notes now in the margin, what
4 your key points are, and then do please
5 provide us with that written statement
6 either -- well, as you leave there's a basket
7 out front -- we'll make sure that it all gets
8 into the record. So, if you have something
9 written, don't feel obligated you have to get
10 through it all. Please do just give us the
11 highlights.

12 Lastly, respect each other's
13 opinions. There are diverse opinions about
14 the project. Support and opposition about
15 different components, about the whole
16 project. The team is here to hear all of
17 those opinions. it's important that we
18 respect those opinions as we go. You can
19 express your support. I will stay to the time
20 limit, so expressing support during someone's
21 presentation might take up their time. If you
22 have rebuttal statements, if you have

1 statements of opposition to another speaker,
2 I'll encourage you to keep those to yourself.
3 Please keep the comments directed up to the
4 front. Constructive comments on the
5 environmental impacts.

6 So, those are the ground rules.
7 now, what I would like to do is to get
8 everybody to nod we're going to live by those
9 ground rules. Those are the ground rules that
10 I'm going to be working with. So, that's how
11 we'll proceed.

12 So, with that, let me introduce
13 Vicki, who will give you a little bit of
14 overview of the project.

15 MS. RUTSON: Thank you, Charles.
16 Everyone can hear me?

17 SPEAKER: Yes.

18 MS. RUTSON: Again, I'm Vicki
19 Rutson. I'm an attorney with the Board's
20 Section of Environmental Analysis. I welcome
21 you all this evening. I'm pleased to see
22 such a good turnout and I'm anxious to hear

1 your comments tonight on the Draft
2 Environmental Impact Statement. I'd like to
3 first tell about the Surface Transportation
4 Board.

5 The Board is a federal agency that
6 is located in Washington, D.C. The Board
7 itself is comprised of three members. A
8 Chairman, Linda Morgan, a vice-chairman, and
9 a Board member. Congress has given the Board
10 the responsibility of licensing certain
11 railroad actions. Those include railroad
12 mergers, railroad abandonments, and the kind
13 of transaction that DM&E has proposed, a rail
14 line construction.

15 In February of 1998, DM&E submitted
16 an application to the Surface Transportation
17 Board seeking the Board's approval for DM&E
18 to construct a 262 mile rail line from the
19 end of its existing system in South Dakota
20 into Wyoming's Powder River Basin.

21 This application started two
22 processes at the Board. The first process is

1 something called the Transportation Merits
2 Review. That review requires the Board to ask
3 three questions. First, is the applicant
4 financially fit. Second, is what the
5 applicant proposing, is that in the public
6 interest. third, is there a public need for
7 the applicant's proposal.

8 On December 10th of 1998, the Board
9 issued a decision on the transportation
10 merits of DM&E's proposal. Based on the
11 information that was before the Board back in
12 December of 1998, it found that DM&E had met
13 the transportation merits criteria. That
14 three part test. But, and this is very
15 important, the Board observed that all the
16 information wasn't before it. that's because
17 the Environmental Review Process, the second
18 process at the Board, had only just begun.

19 The Environmental Review Process is
20 a complex one that has several steps. About
21 three years ago we started with scoping
22 meetings, in which we asked your opinion

1 about what kinds of issues should we be
2 looking at in the Draft Environmental Impact
3 Statement. We then worked quite hard in
4 developing the statement itself. We issued
5 the Draft Environmental Impact Statement on
6 September 27th of 2000. we provided a 90 day
7 comment period. We understood that the
8 document is long, and the document is
9 complicated. That's why we provided twice the
10 normal length of time for reviewing EISes.

11 What happens next? We are here to
12 listen to your comments on the Draft EIS.
13 When the comment period closes in January
14 of 2001, we'll take all those comments,
15 respond and review them, we'll issue a Final
16 Environmental Impact Statement. If
17 necessary, we will do additional analysis in
18 that statement. When we're finished with the
19 Final Environmental Impact Statement, we will
20 issue that document and that will be the
21 close of the Environmental Review Process. At
22 that point, the decision-maker, the Board,

1 will have all the information in front of it
2 to make a final decision on DM&E's proposal.

3 At that point, the Board will need
4 to make one of three choices, either approve
5 DM&E's proposal, as it was originally
6 submitted, approve DM&E's proposal, but only
7 if certain mitigation measures are
8 implemented first, or, three, deny DM&E's
9 proposal. Those are the three choices, and
10 the Board will issue a final decision, making
11 one of those three choices.

12 Now, back to the Draft
13 Environmental Impact Statement. The Board is
14 the lead agency in issuing the Draft. But,
15 because there are other federal agencies who
16 must also issue licenses, we have had five
17 cooperating agencies help us in issuing the
18 Draft. Those five agencies are the Forest
19 Service, the Bureau of Land Management, the
20 Army Corps of Engineers, the Bureau of
21 Reclamation, and the Coast Guard. We have a
22 representative of the U. S. Army Corps of

1 Engineers with us this evening, Tim Fell, and
2 Tim will be discussing the Corps' role in
3 this process.

4 There's another agency, the U.S.
5 Environmental Protection Agency that also has
6 a role here. We have two representatives of
7 EPA with us this evening, Mazin Enwiya and
8 Jim Berkley. EPA is responsible for rating
9 the Draft Environmental Impact Statement and
10 also rating the Army 404 permit application.

11 With that, I'd like to turn the
12 microphone over to Tim Fell. Thank you again
13 for coming this evening, and I look forward
14 to hearing your comments.

15 MR. FELL: Thank you, Vicki. As
16 Vicki said, my name is Tim Fell. I work with
17 the St. Paul District, Army Corps of
18 Engineers. I work in the St. Paul office.
19 Our office is responsible for reviewing the
20 project and its impacts within the State of
21 Minnesota. The Omaha District of the Corps of
22 Engineers will be reviewing the project

1 impacts as they would occur in the state of
2 South Dakota and Wyoming.

3 The Corps, when we review a
4 project, we review it under two laws. One is
5 Section 404 of the Clean Water Act, and the
6 other is Section 10 of the Rivers and Harbors
7 Act, which involves work in navigable waters.
8 The Corps reviews and issues permits when
9 there is a discharge of dredged or fill
10 material into waters of the U.S. That
11 includes waters like lakes and rivers and
12 ponds and wetlands.

13 When the Corps is doing a review,
14 it needs to determine whether the proposal is
15 in the public interest, or not contrary to
16 the public interest, and whether the plans
17 that we're reviewing do they represent the
18 least environmentally damaging alternative.
19 During this public interest review, there's
20 many factors that are considered, and some of
21 these include wetlands, wildlife habitat,
22 economics, water quality, safety, cultural

1 resources and flood plain values.

2 Information that's gathered during
3 our public interest review, the public notice
4 that we send out, the Draft Environmental
5 Impact Statement, the Final Environmental
6 Impact Statement, and certainly comments that
7 we get during public hearings like this, all
8 of that information is going to be factored
9 in and considered before the Corps makes a
10 determination on whether to issue a permit
11 for DM&E's proposal.

12 So, with that, I'd like to turn it
13 over to Steve Thornhill of Burns & McDonnell.
14 Thank you.

15 MR. THORNHILL: Thank you, Tim.
16 Welcome everyone. For those that are
17 standing in the back, if you're interested,
18 there's lots of chairs I know on this side of
19 the room and there's a few more kind of
20 toward the middle and up front. What I'm
21 going to do is I'm going to take a few
22 minutes and kind of warm up the court

1 reporter and talk about, just real briefly,
2 kind of hit some of the highlights about
3 what's in the DEIS and what it's intended to
4 do and present.

5 The first thing that the Draft
6 Environmental Impact Statement does is it
7 presents the existing conditions within the
8 project area. What it does in presenting that
9 is it attempts to kind of paint a picture, if
10 you will, of what the environmental and
11 natural resources that are present in the
12 area are to give people an idea of what's out
13 there, and what's important, and valuable in
14 the area.

15 The second thing that it does is
16 that it looks at the alternatives to meet the
17 proposed project's purpose and need. One of
18 those alternatives, as required under the
19 National Environmental Policy Act, is the no
20 action alternative. That alternative was
21 evaluated in this DEIS. What is then done is
22 the alternatives to the project are evaluated

1 as to what their potential impacts would be
2 on the existing environmental resources found
3 within the project area. As Vicki mentioned,
4 the Draft EIS was released on September 27th
5 of 2000. There's a 90 day comment period,
6 which will conclude on January the 5th.

7 Just to real briefly highlight the
8 purpose of the project. The purpose of the
9 project really is twofold. One purpose is by
10 accessing the coal mines in Wyoming to
11 provide DM&E the financial base which it
12 would need to rebuild its existing rail line,
13 thereby continuing to provide service to its
14 shippers and increase its efficiency and
15 safety. The second purpose would be to -- by
16 providing that additional access to the
17 Powder River Basin coal mines to facilitate
18 additional competitive access to the region's
19 coal resources and transport those throughout
20 the country.

21 The alternatives that were
22 evaluated to meet that purpose were

1 Alternative A, the no action alternative,
2 Alternative B, which involved new rail
3 construction along generally the Cheyenne
4 River Valley in southwestern South Dakota and
5 into Wyoming. Alternative C, which was a
6 modification of Alternative B which removed
7 the alignment from the Cheyenne River to
8 avoid sensitive areas there. Alternative D,
9 which involved reconstruction of additional
10 sections of DM&E's existing line combined
11 with new construction of rail line parallel
12 to other existing rail corridors in the
13 region to facilitate access to the mines.

14 Just to real briefly highlight some
15 of the things that were found during the
16 analysis, or some of the components looked at
17 in the DEIS. For the State of Minnesota, the
18 project would involve proposed reconstruction
19 of DM&E's existing line across the state.
20 There were potential constructions evaluated
21 for the communities of Mankato, Owatonna and
22 Rochester. There were three new rail yards

1 proposed for potential construction that were
2 evaluated.

3 Some of the unique characteristics
4 that were identified in the State of
5 Minnesota, and there are more than these, but
6 this is just kind of a snapshot, included the
7 many communities found throughout the project
8 area, including those along both the existing
9 line and in the areas of new construction.
10 The many farms and farmers, again, along the
11 existing rail line and in areas of new
12 construction. The Mayo Clinic. Sensitive
13 riparian areas and wetlands throughout the
14 area. The flood control projects located in
15 the communities of Mankato and Rochester.

16 In South Dakota, the proposed
17 project would involve potential new rail line
18 construction to access the coal mines. There
19 would be two new rail yards constructed. The
20 existing rail line was proposed for
21 reconstruction. Alternatives were evaluated
22 for new rail construction in the -- excuse

1 me, in the Spring Creek area, the Hay Canyon
2 area, both in southwestern South Dakota, and
3 also around the community of Brookings.

4 Some of the unique characteristics
5 and concerns in the area included potential
6 impacts to Buffalo Gap National Grassland in
7 western South Dakota, many tribal issues and
8 concerns, ranchers and farmers located along
9 the line and throughout the state, including
10 along the existing line and in the new
11 construction areas, sensitive riparian areas,
12 particularly those along the Cheyenne River,
13 impacts to the Angostura Irrigation Project,
14 many communities along the line, both the
15 existing line and the proposed alternatives
16 for new construction. the potential impacts
17 associated with either rehabilitation of
18 DM&E's existing bridge at Pierre, over the
19 Missouri River, or the construction of a new
20 bridge at that location.

21 In Wyoming, the proposed project
22 would involve potential new construction of

1 rail line to access the coal mines. There
2 would be one new rail yard constructed as
3 part of the project. There were alternatives
4 evaluated to access the Black Thunder Mine
5 and the North Antelope Mine.

6 The unique characteristics
7 identified included impacts to Thunder Basin
8 National Grassland and the many ranches and
9 ranchers throughout the area.

10 Now, in conducting the analysis it
11 was determined that the project would have
12 significant impacts to a variety of
13 environmental resources. Not all of the
14 project components would have significant
15 impact on all of these resources. However,
16 due to one or more projects, all of these
17 resources would in some fashion be
18 significantly impacted. These resources
19 included safety, and that pertains primarily
20 to rail highway at-grade crossing safety,
21 geology and soils, water resources, wetlands,
22 paleontological or fossil resources, cultural

1 resources, including both archeological and
2 historic, threatened and endangered species,
3 land use, noise, air quality, environmental
4 justice, esthetics, socioeconomics and
5 cumulative impacts.

6 One of the final things that the
7 Draft Environmental Impact Statement did was
8 discuss potential mitigation measures that
9 could be imposed should the project receive
10 approval that could minimize the impacts that
11 the project would have. These mitigation
12 measures generally were fairly general in
13 nature so that they could be applicable to
14 any of the alternatives that could be
15 selected should the project receive favorable
16 approval. So, in many cases these mitigation
17 measures could be considered best management
18 practices. Things like the use of silt
19 fences or straw bales to control erosion.

20 Additionally, there are a number of
21 mitigation measures that require DM&E to
22 coordinate with state, local and federal

1 agencies throughout the project area to
2 develop ways and means and measures to
3 address their concerns or issues that they
4 had with the project, and thereby minimize
5 their concerns with the project's impacts and
6 effects.

7 In doing all this, though, the
8 Board did recognize that a number of the
9 environmental impacts would be difficult to
10 effectively mitigate. So because of that, an
11 important part of this process is the request
12 by the Board for comments at this time on
13 what mitigation measures, specific mitigation
14 measures the people most affected by the
15 project, the agencies, and other concerned
16 parties, feel would be appropriate to
17 effectively mitigate the impacts of the
18 project.

19 Finally, there were measures
20 outlined in the mitigation concerning the use
21 of negotiated agreements. These would be
22 agreements between groups, or agencies, with

1 DM&E that would be mutually agreeable between
2 the two parties to mitigate impacts of the
3 project and would be satisfactory to both
4 parties as adequate or effective means to
5 mitigate those impacts.

6 Part of that process involved the
7 procedure whereby the communities, or the
8 interested groups, or parties, need to go
9 about submitting those agreements to the STB.
10 As part of that submittal, those agreements
11 can then be considered by the Board and
12 imposed as mitigation should the Board serve
13 to approve the project.

14 So with that, I thank you for your
15 attendance, and thank you for your comments.
16 Charles.

17 MR. GARDINER: Okay. A couple of
18 other additional items. Just to review
19 again. Oral comments, tonight, at this
20 meeting, written comments on the comment
21 sheets that you have, or a written statement
22 that you brought with you, or written

1 comments by mail. They will all be treated by
2 the team equally. the team will be reviewing
3 all of them and responding to the substantive
4 comments on the documents in the Final EIS.
5 The Final EIS and the comments and the
6 responses to comments all goes before the
7 Board for their consideration in their final
8 decision.

9 The major components, most of which
10 you just heard about, but just to touch on
11 those again, the Draft EIS itself, that
12 includes a couple of other things, the
13 Programmatic Agreement, which deals with
14 Native American issues, the Biological
15 Assessment deals with some of the threatened
16 and endangered species issues. So those are
17 some components of that that you may want to
18 comment on.

19 As Tim talked about, the
20 Section 404 permit applications that relate
21 to wetlands and waterways, those are also an
22 element for comment tonight. Last, is the

1 proposed Forest Plan Amendments that relate
2 to the Forest Service's review of the
3 potential impacts of the project.

4 So here's how we're going to
5 proceed. I'm going to take comments from any
6 federal or state elected officials who are
7 here. I'll take those comments first. then
8 we have a list of pre-registered speakers.
9 We'll take those in the order that people
10 registered. then, some of you may have signed
11 up when you came in tonight, if you were
12 interested in speaking, we'll take those
13 names next. Then, to the extent we have time
14 available for people who have spoken at a
15 previous meeting we'll take comments from
16 them.

17 Again, the ground rules, in case
18 you missed those when we opened up, we've set
19 a time limit of three minutes. That's about
20 a page and a half at the most of written
21 statement. So you should be short and to the
22 point. If you could provide your name and any

1 group or organization you're representing,
2 the court reporter can capture that right at
3 the beginning.

4 Again, summary points are useful.
5 Be concise. Please do leave us with your
6 statement so we can capture all of your
7 points in the record. Just one other thought.
8 Let's launch in. So as I understand it, is
9 Jim Vickerman here? Great. Okay. I think
10 you're the only elected official here, so
11 we'll start with you and then we'll get to
12 the rest of our list.

13 MR. VICKERMAN: I'm State Senator
14 Jim Vickerman representing southwestern
15 Minnesota. I'm here to put my support to the
16 DM&E's application for the approval to
17 upgrade its rail line. The railroad is a
18 vital transportation link for Minnesota
19 farmers, reduces truck traffic on our county
20 roads, lowers the cost of transporting
21 production, more money in farmers' pockets,
22 strengthens rural economic development.

1 The DM&E provides a means for
2 getting crops to market. Today it provides a
3 route to the Mississippi River. Once
4 extended it will provide a route to the
5 Pacific Northwest. Rail shipping saves the
6 farmers 8 to 10 cents a bushel over trucks.

7 Railroads like the DM&E take truck
8 traffic off our roads. Each hopper carries
9 three to four truck loads of commodities to
10 and from markets. The loss of a railroad
11 alternative would mean thousands of
12 additional trucks on county roads, especially
13 U.S. Highway 14, which is a two lane road.
14 The railroad carries major amounts of ag
15 input to farmers and other commodities to
16 market.

17 Additional rail activity will mean
18 additional jobs for rural Minnesota. I
19 represent Tracy, Minnesota, born and raised
20 by Tracy, and grew up in an area that's
21 caused the annual Boxcar Days celebration.
22 We had the big hub in a railroad town. We had

1 seven restaurants, two major hotels, all that
2 went by the wayside and now we're down to the
3 DM&E. Thank the DM&E for at least coming in
4 and helping put a line together. What I did
5 watch over those years is the railroad -- the
6 rails disappear. Torn down. So now we've got
7 to start back and put that track all back
8 together.

9 Our community, Tracy, has signed a
10 Community Agreement with the DM&E to improve
11 safety while increasing the number of trains
12 through town. The Tracy citizens are eager
13 to get this project going. On behalf of the
14 citizens of western Minnesota, I encourage
15 early approval of the DM&E application. We
16 need this line. We must not let it die. We do
17 not want to be destroyed by people who don't
18 use it, and I don't appreciate -- and don't
19 appreciate the importance to us. This is a
20 major, major lift for rural Minnesota.
21 Restricting ag in my district and we need to
22 move our markets. Our products to our

1 markets. Thank you very much for allowing me
2 to testify.

3 MR. GARDINER: Thank you. Let me
4 just check. Are there any other state or
5 elected officials who have come? Okay. I'm
6 going to give the first three people that --
7 so if you can get ready to go. Ron Goodrich.
8 Are you here? Okay. Ryan Austad? You're
9 here. Okay. H. Smith. Okay. Great. I'll
10 give you about a 30 second warning when
11 you're, when you're coming in to close.

12 MR. GOODRICH: Good evening. My
13 name is Ron Goodrich. I live in North Mankato
14 and own two businesses, GCS Properties and
15 Goodrich Construction. They are located
16 at 1700 Third Avenue and adjacent to the
17 railroad right-of-way at that intersection.
18 Our all masonry building is approximately 50
19 feet from the existing tracks. We already
20 experience appreciable noise and vibration
21 with the current railroad activity.

22 With the proposed overpass at this

1 crossing, most of our access and visibility
2 will be eliminated. Additionally, I feel the
3 market value will be greatly diminished. I
4 purchased the property with an existing spur
5 line. Since it's been out of use for a number
6 of years its condition is questionable.
7 However, it is viewed as an asset with the
8 possibility of it being used by a future
9 tenant or myself. I recently turned down an
10 opportunity to do a passenger car restoration
11 project because of the questionable status of
12 the spur line.

13 I have great concern about the
14 future of the property and what opportunities
15 there will be to negotiate for compensation
16 in the event the M-3 alternative with the
17 overpass is chosen and how will I identify
18 appropriate mitigation as you have asked.

19 The DM&E expansion project is one
20 that has been analyzed, reanalyzed, and
21 agonized over by communities all along the
22 route for over two years. In the early stages

1 of this process, Mr. Scheiffer persuaded
2 communities all along the route, including
3 ours, to enter into a Community Partnership
4 Agreement. After considerable analysis, our
5 Partnership Agreement was found to be grossly
6 deficient in defining the true mitigation
7 issues with the through city route. Very few
8 concrete proposals were made to mitigate
9 noise and vibration. no consideration at all
10 was given to the flood wall issue.

11 To their credit the Mankato City
12 Council withdrew from the Agreement that they
13 felt inadequately addressed our concerns with
14 the through city route. However, as long as
15 the M-3 alternative is under consideration,
16 we will continue to search for answers to the
17 vast number of questions we have. We
18 sincerely hope our concerns will be
19 specifically addressed in the EIS process.

20 Some of the general questions I
21 have are: Was an alignment with existing
22 interstate general highways ever considered?

1 Secondly, with the two major railroads
2 already serving this coal market, how did the
3 STB justify the need for this project
4 initially? Number three, what is the
5 likelihood the necessary regulatory changes
6 will occur to allow a true whistle-free
7 status? Number four, will the DM&E be
8 limited to 100 million tons of coal annually
9 in the final approval process? Number five,
10 what is the mechanism for those suffering
11 lost quality of life or property value to be
12 compensated? Number six, will state or
13 federal money be used to cover all or part of
14 the mitigation costs, and, if so, why should
15 the taxpayers subsidize this private
16 enterprise? Thank you very much for your
17 time.

18 MR. AUSTAD: My name is Ryan
19 Austad, college student here in Mankato. I
20 know, at least for one, following an election
21 year, I know the role that money plays in
22 government nowadays and of our elected

1 officials. I for one am very concerned about
2 the DM&E coal train coming through Mankato,
3 simply because I used to be a resident.

4 SPEAKER: Can't hear you.

5 MR. AUSTAD: I'm sorry, I'll speak
6 up. I used to be a resident down in the
7 Sibley Park area. I'm not quite sure how many
8 trains went through at the time, but I know
9 that it was enough to, you know, be a danger
10 to the children that were there at the time.
11 You know, me being one of them. You know,
12 hopping on the train, jumping off as it went
13 by.

14 I guess what I'm concerned at, now,
15 is, I guess I'm probably going to sound like
16 an idealist, but I'm concerned that I have
17 to -- to try to sway government officials to
18 do something that, to me, would be an offend
19 to American citizens, something -- because I
20 think if you took a majority of the, you
21 know, a poll of the majority of the people in
22 Mankato, they don't want it to go through. I

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1 think that's what is most important here.

2 You know, I think I want my
3 government to be a watchdog for me and for my
4 fellow citizens and not for big business. I
5 mean, I may be a naive person in the whole
6 role of it, but I don't see the Surface and
7 Transportation Board protecting me and my
8 family and the fellow residents in my area,
9 watching out for us. I see it more as a -- as
10 a safeguard for DM&E. That's what concerns
11 me most is that I have to be here to even try
12 to convince you government officials that we
13 don't want it. Number one. I mean, that's
14 your role, is what I understand it, is that
15 you're supposed to be there for us, not for
16 DM&E and any other large corporation. This
17 is going to cause a big disruption.

18 I read in the Environmental Impact
19 Statement something about a black -- or a
20 black footed ferret, and I mean that's all
21 well and fine, but there are a lot of people
22 that live along this rail line. A lot of

1 people live right on the side of this thing
2 and they're going to be taken advantage of.
3 I went around the community and found out
4 that DM&E is offering these people piddly
5 amounts of money for what their land is
6 actually worth. Now, there's a man that --
7 he wants to settle down there. That's where
8 he wants to live for the rest of his life.
9 He's happy with it. But the DM&E is going to
10 offer him money -- I don't know what it's
11 called -- eminent domain and they want him
12 out so they can construct the new lines and
13 he doesn't want to move. He doesn't
14 understand that he can't. I guess nowadays
15 it's -- you can't do that no more. I'm
16 very -- I'm just very concerned that I'm not
17 being watched out for by my government
18 officials. I guess if I can just reiterate
19 that. That it just seems that like you guys
20 are more concerned for the private interests
21 instead of the public. I'll pass. Thank you.

22 DR. SMITH: I'm Dr. Roger Smith. I

1 represent Mankato State, or Minnesota State
2 University and I am trained as a geologist.

3 SPEAKER: Can't hear you.

4 DR. SMITH: Okay. Here we go.
5 Where is this thing. I'm trained in landscape
6 architecture, urban design, and urban
7 planning.

8 SPEAKER: We can't hear you.

9 DR. SMITH: Well, turn the mike up.

10 MR. GARDINER: Okay.

11 DR. SMITH: The area that I'm
12 focusing on is the flood wall. There are
13 several areas that are concerned about flood
14 control. But the section that I'm going to
15 use is the flood section known as H-H, which
16 is at the depot. This section of the flood
17 wall is built on an unconsolidated fill from
18 some 70 feet above the bedrock. This fill
19 material that supports the wall on the
20 inside, or the city side of the wall, is
21 mostly excavated soil, rock, and debris, and
22 construction or demolition detritus that was

1 excavated from buildings and basements from
2 the turn of the century of construction in
3 Mankato. No dynamics, seismic, and the
4 infield dynamic soil testing has been
5 conducted, so there is no real data to
6 determine the soil's true physical
7 characteristics.

8 Sands and sandy soils such as are
9 shown on this diagram under the stress of
10 hypersaturation during flood would undergo
11 pressures in excess of 2,000 pounds per
12 square foot at the base. These pressures, in
13 concert with the harmonic vibration of 9,000
14 plus feet of railroad cars numbering upwards
15 to over 150 individual loads with 30 tons of
16 coal per unit pulled by as many as five 40
17 ton locomotives traveling at 35 to 45 miles
18 per hour every 45 minutes, day and night,
19 could create the scene for a disaster.

20 The combination of hydrostatic
21 pressure and vibration could result in a
22 condition known as liquefaction of soil

1 materials. Under normal circumstances, these
2 materials would remain consolidated, but with
3 the added DM&E railroad vibrations a series
4 of mini seismic events could occur deep
5 underground. The water pressure and the
6 vibration could result in the individual
7 particles of sand and clay to lose their
8 cohesive structural character and become not
9 unlike a slurry of mud could result in what's
10 commonly referred to by the Corps of
11 Engineers as a blowout.

12 Such a blowout would weaken the
13 subsoil and undermine the sheet pilings
14 resulting in a loss of structural integrity
15 in the flood wall itself. This would occur
16 as the result of subsoil support and forced
17 outward and upward along a zone of
18 discontinuity. The explosive burst of water
19 surging through the void it created would
20 quickly flood much of lower or downtown
21 Mankato. The extent of such flooding would
22 be a function of the depth of the water.

1 Another possible effect could be flooding
2 created by the tipping of the walls inward.
3 Yet another one could be the -- you blew my
4 continuity. But the key ingredient here is
5 that serious testing of the walls and the
6 subsoils and its supporting structure and its
7 associated land use adjacent to the wall must
8 be accompanied before -- or accomplished
9 before any further consideration is given to
10 Alternative M-3.

11 MR. SYVERSON: Would you please put
12 that transparency with the green border up?
13 I would like the people at the table to see
14 that, please.

15 I want to state that the old
16 pattern of taking freight train and
17 automobile traffic directly through populated
18 areas is really no longer the norm in the
19 world. The impacts of noise, pollution,
20 dirt, and traffic congestion dictates that
21 bypassing by any means whatsoever is the
22 modern day approach and the one that makes

1 the most sense.

2 In Mankato, we have gone to a lot
3 of difficulty to bypass the city on the north
4 and the south already relative to highways.
5 In most modern cities where I have traveled,
6 and I have traveled all over the world, most
7 city centers are now being bypassed so they
8 remain uncluttered. We would like a vibrant,
9 quiet, open and relatively uncluttered
10 central city, and having 40 to 100 freight
11 trains coming through each day is just in
12 total conflict with that idea.

13 The noise impact alone of that many
14 trains coming through town is unacceptable.
15 No noise studies have been made at all on the
16 west side of the river on the North Mankato
17 side of the valley. The populated bluffs on
18 both sides of the river are like sounding
19 boards for noise that is naturally channeled
20 up from the river valley and it's impossible
21 to mitigate.

22 Now, let me focus on the real

1 significant threat that this rail expansion
2 represents to the existing and very
3 important 100 million dollar flood control
4 system that runs just within a few feet of
5 the M-3 route. The soils under this railroad
6 and in that line are very erratic and because
7 much of that soil was man-made fill, put in
8 there years and years ago, and the initial
9 study that was made in your Draft EIS depends
10 on some 20 to 30 year old soil samples, and
11 that is just totally inadequate.

12 On October the 12th, 1999, there
13 was a report prepared for the DM&E by a David
14 Rudick, and in it he states that the
15 computations as they exist are really totally
16 insufficient and that there needs to be much
17 more on-site dynamic data taken. I have on
18 the Board, and I don't have time to go
19 through that, but these are the kinds of data
20 which really needs to be collected under
21 dynamic conditions on the railroad line as it
22 passes the flood wall. This is an extensive

1 kind of data collection. It will take a long
2 time. It is going to be very costly, but it
3 needs to be done if the M-3 route is even
4 going to be considered at all.

5 The current analysis, in addition,
6 uses earthquake seismic analysis, and that's
7 just not accurate for this kind of a
8 location. So what I'm saying is that what you
9 have in your hands with the DEIS is totally
10 inadequate. I have given you three
11 significant reasons for not choosing the M-3
12 route through Mankato. The most significant
13 being the potential threat to what is the
14 extensive U.S. Taxpayer paid for flood
15 control system in Mankato. Thank you very
16 much.

17 MS. LANGSJOEN: Hi. My name is
18 Gail Langsjoen. I live at 207 North Sturgis
19 in LeHillier, which is a prestigious West
20 Mankato. Okay? It's a low income
21 neighborhood. I feel like I'm coming out.

22 SPEAKER: Can't hear you.

1 MS. LANGSJOEN: I'm poor. I am a
2 low income woman. I have seven children. My
3 home is within 300 feet of the proposed
4 through city route. I would like to share for
5 those of us who don't know a couple of things
6 from Environmental Justice 1996."The terms
7 environmental justice and environmental
8 equity refer to policies and practices by
9 which existing environmental inequities can
10 be corrected and prevented in the future."

11 I'd like to also read from
12 Executive Presidential Order Number 12898,
13 Section 1, dash, 1. specifically, Agency
14 Responsibilities in 1, dash, 101."To the
15 greatest extent practicable and permitted by
16 law and consistent with the principles set
17 forth in the report on the National
18 Performance Review, each federal agency shall
19 make achieving environmental justice part of
20 its mission by identifying and addressing as
21 appropriate disproportionately high and
22 adverse human health or environmental effects

1 of its programs, policies and activities on
2 minority populations and low income
3 populations in the U.S. and, you know, its
4 territories."

5 I would like to say that in my
6 opinion this entire process has been in
7 violation of the notion of environmental
8 equity and justice. Specifically, I would
9 like to comment that the response period is
10 absolutely inadequate. I work eight hours a
11 day, not on this sort of issue. I work eight
12 hours a day managing a homeless shelter. I
13 work another four to six hours a night taking
14 care of my family and my children and my
15 home, which leaves me limited time. If any of
16 you perhaps have heard stories from low
17 income people, you will know that low income
18 people live under stressors which often times
19 precludes their ability to devote the kind of
20 time and attention this Board perhaps is able
21 to commit to this issue. By that virtue, I
22 believe this entire process violates the

1 spirit of environmental justice.

2 We need more than a 90 day comment
3 period. I would like to request your
4 consideration of at least six months to
5 provide the populations who will be impacted
6 most severely, in many cases, an adequate
7 time to not only read a fair -- a very poorly
8 constructed document, I believe. It's
9 difficult -- I'm college educated, but I'll
10 tell you what, it was a very difficult draft
11 to follow. Many things were repeated.
12 People -- we jumped around. The Table of
13 Contents should be brought to your attention
14 as not even correct.

15 I would like to say that we need
16 more time to give an adequate response to
17 this very, very hefty but poorly drafted
18 document. Thank you.

19 MR. MEYER: My name is Richard
20 Meyer, and I live at 1627 North Second Street
21 in Mankato. Although the Draft Environmental
22 Impact Statement says that the downtown route

1 through Mankato is not the preferred route, I
2 remain skeptical and worried about just where
3 this train will go and how it will negatively
4 affect our quality of life.

5 In particular, air quality issues
6 concern me. I'm especially bothered by the
7 emissions called nitrogen oxides. Since 1970,
8 the Environmental Protection Agency has
9 tracked the emissions of the six principal
10 air pollutants. According to its studies,
11 the emissions of all these pollutants have
12 decreased significantly except for nitrogen
13 oxides, which have actually increased 10
14 percent over this period.

15 According to the EPA, nitrogen
16 oxide is one of the main ingredients involved
17 in the formation of ground level ozone, which
18 triggers serious respiratory problems.
19 Nitrogen oxide also contributes to the
20 formation of acid rain, contributes to the
21 deterioration of groundwater quality, and
22 contributes to the atmospheric particles that

1 cause visibility impairments.

2 An article in the October 17th
3 issue of USA Today reported on a recent EPA
4 study. The article says, quote, "Within the
5 next few months the Agency is expected to
6 declare that diesel exhaust is a likely human
7 carcinogen." The major source of nitrogen
8 oxide pollution is diesel fuel exhaust, and
9 that's exactly what we get from locomotive
10 engines which are a primary contributor of
11 diesel fumes.

12 It is precisely the amount of these
13 emissions that is so disturbing in the recent
14 SEA report. The charts and printed in
15 Volume 2, Chapter 3 of the SEA report,
16 summarize the emissions of the six principal
17 air pollutants tracked by the EPA. According
18 to your own charts, they bear out the immense
19 and harmful increases in nitrogen oxides if
20 this coal train comes through.

21 In the report, the SEA used the
22 Environmental Protection Agency's thresholds

1 for emission levels. The threshold number
2 for nitrogen oxides is 100. That's the key
3 figure. That's the threshold number.
4 According to the tables provided in
5 Section 3.2, in the air quality report, the
6 nitrogen oxide emissions for Blue Earth
7 County will be 189 at 20 million tons of coal
8 shipped. 422 at 50 million tons shipped.
9 And 806 for 100 million tons shipped. Those
10 amount to two times, four times, and eight
11 times the EPA threshold for 100 level
12 thresholds. I think these emissions are
13 alarming and should cast serious doubts on
14 the validity of this entire project. a quick
15 final comment, I don't think the Commission
16 has taken into consideration that this city
17 is in a valley, and I do not think the air
18 quality studies show how those emissions will
19 be affected being in a river valley. Thank
20 you.

21 MR. SOLEY: Some tough acts to
22 follow here. My name is Steve Soley, 303

1 Hubbell Avenue. I have lived on Hubbell
2 Avenue for over 30 years, and I am a proud
3 supporter of the Mankato Area Coal Train
4 Coalition.

5 I'm here to discuss my views on
6 vibration, noise, and the flood walls. Noise
7 studies were recently completed this past
8 year. Federal decibel levels exceed the norm
9 for Mankato, with decibel levels of 72 to 75,
10 and the maximum acceptable base federal level
11 of 65, this indicates that the noise level is
12 unlivable.

13 With one and a half mile length
14 tracks hauling large coal tonnage at 40 to 45
15 miles an hour, this will vibrate my property
16 and house so severe I will not be able to
17 live nor sleep in this house. Regardless of
18 what DM&E says regarding the new ribbon rail
19 line, anything moving that fast with that
20 tonnage involved will make significant
21 vibrations.

22 Mankato is on a floodplain. I have

1 been displaced by the flood of 1965, and I
2 watched the river rise surprisingly high in
3 June of '93. I have many concerns about the
4 potential damage the vibration will have on
5 the walls. Why do I have to purchase flood
6 insurance on my property when DM&E shows
7 little regard about the flood walls here in
8 Mankato? Where is the assurance from DM&E
9 that they will not damage or harm our
10 protective flood walls? I see no economic
11 benefit for Mankato. Myself, my property
12 would become unlivable.

13 Lastly, I feel that the Surface
14 Transportation Board comment deadline should
15 be extended an additional 90 days due to the
16 large amount of information that needs to be
17 studied and clarified for public concern.
18 Ninety days is not enough time. I thank you
19 for your time and efforts.

20 DR. SCULLIN: I'm Michael Scullin,
21 professor of anthropology at the Minnesota
22 State University. My concern is at one very

1 localized aspect. This is an archeological
2 complex immediately to the northwest of
3 Mankato by about 15 to 18 miles. This is the
4 Cambria focus. I just returned from a
5 symposium this last weekend dealing entirely
6 with, with this focus about which relatively
7 little is known.

8 Two years ago, a goodly portion of
9 this -- one of the sites, in fact, the prize
10 site was seriously damaged by the DM&E which
11 came and basically scooped out most of the
12 major features of the site and used it for
13 fill. No attempt whatsoever was made to
14 verify that there was a site in the area.

15 The Cambria site itself is
16 immediately down river about two miles or so.
17 is the type site for this focus and probably
18 the first occupation. Many, many, many
19 questions exist about the Cambria site.
20 Where did they come from? What are the dates
21 of occupation? Very little work has been
22 done there. The last excavations were done

1 over 60 years ago. Why was it abandoned?

2 What are the dates? Nobody knows at this

3 particular moment in time. What is the

4 potential impact of the DM&E?

5 Well, the Cambria site actually

6 intrudes into the existing right-of-way. In

7 the event of adding additional tracks, with a

8 very high probability of doing that, cutting

9 into the bank would be probably the least

10 expensive and it would provide fill also for

11 the north side, which is a swamp. Did the

12 DM&E do an adequate archeological survey? I

13 have some very serious doubts. I was

14 speaking -- when I was up at the conference,

15 I was speaking with an archeologist who was

16 working for the company which did the

17 archeological survey and he suggested to me

18 that some of the work that they were doing

19 was, shall we call it, ethically compromised.

20 I caution anyone working with the DM&E.

21 MR. IDSO: My name is Bob Idso. I

22 thank you for letting me speak tonight. I'm

1 from St. Peter, Minnesota. For the past 20
2 years I have been involved with the local
3 conservation group called Save the Kasota
4 Prairie. I currently am secretary and Board
5 member of that organization.

6 I just want to talk tonight for a
7 minute about prairies. Before the white man
8 came to this area, Minnesota had more than 18
9 million acres of prairie. Most of that
10 original 18 million acres is now under the
11 plow, or covered with roads, and towns,
12 people, asphalt. Only a small fraction of the
13 prairie remains, and some of us are working
14 very hard to preserve what's left.

15 In the case of the Kasota Prairie,
16 a group of us have spent the last 20 years to
17 save about 100 acres of prairie just north of
18 here, which we have accomplished, but it
19 hasn't been easy. As you know, railroad
20 right-of-ways contain some of the best
21 remnants of prairie, and this is true of the
22 DM&E line. There are more than 400 acres of

1 native prairie within DM&E right-of-way in
2 Minnesota, and I assume that there's much
3 more in South Dakota and Wyoming. So this is
4 a significant remnant of prairie and it would
5 be a real shame to see it destroyed.

6 There's no doubt that it would be
7 destroyed if the proposed expansion of this
8 railroad is allowed to proceed. Virtually
9 all of this remnant of prairie would be
10 destroyed or disturbed if the project goes
11 forward. The DM&E Draft Environmental Impact
12 Statement contains a paucity of information
13 about how this could be mitigated. The
14 document they have submitted has very little
15 meaningful information about the prairie
16 remnants in the right-of-way. These people
17 need to address this question. It seems to
18 me it's the job of the Surface Transportation
19 Board to see to it that DM&E tells us what
20 will happen to the prairie that's in their
21 right-of-way if they're allowed to proceed
22 with this expansion.

1 In fact, I believe they've said so
2 little about it because they know what will
3 happen to it, it will be destroyed. All of
4 this is just a bunch of grass and weeds, I
5 think, to them. It will be ground up under
6 the backhoes and the bulldozers. So, I just
7 think this is one more reason why this
8 redundant rail line should not be built.
9 Thank you.

10 MS. KOENIGS: My name is Judy
11 Koenigs. My husband and I have been
12 residents of Eagle Lake for 35 years. It has
13 been a wonderful place to live. The DEIS has
14 been very confusing to me because of length,
15 no index, no vibration studies, and incorrect
16 maps.

17 People live and work along the
18 proposed routes. They have a right to know
19 if they will be affected. I request a new
20 DEIS using the 2000 census and a hard look at
21 people's rights along the proposed rail. The
22 DM&E is private business asking us to help

1 them gain profit. We are asked to sacrifice
2 our quality of life by decreasing our
3 property values and safety of our children
4 and increasing delays in the emergency
5 response times and travel. Our payment is
6 more stress, noise, and diesel fuel pollution
7 which contributes to health issues that
8 cannot be mitigated.

9 I further request a 90 day comment
10 period extension. I have yet to see the
11 comment -- the Corps of Engineers study.
12 Access to this information is difficult and
13 time confusing for those of us who wish to be
14 responsible to our future generations. I
15 believe our comments provide much needed
16 information for you, the STB, to make an
17 informed decision.

18 A question regarding the use of the
19 East Staging and Marshalling Yard, 3.5.3.3,
20 what will this be to trains when entering
21 from the west and east at Eagle Lake's five
22 crossings which bisect our town? How much

1 longer will they take if they will be using
2 this east yard? Will there be delays for
3 assembling and disassembling trains which can
4 tie up County Road 56, Third Street, Center
5 Street, Agency Street, or County Road 17?
6 Three county roads which offer us access to
7 new Highway 14 will be blocked if this rail
8 is used, while two other roads and rail
9 intersections allow residents access within
10 the city. This is a nightmare for emergency
11 response, children crossing to school, and
12 accessing the businesses along County
13 Road 17. If this passes, we will have a new
14 sport in town, timing our life to trains.

15 I find this issue to be insulting
16 to the public. It implies we have no recourse
17 but to accept eminent domain. If another
18 railroad decides it wants to come through our
19 town, do we have to repeat this process?
20 History tells us we the people help the
21 railroads thrive. Without people they would
22 have perished. The government land given to

1 people to settle the West helped everyone to
2 prosper. This coal train will not offer
3 economic benefits to Eagle Lake. All the
4 cities along this track deserve better than
5 this. The clickety-clack of the trains of
6 yesteryear are not the same ones planned for
7 the future.

8 I ask that the STB deny this
9 application because I believe it is flawed in
10 intent and purpose. This is about money,
11 power, and unnecessary competition. It's
12 about continuing down the path of yesterday.
13 Today demands a new vision and plan. Because
14 this rail expansion is the largest in
15 over 100 years should indicate a need to work
16 jointly with other agencies to create a new
17 vision and plan for surface transportation
18 that will include justice to the land, air,
19 water, and most importantly people. If we are
20 to grow and prosper as a responsible nation
21 we must insist on decisions that encompass
22 the hidden costs of any enterprise such as

1 this expansion. If you lived along the
2 tracks, isn't that what you would expect?

3 MS. JOHNSON: Can everybody back
4 there hear me? It's hard to hear in the
5 back.

6 MR. GARDINER: You have to speak in
7 to the microphone.

8 MS. JOHNSON: Yep. I understand
9 that. There are many things I would like to
10 address in the DEIS, but due to time
11 restrictions I'll limit my comments to the
12 area parks. I'm going to use one park as an
13 example. In Section 3.2.18, page 117, the
14 study states, "Although a wide variety of
15 opportunities are available, these
16 opportunities are only capable of
17 accommodating small numbers of people at any
18 given time." I would like to use Land of
19 Memories Park on the local soccer program,
20 which, incidentally, is not addressed in
21 Section 3.3.4.0, as one example of the need
22 to reassess the train's impact on area parks.

1 The soccer program here has grown
2 significantly in the past ten years. The
3 soccer fields are located in Land of Memories
4 Park. From April through November, the
5 fields are in constant daily use. Seven
6 hundred and fifty children are enrolled in
7 the program. this number swells to
8 roughly 2700 people when multiplied by the
9 average family size.. Add to that number
10 additional tournaments for groups including
11 the Hispanic population, the camping
12 population, and the Native American powwow,
13 which is a yearly event, and you have a large
14 number of people using the park daily.

15 To enter or exit the park one has
16 to cross the train tracks. With existing
17 train traffic, vehicles have been backed up
18 from the park access out to the highway
19 causing neighborhood congestion and serious
20 safety hazards to those exiting the highway
21 to access the park. Also, soccer is a high
22 impact sport. Safety vehicles would very

1 likely be blocked from the park with
2 additional train traffic and speed.

3 In Section 3.2.118, paragraph 3,
4 the study states that "The small numbers of
5 users of these areas would seek more remote
6 or distant portions of the facilities." The
7 soccer fields and campgrounds of this park
8 are compressed between the railroad tracks
9 and the river. The study leads us to believe
10 there are alternative distant or remote
11 portions of these facilities to be used when
12 in fact this park has no room to spare.

13 On page -- 3.2.118, the study
14 states, "The overall small number of users
15 along the existing rail line and expected
16 smaller number who would receive a
17 significant impact are expected to result in
18 the project having only minimal impacts to
19 recreation." I would like to counter the
20 study's assumption with a 1995 national
21 survey on recreation and the environment
22 conducted by the federal government. The

1 survey shows an increase in usage of parks
2 for recreation. A few examples would be
3 hiking up by 93.5 percent, walking up by 42.8
4 percent, and bird watching, which is a --
5 we're at the confluence of three major
6 environmental regions, is up 155.2 percent.

7 The train will directly impact at
8 least nine other parks and trails. The DEIS
9 does not adequately address the effects the
10 increased number and speed of trains would
11 have on the area parks and their users. It
12 does not address the money, time and
13 commitment that it has taken to build and
14 maintain these areas for the good of the
15 community. It does not address the cultural
16 gatherings that occur in these places. In
17 other words, the study does not take into
18 account the people that this decision will
19 affect.

20 I am not submitting suggestions for
21 environmental mitigation because in my mind
22 to do so would be paramount to agreeing that

1 the expansion project should continue. I do
2 not believe the benefit of a complete upgrade
3 to an outdated railway system should take
4 precedence over the significant multiple
5 negative impacts that that upgrade would have
6 on citizens of the community. I would
7 encourage the Board to give this community
8 more time to review the DEIS. Six months
9 would be good.

10 The study is correct when it states
11 this is a large and challenging proposal.
12 Because of this I encourage this Board to
13 take another look at this community, fill in
14 the gaps in their study, and issue a revised,
15 more comprehensive DEIS. Thank you.

16 MR. SPELLACY: My name is Mike
17 Spellacy, 1730 North Second Street, Mankato.
18 Last week I was elected to the City Council
19 of Mankato to represent the people living in
20 Ward II. This Ward is bisected by the
21 proposed M-3 or through city route.

22 Needless to say, the proposed

1 expansion of the DM&E railroad is a very hot
2 topic. Reviewing the Draft Environmental
3 Impact Statement several thoughts come to
4 mind. Executive Summary, page 27, Section
5 E-3, dash, 29, states "That due to years of
6 deferred maintenance, much of the existing
7 DM&E rail system is in poor condition
8 allowing trains to progress at five miles an
9 hour on rails over 100 years old." The
10 question is, where are all the profits from
11 the railroad for the last 100 years and why
12 didn't the railroad take care of their
13 tracks? Executive Summary, page 14, Section
14 E-3, dash, 4 states, "According to the DM&E
15 it is unlikely to upgrade its existing line
16 because a no action alternative would not
17 provide the financial resources needed to
18 reconstruct its existing system." The
19 question is, why did not the DEIS consider
20 the Federal Railroad Rehabilitation
21 Improvement Financing Program? This
22 legislation provides some three point billion

1 dollars for direct loans and loan guarantees
2 to railroads to pay for necessary
3 improvements, thus making this whole project
4 unnecessary.

5 Addressing more local concerns, the
6 DEIS has no specific information on the
7 impact of 37 coal trains to the city of
8 Mankato's flood control project. The failure
9 of this wall during a high water period would
10 cause million dollar's worth of damage and
11 possible loss of life, and as stated is
12 largely ignored by the Draft DEIS. The study
13 has covered bald eagles, fox, and sturgeon
14 chugs, but neglects the lives of human beings
15 in Mankato. The residents and businesses in
16 my Ward, along with the residents of the city
17 of Mankato, need the protection of the flood
18 wall to survive during high water and the
19 DEIS has done no testing or analysis to this
20 point.

21 The second major local concern is
22 the impact of noise and vibration we will

1 have. In my best estimate, there are
2 over 5,000 people living within six blocks of
3 the proposed M-3 route through both Mankato
4 and North Mankato. According to the DEIS,
5 Chapter 3, pages 3.3 to 4.3 there are 229
6 homes located within 500 feet of the proposed
7 M-3 route. Many of these homes are owned by
8 lower to moderate income residents.

9 Running 37 unit coal trains through there
10 neighbor a day would make their lives a
11 living hell. Their property would become
12 worthless and their life savings obliterated.

13 In conclusion, the only correct
14 choice you can make is to deny this project.
15 There is no need for a third rail carrier to
16 haul an 18th Century fuel 1,000 miles to an
17 outdated power plant. The worst possible
18 choice you could make is an M-3 or through
19 city route, with issues of flood wall
20 integrity, noise and vibration to over 5,000
21 residents and unanswered safety questions,
22 the M-3 route cannot be considered a viable

1 choice.

2 As stated in Table 3.3, dash, 10 in
3 Chapter 2 of the DEIS, there are 105 daily
4 school bus crossings to contend with on the
5 M-3 route. These are problems that mitigation
6 cannot solve, and therefore I ask the M-3
7 option be abandoned.

8 MS. HAMER: Nancy Hamer, Mankato.
9 The Mankato area Coal Train Coalition is
10 opposed to the use of Alternative M-3, the
11 existing in-city railroad corridor. We agree
12 with the DEIS that Alternative M-3 is not the
13 environmental preferred route. Our position
14 is that it should never become the preferred
15 route under any circumstances. We are
16 speaking in opposition to the M-3 route in
17 the event that the SEA should find it
18 necessary to revisit the question.

19 Mankato was founded at the point
20 where the great Minnesota River makes a
21 dramatic 90 degree turn. The resulting
22 narrow corridor on each side of the river is

1 approximately six to eight blocks wide from
2 the river to the limestone bluff. The effect
3 is like a tunnel with no roof on it.
4 According to a consulting engineer, the sound
5 waves from increased and frequent train
6 horns, wayside noise, and squealing wheels on
7 the sharp curve could bounce off the bluffs
8 causing both the original noise and an echo
9 to reverberate. This would result in steady,
10 uninterrupted train noise as the sound
11 reverberates off the side of the so-called
12 tunnel.

13 As you know, tonight we are in
14 North Mankato, Nicollet County, across the
15 river from Mankato and Blue Earth County. We
16 find it unacceptable that in the entire DEIS
17 no mention is made of the City of North
18 Mankato, which has a population of
19 approximately 11,000 which should not be
20 ignored. Persons in North Mankato, as well as
21 in Mankato, already report being greatly
22 disturbed by train noise. The SEA should

1 identify the noise receptors and other
2 impacts on the North Mankato side of the
3 tunnel.

4 We urgently request that the SEA
5 expand the scope of the DEIS to include North
6 Mankato in all aspects of a new draft of the
7 DEIS if the M-3 route were to be considered.

8 Section 3.2.15 says that, quote,
9 "No impact to historic or cultural resources
10 are anticipated during operation of the
11 project," unquote. In Section 3.3.113, the
12 narrow definition of cultural resources
13 includes only archeological sites and
14 railroad structures in or adjacent to the
15 right-of-way. This definition is inadequate
16 and insensitive to the reality of the
17 situation. We request that the scope be
18 expanded to include the impact on cultural
19 resources which are important to people in
20 their daily lives. These should include
21 the 17 sites on the national register of
22 historic sites in Mankato and North Mankato

1 all in the valley. Four major public parks,
2 Reconciliation Park in memory of the
3 execution of 38 Sioux Indians, two city
4 government centers, civic center, county
5 courthouse, two public libraries, YMCA,
6 YMCA, 24 schools, three centers of higher
7 education, and no fewer than 27 churches.
8 Train impacts would adversely effect the
9 quality of life not only of the
10 approximately 43,000 residents of the two
11 cities, but also of the thousands of persons
12 who come to Mankato and North Mankato to work
13 and to use these many services. It would be
14 devastating to run an additional 37, 110 car
15 coal trains per day over and near the Mankato
16 flood control project and through these
17 historic cities and this fragile river
18 valley. Please do not ever approve the M-3
19 in-city route. We urge you to withdraw the
20 M-3 route from consideration. Thank you.

21 MR. STENES: My name is Mark
22 Stenes. I work with Mercury Waste Solutions.

1 Our corporate headquarters are about 150 feet
2 from the in-city rail line here in Mankato.

3 I'm here today to speak in support
4 of the Draft Environmental Impact Statement's
5 conclusion that the in-city route is not the
6 best alternative for the Mankato area. Our
7 local business communities certainly wants
8 the UP and the DM&E to be successful in this
9 market. We're not blessed with the best
10 transportation network. The interstates are
11 a long way off. We have a four lane highway
12 with a lot of stoplights on the way to the
13 Twin Cities and that's about it. Railroads
14 are an important part of the overall
15 transportation network of south central
16 Minnesota. Provide a vital access to
17 national and world markets for our local
18 agricultural producers and manufacturers.

19 But the citizens of this region
20 also want to protect the environment that
21 contributes to our quality of life. There's a
22 joke out here on the prairie that trees

1 belong in parks. if you had come to visit us
2 in the summer, you would have quickly
3 realized that this river valley is the park
4 for this area, because in the summer we're a
5 small oasis of trees surrounded by corn and
6 soybeans. There are currently about half a
7 dozen trains a day plodding through town at 5
8 or 10 miles an hour. We seem to generally be
9 able to happily co-exist. Unless you're
10 relatively near the track, you may not even
11 notice them during the day. You can
12 certainly hear them throughout the night,
13 throughout the valley, and on the hilltops.
14 But many people seem to find the trains more
15 nostalgic than irritating or disruptive at
16 this point.

17 A coal pipeline, however, through
18 the heart of this valley with over 30 trains
19 a day moving at 30 plus miles an hour,
20 blowing their whistles at eight to ten
21 crossings, would transform this train
22 nostalgia into a nightmare. There would be a

1 train every 35 or 40 minutes, around the
2 clock. It would take every train maybe 15
3 minutes or so to pass through town. This
4 means virtually constant whistle and rail
5 noise 24 hours a day through the city.

6 There have been concerns expressed
7 that the tracks pass through two of our
8 communities' major neighborhoods of
9 affordable housing. I believe and in fact
10 that if the coal pipeline comes through the
11 city there will no longer be a shortage of
12 affordable housing in Mankato or in North
13 Mankato.

14 Railroads have been an incredibly
15 important part of this region's development.
16 The people of this community benefit from
17 these two railroads. If a plan can be
18 developed that contributes to the continued
19 viability of the railroads while preserving
20 our quality of life we have built here in
21 Mankato and North Mankato the community will
22 support the STB and the DM&E and the UP. But

1 almost no one in Mankato or North Mankato
2 will benefit from a coal pipeline running on
3 the in-city route. Finally, this whole
4 situation seems to rest on a relationship
5 none of us can control, the relationship
6 between the DM&E and the UP. I hope these
7 railroads understand that this is no longer
8 the open prairie of the late 1800s. People
9 live here now. Thank you.

10 MR. THIEM: I'm Scott Thiem, North
11 Mankato. I have been following the issues of
12 the proposed DM&E rail line for well over a
13 year. In the public interest I feel the
14 overall impact, quality of life, far
15 outweighs the economic gains of the DM&E. I
16 will focus my comments on the topic of
17 recreation.

18 As a person who likes to be
19 outdoors enjoying the abundance of recreation
20 our area has to offer, I feel I have a good
21 reason, in public interest, why the freeway
22 of coal trains must be stopped or moved

1 elsewhere to save our scenic, historic,
2 peaceful, beautiful, clean river valley. I'm
3 a member and past president of the Mankato
4 Paddling & Outings Club. I have worked hard
5 to promote the recreational opportunities in
6 our region.

7 We have a wonderful bike trail
8 system that currently runs from Rapidan, five
9 miles south of Mankato, to Faribault, 40
10 miles to the northeast. Plans are in the
11 works to eventually expand these trails to
12 extend all the way from Wisconsin to Iowa and
13 South Dakota. The trail system in our area
14 crosses over, parallels, shares right-of-way
15 with the proposed rail line in both the city
16 and the county. Please refer to the map here.

17 We have many beautiful rivers and
18 lakes in our area. The Minnesota, Blue
19 Earth, and LeSuer Rivers abut the proposed
20 rail line. These rivers are used by more and
21 more paddlers, fishermen, hunters,
22 sightseers, and, yes, again, swimmers in the

1 years to come. Our past governor declared an
2 initiative that would make Minnesota rivers
3 swimmable and fishable by the year 2012.

4 We have gorgeous parks that abut
5 the rail line. The City's Turtlelot, Sibley,
6 Land of Memories Park, the County's Williams
7 Nature Center and Minneopa State Park are
8 used by thousands of people each year.

9 Is it in the public's interest to
10 have to go along with the new railway freeway
11 through our beautiful river valley community
12 just because they have an existing
13 right-of-way? We should be able to enjoy the
14 resources our community has developed over
15 the years without this new railroad
16 interstate in our backyard. We should be
17 able to bike our trails without the noise,
18 pollution, and safety concerns the coal
19 trains -- concerns of the coal trains, not to
20 mention trying to get on the trail waiting
21 for a 120 car train to pass. We should be
22 able to fish, paddle, hunt, swim our rivers

1 and lakes without constant noise
2 disturbances, and not to mention the
3 cancerous fumes that will accumulate in our
4 river valley. We should be able to hike,
5 picnic, camp and enjoy the various events in
6 our parks without the thunder of heavy trains
7 and the ear shrilling whistles of
8 locomotives 50 times a day coming through our
9 parks.

10 The DEIS states that "The increased
11 number and speed of trains could pose a
12 potential safety hazard to trail users. The
13 increased noise would occur in areas along
14 the trail crossings, particularly when trails
15 (sic) sound their horns." You should state
16 that the overall impact would generally be
17 restricted to short sections of trail near
18 the rail lines and only users in those
19 portions of the trail would be affected.
20 Look at the map you will see clearly that a
21 large portion of the trails, parks, rivers
22 are either in close proximity, adjacent to,

1 or intersected by the rail line.

2 These educational -- these
3 recreational opportunities are made use of by
4 tons of thousands of people each year. You
5 go on to state that "the impact of recreation
6 are -- are expected to be localized and
7 generalized and restricted to few individuals
8 selecting to take advantage of opportunities
9 near the trail."

10 MR. GARDINER: Please summarize the
11 rest of it.

12 MR. THIEM: You say that
13 recreational use along the rail line is
14 scattered. Please look at the map. The DEIS
15 states that the impact to the individuals
16 engaging in various recreational activities
17 would vary. It says that to some it would
18 ruin their experience and cause them to seek
19 other areas for recreation. We in this
20 community have invested a great deal in our
21 trails, parks and rivers. I don't think we
22 suddenly have to pick up our gear and go

1 elsewhere. Thank you.

2 DR. GORDON: My name is Dr. Don
3 Gordon. I am a professor emeritus at
4 Minnesota State University. I want to speak
5 for the plants today, and the animals.

6 Minnesota is blessed with an
7 amazing rich diversity of living organisms
8 which consist of over 1800 vascular
9 plants, 600 vertebrates, and literally
10 thousands of invertebrate animals and
11 non-vascular plants. Despite this rich
12 diversity, this study chose to discuss the
13 possible impact of this project on just 20
14 species which has federal status as
15 endangered, threatened, or are potential
16 candidates for federal status. Does this mean
17 that the other Minnesota species are
18 irrelevant? I think not.

19 Minnesota biologist, Harrison
20 Tordow, has reminded us, "That extinction of
21 species, the silent crisis of our time,
22 diminishes our world." Minnesota has a

1 painful history of losing species by
2 exploitation of the environment and it is
3 imperative that we not repeat the mistakes of
4 the past. In retrospect, who would have
5 thought at the time of Minnesota statehood
6 that the Carolina parakeet, passenger pigeon and
7 passenger pigeon would be annihilated in less
8 than a half a century. Who among the early
9 naturalists would have thought that the
10 whooping crane, the long-billed curlew,
11 Magallanes long spur and several other
12 species would be completely gone from
13 Minnesota by 1900.

14 In 1981, the Minnesota legislature
15 mandated the Department of Natural Resources
16 to prepare a list of Minnesota plants and
17 animals whose populations were in jeopardy.
18 An expert advisory committee selected
19 over 300 species for this list and each
20 species was placed into a defined category of
21 endangered, threatened, or a special concern
22 as mandated by Minnesota Statute 84.0895. The

1 purpose of this list was not only to help
2 preserve the diversity and abundance of plant
3 and animal species in the state, but also to
4 alert biologists of potential problems here
5 in Minnesota before problems became paramount
6 at the federal level.

7 What is interesting about the Draft
8 Environmental Impact Statement is that there
9 is only a limited discussion concerning
10 possible impacts on Minnesota's endangered,
11 threatened, and special concerned species.
12 Also missing from the Draft EIS is any
13 mention of the most important book ever
14 published on Minnesota diversity and biology.
15 Failure to include the 1998 book,
16 "Minnesota's Endangered Flora and Fauna"
17 clearly indicates the Draft EIS is flawed and
18 incomplete. This book contains county
19 distribution maps for Minnesota species,
20 which are up there. Since the rail expansion
21 project proposes to traverse counties where
22 some of these species are located it is

1 imperative that we know if this project may
2 impact their existence.

3 Next overhead. This is for the
4 plant species simply for Blue Earth County
5 that are in that threatened or endangered
6 category. The proposed rail expansion -- next
7 one, please. The proposed rail expansion,
8 this is the animal one, is not important
9 enough to totally ignore Minnesota's
10 threatened, endangered, and concerned
11 species. When 22 percent of all plant and
12 animal species in the United States are
13 considered to be threatened or endangered, it
14 is irresponsible to consider approving a
15 male -- a major rail project which traverses
16 hundreds of miles and yet considers only the
17 possible impact on just 20 species. The
18 Draft EIS is complete and does not present
19 sufficient evidence to support either the
20 Mankato route or the southern bypass.
21 Clearly, the most environmentally preferred
22 alternative would be the no action

1 alternative. This should not be approved.

2 DR. LIEBENDORFER: My name is Dick
3 Liebendorfer. I'm on the faculty of
4 Minnesota State University. I teach
5 philosophy. I have a Phd, but even I am not
6 an expert in any of the fields covered by the
7 DEIS. I had never before read a DEIS, and
8 since like most people I work full time, I
9 have had little opportunity to read the DEIS.
10 It seems to me to be irresponsible to
11 provide 90 days for citizens to respond --
12 study, digest, and respond to a document that
13 has taken experts a couple of years to
14 create. I ask that you extend the response
15 time to at least six months and preferably
16 longer. An additional six months might be
17 reasonable.

18 Moreover, even to a layman like
19 myself who has had little time to study the
20 document, too many important questions seem
21 not only not answered, but not even asked. I
22 think you should go back to the drawing Board

1 and compose a new, more comprehensive draft.

2 I live four blocks from the tracks.

3 I am repeatedly awakened at 4 and 5 in the
4 morning by the sounds of trains. This time
5 of year with windows closed and storms up it
6 is mostly whistles. During the summer, with
7 windows open, it's just the sound of engines
8 and squeaking wheels as the morning wake-up.

9 But if the project is built, no one in the
10 valley is going to get any sleep. The Draft
11 identifies noise as an environmental impact,
12 but what are the impacts? How many children
13 will be awakened how many times during the
14 night? How will this affect their
15 performance in school? How much will the
16 sleep of everyone be affected? How will it
17 affect the performance in the workplace? How
18 much will increased noise affect the use of
19 parks and recreational facilities through
20 which or adjacent to which the trains will
21 run? How much will the increased noise
22 affect property values? How will increased

1 noise affected the desirability of the
2 community as a place to live? To what extent
3 and over what period of time will residential
4 communities become slums? How will this
5 affect the overall economic health of the
6 community?

7 These questions are not even asked,
8 let alone answered. It is as if you expect
9 ordinary citizens with little expertise and
10 full-time jobs to do your work for you. I
11 raise some similar questions about air
12 quality, but would just repeat things that
13 have already been said. So I want to jump to
14 pointing out that in spite of the fact that
15 the DEIS points out that air quality and
16 noise are significant environmentally, that
17 little mitigation is proposed and this seems
18 by design. You say in the DEIS that you are
19 not proposing any mitigation because of
20 Community Partnership Agreements and they
21 will overrule any mitigation that you might
22 otherwise have provided. But you need to

1 know that these so-called partnership
2 agreements have anyway very often been
3 extorted from communities by threats by the
4 DM&E.

5 For example, the April 26, 1999
6 Mankato City Council minutes recorded
7 Mr. Scheiffer as taking this position: "If
8 the City doesn't enter into a Community
9 Partnership Agreement, DM&E will perform only
10 what they are required to do by law." In a
11 column in the Mankato Free Press in
12 November 1999, Scheiffer, in response to
13 opponents of the agreement says, "Be careful
14 what you ask for. You might get it. Those
15 who throw stones at the Agreement might well
16 be served to contemplate the quality of life
17 without it." By encouraging these agreements
18 and then declining to order mitigation, the
19 STB has at least implicitly supported such
20 extortion. Such behavior is morally beneath
21 the treatment that citizens are entitled to
22 expect from their government. The City of

1 Mankato has withdrawn from its agreement with
2 the DM&E, but this does not excuse the
3 support that the STB has provided for
4 railroad thuggery.

5 If the project is allowed to
6 proceed, and I don't think it should be
7 allowed to proceed, there is a growing body
8 of evidence and expert opinion that we need
9 as quickly as possible to move away from coal
10 generated electricity. I do not think it is
11 in the national interest to burn fossil
12 fuels. But if the project is allowed to
13 proceed, the STB cannot excuse itself from
14 ordering serious and substantive mitigation.
15 For whatever extent and whatever respects you
16 think this project is in the national
17 interest, the livability of communities is
18 also in the national interest, and that
19 livability will be seriously compromised by
20 this project. You have an obligation -- I
21 believe you have a moral obligation to ensure
22 that the railroad does not destroy the

1 livability of communities that it crosses.

2 MS. DOWD: Good evening. My name
3 is Mary Dowd. I'm a resident of Mankato.
4 It's often said that quantity doesn't ensure
5 quality. The DEIS is certainly proof of that.
6 Particularly distressing is the pitiful
7 analysis of environmental justice issues. As
8 others tonight have noted, the DEIS showed
9 more concern for the black footed ferret and
10 other such weasels than environmental justice
11 communities.

12 Historically, low income and ethnic
13 minority neighborhoods have been burdened
14 with society's pollution resulting in their
15 higher rates of cancer, birth defects, and
16 respiratory illness. In '94, Clinton issued
17 a federal executive order to protect these
18 disadvantaged communities.

19 The DEIS identified 24 census
20 blocks as potential environmental justice
21 communities in Minnesota, page 3.1. Eleven
22 are located in Blue Earth County. The actual

1 number is likely to be even higher, because
2 the 1997 census, where data was used, even
3 though Mankato is far more culturally diverse
4 today. With skyrocketing housing costs,
5 affordable housing is now concentrated in the
6 valley. Statistical formulas aside, a simple
7 drive around Mankato will tell you there are
8 more lower and moderately priced houses and
9 rental units near the railroad corridor.

10 In violation of the same executive
11 order, the DEIS made little or no effort to
12 notify our environmental justice communities.
13 They sent notices of the availability of the
14 DEIS to six groups they claimed served the
15 local population. Four of these agencies
16 were located in the Twin Cities. Apparently,
17 they didn't even bother to check the local
18 phone book for listings of our many social
19 service agencies. They also -- they also
20 overlook the many multi cultural leaders and
21 organizations within the diverse Minnesota
22 State University community. The DEIS

1 encouraged DM&E to develop specific
2 partnership agreements with environmental
3 justice communities to mitigate. To my
4 knowledge, CEO, Kevin Scheiffer has made no
5 effort to dialogue with these residents
6 around the route. This is especially
7 troubling since these communities may
8 disproportionately feel the effects of a
9 failed, aging flood wall. How will we expect
10 small children and senior citizens to escape
11 in the middle of the night in the event of
12 saturation, liquefaction quickly and rapidly
13 flooding homes and streets?

14 Apparently, this is not the first
15 time the EPA has failed to honor the spirit
16 of the '94 order. Studies conducted by the
17 National Law Journal of '92 concluded there's
18 ample evidence that the EPA and other
19 agencies have consistently discriminated
20 against protected populations in the
21 interpretation. The government cannot allow a
22 private, commercial venture with shaky

1 financing to violate Title 7 of the Civil
2 Rights Act, the Clean Air Act, Native
3 American treaties, the Keota Agreement, and
4 the Minnesota Mercury Reduction Initiative.

5 In closing, may I remind you that
6 integrity takes courage. Please ask yourself
7 what is more important, protecting the
8 environment and the quality of life for all
9 citizens or the shortsighted economic
10 interests of DM&E? There are no adequate
11 mitigation measures to offset the desecration
12 of our historic and beautiful area.

13 MS. JOHNSON: My name is Ruth
14 Johnson. I'm a state representative-elect
15 for District 24B. In the spring of 1998,
16 during my first term in office in the
17 Minnesota legislature, several constituents
18 contacted me with their concerns about the
19 possible expansion of the DM&E railroad near
20 their homes in Mankato Township. They were
21 very worried about the expected high level of
22 rail traffic, with the attendant noise,

1 vibration, and pollution along with the
2 devaluation of their property and disruption
3 of their lives.

4 Since that time, as various
5 possible sites have reached public notice,
6 these fears and concerns have increased
7 exponentially. Wherever the expansion is
8 proposed to be located, people are alarmed by
9 the safety hazards, noise and pollution, and
10 general disruption the rail traffic will
11 create.

12 Proposed mitigation by the railroad
13 basically addresses only a few of the safety
14 issues and leaves most concerns to be handled
15 by local units of government and paid for by
16 local taxpayers, none of whom will benefit ,
17 from the railroad expansion. On behalf of the
18 homeowners and the taxpayers, I wish to voice
19 their belief that the railroad should not be
20 built here or anywhere else.

21 The DM&E expansion not -- the DM&E
22 expansion, not by, I note, the current

1 agricultural transport, the DM&E expansion
2 must be opposed on local, regional and
3 national environmental grounds. It is a
4 private enterprise with outrageous costs to
5 taxpayers and is socially disruptive at the
6 local and regional level.

7 Finally, the expanded use of coal
8 for electrical power is bad national policy.
9 Coal is a major source of pollution. hauling
10 coal hundreds of miles by diesel causes even
11 higher levels of pollution. Since coal must
12 be used in the foreseeable future, it makes
13 more sense to retrofit existing coal plants
14 with pollution control equipment than to burn
15 diesel all across the plains in order to burn
16 low sulphur coal elsewhere. National energy
17 policies should be founded on conservation
18 and renewable sources of energy. The
19 expansion of the DM&E railroad keeps us
20 dependent on coal for power when we should be
21 developing non-polluting, renewable sources.
22 I urge a finding in support of the no build

1 option. Thank you.

2 MR. FRENTZ: I'm Brand Frentz. I
3 live in Nicollet County about a half a mile
4 across the river from the railroad -- from
5 the present tracks. My house shakes when
6 trains go by, although it's a half a mile
7 away. Sometimes it's loud enough you think
8 it's in the other room. The valley does act
9 as a funnel. I just wanted to confirm
10 whoever said that, that's absolutely right.

11 I'm here to represent Minneopa
12 State Park. I'm the president-elect of The
13 Friends of Minneopa State Park. This is the
14 only state park in the Mankato area.
15 Minneopa is three miles west of town. It has
16 over 1100 acres today. It's the largest
17 protected area in this area. It is going to
18 be expanded, according to Minnesota state
19 legislature in 1998, it will be roughly
20 doubled in size over the coming decades, if
21 all goes well.

22 Minnesota has 60 state parks, but

1 Minneopa is the third oldest of them all.
2 It's a very popular park. In terms of
3 visitors, 110,000 visitor days a year, 300 a
4 day, if you like.

5 It's also my favorite place. I
6 speak personally and officially for the
7 Friends of Minneopa. We want to protect our
8 park. That's all I'll discuss. The first
9 thing we want to be clear about is this
10 proposed staging yard which was originally
11 set on the west border of the park would be
12 simply devastating to have a large industrial
13 site operating 24 hours, 300 workers right
14 next to the park. Not only that, but in fact
15 this is the proposed area of the expansion,
16 if the park is going to expand in the future,
17 as has been scheduled, that's where it would
18 be. Well, if this yard were built, there
19 would be probably no expansion and it would
20 destroy that.

21 Your recommendation in the impact
22 statement is that that not be done. Please

1 keep it. We all agree. However, Minneopa
2 Park, we feel, is going to suffer if the plan
3 is permitted at all. Tracks run right
4 through the park. The campground, most of
5 the camp sites are within one hundred feet of
6 the tracks, of the present tracks, and 35, 45
7 trains every 24 hours will shake the ground,
8 the noise will make it very hard to enjoy
9 that campground, hard to sleep at night.

10 The park's main trails are near the
11 tracks. At a couple of points to get to the
12 floodplain part you have to go under the
13 tracks in tunnels. It can be a less enjoyable
14 hike around the park with all those trains,
15 all that noise, all that commotion, and
16 pollution. I want to point out that those
17 tracks run at the base of a slope, which is a
18 very wet slope. It's full of springs. Water
19 is running down constantly. It seems to be
20 constructionally difficult and damaging
21 there. But the main thing we want to say is
22 construction of this project would be a

1 terrible time for Minneopa Park and the
2 result would be worse. We would hope it's
3 denied completely.

4 MR. ZELLMER: Thank you. My name
5 is Randy Zellmer. I'm here to speak on
6 behalf of Mankato Plumbing & Heating. This
7 is a plumbing and mechanical contract
8 business located in downtown Mankato. It has
9 been at that location for the past 36 years
10 and employs upwards of 50 individuals at any
11 given time throughout the year.

12 This property is bordered on the
13 west by the Minnesota River and would be
14 bordered on the east by the proposed M-3
15 route. There is only one road into the
16 property, and that is through Rock Street.
17 Within this property there are approximately
18 five warehouses located, all of the equipment
19 for the business, as well as the staging area
20 for its employees.

21 The concern that the owners of
22 Mankato Plumbing & Heating has is access to

1 their property. As proposed, the railroad, as
2 it crosses over Rock Street will be a gated
3 crossing. This will deny my clients access
4 to their property. You can only imagine how
5 an employee who wants to gain access to the
6 warehouse could be stopped by a train and
7 delayed 5, 10, 15 minutes and only upon
8 returning from the warehouse could also be
9 stopped for the same length of time. It's
10 simply not acceptable to have trains running
11 through this route three, four times per hour
12 without having ongoing access to my client's
13 business.

14 When these concerns were brought to
15 the officials of DM&E both by myself and by
16 representatives from the city of Mankato they
17 have gone unanswered and unaddressed. We
18 find that totally unacceptable.

19 For the survival of my client's
20 business, we want to express to this Board
21 our request that the approval of the M-3
22 route would not be approved. Thank you.

1 MR. PLATH: Good evening. My name
2 is Roger Plath, 1240 Robin Hood Lane,
3 Owatonna, Minnesota. I come here this
4 evening to speak to you to oppose the DM&E
5 expansion. In addition to all of the
6 environmental issues that we've heard this
7 evening, my major concern is probably of an
8 economic value, such as real estate values.

9 This is a major area of concern
10 since I own a major housing development in
11 southeastern Owatonna referred to as Sherwood
12 Heights. The proposed DM&E loop -- DM&E loop
13 and the partnering with the I&M railway
14 greatly decreases the salability of existing
15 homes and future home sites. The proposed
16 loop encroaches on the southern edge of the
17 development, and such placement of the DM&E
18 loop intersecting to the I&M rail link would
19 eliminate or jeopardize the necessary
20 southern access to my development.

21 Now, these home lot owners in
22 Sherwood Heights are being subjected to an

1 unreasonable and unfair intrusion by a coal
2 pipeline for the benefit of private
3 investors. I too have an investment to
4 protect. What are my rights? There are 35
5 existing homes in Sherwood Heights with and
6 assessed value of 6,170,000 with an
7 additional 41 lots to be built on, which if
8 you assume the same value, that would come to
9 over 13 and a half, approximately 13 and a
10 half million dollars.

11 Failure of the DEIS to recognize
12 these property owners is appalling. Please
13 refer to Volume 4, Chapter 5, Table 5.1,
14 dash, 9, under Action Regarding Residential
15 Issues. The table information indicates no
16 residences are located adjacent to the
17 connection. I beg to differ, and it seems to
18 me that the people with the Draft DEIS have
19 not even visited this area.

20 The DEIS is wrong. Is it -- is the
21 DEIS so pro railroad that it fails to
22 recognize the rights of citizens? The DEIS

1 process is unfair and incomplete. Failure to
2 include in the Draft EIS the impact with the
3 I&M rail link connection with the DM&E is
4 wrong and should be challenged. Why hasn't
5 the Draft EIS recognized the negative impact
6 of the on-grade crossing of two main line
7 carriers in Owatonna, the DM&E and the I&M
8 rail link?

9 The DEIS fails to provide fair and
10 proper noise mitigation. A chain link fence
11 doesn't cut it. How do you soundproof one's
12 deck? It is fact the Federal Housing
13 Authority has refused financing for areas
14 exceeding 63 decibel levels, and yet the STB
15 using 70 decibel levels as their basis for
16 mitigation. When one asks why the STB
17 uses 70 and not 63 as their basis for
18 mitigation, their response, "They did not
19 want to break the railroad." This reasoning
20 is unacceptable.

21 It seems the DEIS is more concerned
22 with the rights of railroads, animals, birds,

1 plants and fossils than with the rights of
2 human beings. I oppose the DM&E expansion. I
3 would also request, I think you have heard
4 enough reasons tonight why the DEIS, the
5 comment period should be extended. I think
6 you should go back to the drawing Board,
7 redraft it, come back to us with it so we can
8 then take a look at it and then proceed with
9 the comment period on a new Final Draft EIS.
10 In summary, please stop the DM&E coal train
11 expansion. Private industry, that is,
12 private investors, should not be subsidized
13 by the STB's approval of such a proposal. To
14 approve this plan itself to rape the
15 communities and environments along its path
16 and to unfairly pad the pockets of the
17 electrical utilities, railroads, all the
18 private investors. The true cost must be
19 totally borne by those who benefit and those
20 damaged must be totally compensated.

21 MR. BOWIE: My name is Rich
22 Bowie, 1220 Greenleaf Road of Owatonna,

1 Minnesota. My apologies to the citizens of
2 Mankato here for imposing on their time, but
3 we weren't recognized as a community
4 deserving of a hearing so here we are. You
5 know, I guess, you know, to start out with, I
6 guess I'd ask a favor of the Surface
7 Transportation Board. Nice, nice railroad
8 train that you have got on Draft EIS, and
9 maybe when you revise it and you do another
10 one, maybe you can have a house like this
11 (indicating). You can superimpose the train
12 here (indicating). Then let's have this
13 young man (indicating) and his family playing
14 in the back yard in a swing set here
15 (indicating).

16 Quite frankly I'm appalled by that.
17 This is what this issue is about
18 (indicating.)

19 You know, I can't understand how
20 this body can even consider this proposal
21 when major issues haven't been addressed.
22 Please save our communities additional future

1 legal costs and make it clear to the DM&E we
2 must, or they must submit a much better plan.
3 Kevin Scheiffer's maybe here, maybe there,
4 maybe unaware approach to this proposition is
5 just ludicrous. How can the people of the
6 City of Owatonna formulate a decisive opinion
7 on the proposed proposition when neither the
8 STB or the DM&E has determined which option,
9 diamond interchange, inter or outer loop will
10 be used?

11 Another concern I have is why
12 haven't all the municipalities along the I&M,
13 all the way down to the Kansas City and
14 Chicago, why haven't they been included in
15 this Draft DEIS?

16 I sold real estate in Owatonna
17 for 17 years. Believe me, this proposal has
18 already impacted property value to the tune
19 of 20 or 30 percent. It's really unfortunate
20 because the people that are now living in
21 affordable housing such as who would reside
22 in this house, are the ones that are impacted

1 the most. Based on the misinformation
2 provided by the DM&E to the City of Owatonna,
3 the City of Owatonna choose to withdraw its
4 bypass proposal. The City of Owatonna was
5 told by the DM&E that the offer proposed to
6 them in the form of an agreement would
7 supercede any offer given by the Surface
8 Transportation Board. Based on your findings
9 we did have a viable and -- I think it was a
10 viable option in the form of a bypass
11 proposal. you have taken it upon yourself to
12 make a determination that we can no longer
13 consider that. I thought this was a Draft
14 EIS. Not a Final EIS. Why was determination
15 made by the Surface Transportation Board? It
16 specifically states it is no longer under
17 consideration. My time's up?

18 MR. GARDINER: Times up. Thank you
19 very much.

20 MR. HURLEY: My name is Arlo
21 Hurley. I represent myself and also the
22 Southern Bypass Coalition. I must tell you I

1 regret the day I ever heard of DM&E. What I
2 have heard here tonight suggests one of the
3 problems that we're going to see. We're
4 having two possible routes, the M-2 route,
5 which is the southern bypass, the M-3 route,
6 through the city. Nobody wants this. Nobody
7 wants it in their own backyard. But we are
8 now faced with the possibility that it will
9 come.

10 The Draft Environmental Impact
11 Statement recommended that the M-2
12 alternative, commonly called the southern
13 bypass route around Mankato, is the
14 environmentally preferred route. That is the
15 most ludicrous statement I have ever seen in
16 my life.

17 So there can be no doubt, I stand
18 here and I do speak in opposition to that
19 recommendation. Within the document it was
20 stated that the M-3 route would be placed
21 back into consideration if the UP and DM&E
22 have come up with an agreement. First of

1 all, I do not understand what that has to do
2 with environment, an agreement between two
3 railroads. But, since that statement is
4 currently there, I must then take issue with
5 the fact that if we go the southern bypass
6 route, the federal government will grant
7 through eminent domain the right of taking
8 our property, of removing our homes, of
9 cutting our farmlands in two, of interfering
10 with the movement of emergency vehicles. Most
11 of us on the southern route rely upon distant
12 fire departments for aid. All of this would
13 be impacted by this southern route.

14 If the federal government can give
15 the DM&E the right to take our homes, my
16 question is, why can the federal government
17 not force the UP to give up their track right
18 to the DM&E? Currently, the DM&E is running
19 on UP track through the city. I would like to
20 know why the corporation cannot be forced
21 through eminent domain to lose their track
22 corridor, but we on the south route can be

1 forced to lose our homes. Thank you.

2 MS. CLINKE: Okay. The first three
3 minutes I enjoyed this afternoon I argued
4 that farmers would not necessarily be served
5 better by a DM&E coal train and that in
6 addition there are federal funds for rail,
7 railroad upgrades available through the RRIF.

8 Further doubts about the protected
9 coal pipeline are raised by the new study by
10 NDSU's Upper Great Plains Transportation
11 Institute of the U. S. Department of
12 Transportation. This study of the economics
13 of rail mergers concludes that Class I
14 railroads are natural monopolies over a fixed
15 network size and that duplicate service of
16 the network would result in excess resource
17 costs. So I think that that's an important
18 thing to look at here. The DM&E claims that
19 the increased competition will result in
20 lower prices for farmers transporting their
21 grain to market. Maybe not. According to
22 this study.

1 There are bigger problems to be
2 answered here, and the DEIS should at least
3 address them. We know that we need more
4 energy. America will have to be coached into
5 a unified national energy policy that asks
6 consumers to pay the real costs, including
7 environmental, of the energy we consume so
8 copiously. There is a price to be paid. We
9 should consider alternatives to these coal
10 trains in this discussion. Wind power can be
11 produced and is being produced out near Lake
12 Benton, Minnesota where Minnesota's former
13 Commissioner of Agriculture Jim Nickels
14 lives. In a recent conversation he told me
15 about how they are harvesting the wind and
16 generating power through a contract with
17 Con-Ed in Illinois. The Buffalo Ridge in
18 Minnesota is producing power equal to half
19 the output of a nuclear power plant. He
20 called the coal train dinosaurs and said that
21 it was foolish to invest all the money on an
22 energy resource that in 20 years will be

1 replaced by cleaner, more Earth friendly
2 energy resources such as wind power.

3 Another alternative that needs to
4 be explored and asked is the option of making
5 the energy in Wyoming where they're
6 harvesting the coal in the Powder River Basin
7 and sending it east in the form of a DC power
8 line. Dr. Sadol Olah, an electrical
9 engineering professor at the University of
10 Wyoming completed a study in 1997 for the
11 Wyoming Science Technology and Energy
12 Authority. It studied the economic and
13 technical feasibility of harvesting the
14 energy there and sending it through miles of
15 DC wire to energy consumers. It's my
16 understanding through him that the difference
17 is about \$20 a ton to transport the coal and
18 only about 2 bucks to send it east through
19 these lines. I'll give you an abstract of
20 that paper when I submit my comments.

21 He emphasized that there are costs
22 to be paid for any kind of energy. With the

1 coal trains, it's environmental damage along
2 the entire corridor. With the wind power
3 it's the raptors and migratory birds who die
4 and with this it's the environmental damage
5 done in Wyoming. Like energy, it all has
6 costs. However, this is one alternative that
7 I think should be looked at in conjunction
8 with the coal methane thing, which is
9 obviously a major do-do-bad, bad stuff.

10 The points I'd like to make at the
11 very end is, we need more time to study the
12 DEIS. I said that earlier. We need a new
13 DEIS completely with clearly delineated
14 routes. I also believe the farmers and the
15 taxpayers shouldn't have to pay for this coal
16 to benefit Illinois energy consumers. I want
17 you to make this decision emphatically.
18 Think about if this is in your home, because
19 this is in our home. This to you is a job,
20 but this is our home. So I want you to think
21 about that.

22 MR. HENDRICKSON: My name is Ken

1 Hendrickson, and I am from Owatonna, and,
2 again, thanks to Mankato for allowing us to
3 speak this evening, and for us to be able to
4 present to you in person.

5 SPEAKER: Can't hear you.

6 MR. HENDRICKSON: It's the one way
7 that we can fight what everybody says you
8 can't stop, the railroad. It gives us an
9 opportunity at least to vent.

10 There's a couple of things. I live
11 on the north end of Owatonna. Owatonna is a
12 population of about 22,000 people. So it's
13 small and rural Minnesota. We do, however,
14 have about 10 percent -- we rank tenth in the
15 state in industrial payroll, and about 30th
16 in population. So we're doing very well.
17 Very well indeed. we want it to stay that
18 way.

19 I live on the north end. There's no
20 loops, no bypasses, at least that I'm aware
21 of, that's going to come in my backyard. I'm
22 here simply as a citizen of Owatonna that's

1 concerned. My background, I have been in
2 economic development for business incubation
3 and small business development and growth for
4 the last 20 plus years.

5 A couple of things that I want to
6 present tonight. About 40 percent of the
7 residential area of Owatonna live on my side
8 of the tracks. Three primary roads funnel
9 that 40 percent of the population down and
10 come across the DM&E. The first is Cedar
11 Street, onto Hoffman, and that's how the vast
12 majority of that 40 percent of our population
13 get to work, get to shopping areas, get to
14 our hospitals and clinics. Okay. Of those
15 three roads, two of those are at grade. One
16 of them is elevated. The elevated will have
17 to be redone if this project goes through.

18 I'm positive that you have heard
19 today, you'll hear it this evening, if you
20 already haven't, please, about crossing
21 safety, noise, emergency vehicle access to
22 the hospital and clinic that's located on the

1 other side of the track, and fire projection.
2 The railroad expansion in Owatonna adversely
3 effects 40 percent of its residential
4 population. We're on the wrong side of the
5 tracks for all of those issues.

6 The Owatonna and the DM&E agreement
7 really doesn't address that. There are no
8 guarantees with that agreement that that's
9 ever going to happen.

10 Cedar Street -- the second thing I
11 want to talk a little bit about, Cedar Street
12 is in downtown Owatonna. DM&E sits on the
13 edge of that and it has co-existed for close
14 to a hundred years. Our downtown went
15 through the cycles that a lot of downtowns
16 have, but they came back. Today there is
17 a -- there just isn't real property
18 available. The DM&E sitting that close is
19 going to majorly affect that. We have a
20 redevelopment project now that's probably
21 going to go on hold because of this because
22 it sits about a block and a half from the

1 DM&E. With the recent statements from
2 Mankato and Rochester on the noise and the
3 vibration it's going to be a hard sell for
4 us.

5 So, please stop this expansion. It
6 simply is just -- we're just one of many
7 communities that are experiencing the same
8 things that I'm talking about tonight. Please
9 consider that. Thank you.

10 MR. ZELENKA: My name is Bob
11 Zelenka. I'm the executive director of the
12 Minnesota Grain and Feed Association. My
13 view is one a little different from tonight's
14 theme. I'm talking from the point of view of
15 the rail users.

16 We have grain elevators located
17 along this line in Minnesota as a local
18 market for thousands of farmers that reside
19 in these areas. We have moved 26 million
20 bushels on this line, and we look at this
21 project not simply as a coal project, we view
22 it as a necessary rehabilitation to ensure

1 the future viability of this line. Rail is
2 very critical to our businesses along these
3 lines and along other rail lines in the State
4 of Minnesota.

5 This 26 million bushels of grain
6 moved on this line equates to about 30,000
7 semis that would be on these roads if you
8 have to divert that from rail. The advantages
9 to opened new markets to the West Coast, to
10 Asia, and to the south, and to Iowa, moves
11 the traffic in a different direction, and it
12 also gives us a better chance to access some
13 premiums in the market place 8 to 12 cents a
14 bushel is what's being talked about in some
15 of these markets.

16 The new Class I carrier that this
17 would create is new competition. We feel
18 that, and would hope, drive down the rates
19 that other railroads are charging for grain
20 movement, and we also feel that competition
21 in the coal industry can only be helpful as
22 well.

1 According to the EPA, there's been
2 discussion about the emissions. There's
3 fewer pounds of pollutants are emitted by
4 locomotives as compared to trucks as
5 determined by emissions per gallon of fuel
6 consumed. From an environmental standpoint,
7 I think the retention of rail and moving
8 grain as much as can you by rail makes a lot
9 of sense. From an economic standpoint, the
10 no action alternative would be very
11 devastating to us in the agricultural
12 industry, our farmers, and the small
13 communities that we reside in. A country
14 elevator employs, on average, 15 people, has
15 a payroll of approximately \$500,000, has
16 approximately 2,000 customers per elevator,
17 with an annual property tax bill of
18 about \$50,000, handling about six million
19 bushels annually. So it's a big reason why
20 people come to communities. It's a big
21 reason why these towns are existing today by
22 us being a major employer and a major

1 taxpayer.

2 We appreciate the detail in the
3 Draft EIS down to the description of road
4 kill in the Executive Summary glossary. We
5 can support many of the mitigation measures
6 outlined in the document. We want to go on
7 record in support of Alternative C. We want
8 to urge the Surface Transportation Board to
9 issue a permit for Alternative C and adhere
10 to its deadlines in the development of the
11 Final DEIS and the ultimate decision. Thank
12 you.

13 MR. RIEKE: My name is Randall M.
14 Rieke. I'm the general manager of the
15 Farmers Co-op of Hanska in Hanska, Minnesota.
16 Hanska Co-op serves 1400 patrons in the New
17 Ulm and Hanska area. We have two locations in
18 New Ulm served by the DM&E rail line. I also
19 served on the City of New Ulm's safety
20 committee for reviewing and putting the final
21 draft approval together for the City of New
22 Ulm agreement with the DM&E.

1 The viability of the DM&E is a must
2 for South Dakota and Minnesota rural
3 businesses and cities and the economies. Our
4 cooperative and farmer patrons need the DM&E
5 rail line service to compete in the world
6 business of grain and crop inputs. Hanska
7 Co-op lost its short-line rail in Hanska
8 in 1970. Our company knows what it feels
9 like to lose rail service for our rural ag
10 community. The new rail upgrade will allow
11 Hanska, New Ulm, and the surrounding
12 communities who lost their rail service to
13 access the Pacific Northwest markets and
14 Asia. These markets will tend to give our
15 patrons 10 to 15 cents a bushel edge on river
16 or Gulf markets. At 150 to 180 bushel corn
17 this equals to 15 to \$27 an acre just by this
18 new rail service. This is a big factor for
19 our rural patrons to be able to compete with
20 other areas with the PNW rail service.

21 In our market area the impact would
22 amount to about a million and a half dollars

1 at a minimum and could be 50 percent higher
2 due to the PNW rail bed. So the impact is
3 huge to the economic status of our area
4 farmers and the rest of rural America along
5 the line.

6 Our state and interstate highway
7 system will be saved by a number of 400 semi
8 trucks per single train move on rail, which
9 means energy is saved, air pollution is
10 saved, less traffic and safer roads due to
11 the DM&E rail service. Hanska Co-op ships
12 what would equal to 10 units of 100 cars
13 means 4,000 less trucks going in and out of
14 New Ulm each year. It is more economic to
15 pull 10 trains of grain versus 4,000 semis
16 and be safer and use less fuel, less road
17 fatigue, quieter, and more efficient loading
18 and unloading at both destinations.

19 I really do not believe the
20 communities along Highway 14 from New Ulm to
21 Winona want 4,000 semis running up and down
22 the road when 10 trains will do the freight,

1 and we are only one of many shippers on this
2 rail line. Also, by larger jumbo cars,
3 instead of loading 198,000, we can reduce the
4 trains by 31 percent. So seven trains could
5 do the same as 10.

6 In summary, the two year delay on
7 the progress of the DM&E rail upgrade has
8 hurt our company, our patrons, and in grain
9 margin performance and crop input freight
10 reduction, and the lack of connecting
11 markets. Our company planning for the future
12 has been on hold due to this process. The 45
13 to 90 day listening period should be very
14 ample to get the issues out on the table. Two
15 years have gone by. The communities have
16 heard it all by now, so let's get on with the
17 new DM&E first class rail service of the
18 future and watch South Dakota and southern
19 Minnesota rural ag communities prosper.
20 Thank you.

21 MR. AUSTIN: Good evening. My name
22 is Lynn Austin. I work as an automotive

1 technician in North Mankato. I have been an
2 ASE certified tech for over 30 years. In
3 that time the government has cleaned up tail
4 pipe emissions by 98 percent to the point
5 where you can't even smell a 2001 car run.

6 The river valley that we live in
7 holds pollution, and lots of days throughout
8 the year cloudy, high humidity, low wind,
9 those types of days hold the pollution down
10 and you can actually smell the carbon
11 monoxide in the air. By adding 40 trains
12 into this little valley, of the thick black
13 smoke going through our city or around it,
14 will put the pollution off the scale of
15 over 800 million carbonates. according to
16 recent surveys it will cause us all cancer,
17 or the people that live in the valley
18 according to the Automotive Service
19 Association and the New York Times. It will
20 cause us cancer. Cancer to all who live in
21 around this valley that have to go and have
22 that much more pollution coming in around it.

1 I feel we need to go back to the
2 drawing Board. We need to find a better way
3 to reduce the power plant smokestack
4 emissions instead of hauling 40 coal trains
5 through our area every day. So, why don't we
6 go to solar panels, fuel cells, solar energy,
7 the burning of garbage like we do here in
8 town? Can we afford to go backwards? I
9 grant you the trains move the commerce every
10 day. We can live with the trains the way
11 they are right now. But with the trains
12 bringing millions of gallons of fuel,
13 imported fuel no less that's polluting the
14 air, causing high safety problems at thousand
15 of crossings from Minnesota to Wyoming,
16 killing people at them -- Ames, Iowa is a
17 very good reference of having problems with
18 people in crossings.

19 I feel the government's money, or
20 my money, can be directed in a better way. I
21 beg this Board to vote no action and decline
22 the train use. if nothing else, at least give

1 us one year on the environmental asset sheet
2 to all the rest of the people that have said
3 things. So I just say "ditto." Thank you
4 very much.

5 MR. VOGEL: Good evening. My name
6 is Allan Vogel. I'm the Director of the
7 Office of Freight, Railroads & Waterways with
8 the Minnesota Department of Transportation.

9 For the benefit of the audience,
10 I'm going to repeat a portion of the comments
11 that I had made earlier this afternoon, and
12 then focus on some items that I wasn't able
13 to get to.

14 The Department of Transportation
15 believes that the Surface Transportation
16 Board has done a commendable job describing
17 the no action alternative. MnDOT believes
18 that the DM&E is a critical element of a
19 balanced multi modal transportation system in
20 Minnesota and shares the STB's conclusions
21 that there are significant environmental and
22 social costs if this rail were to fall into

1 further disrepair and/or service abandonment.

2 Competitive transportation options
3 for shippers in Minnesota is critical and
4 this railroad provides economic advantages to
5 the agricultural community in southern
6 Minnesota.

7 As far as the STB's process to
8 review and solicit comments on the
9 construction application, MnDOT submitted
10 specific comments and requested that several
11 conditions be imposed on the railroad should
12 the STB approve the application. MnDOT's
13 comments and requested conditions have an
14 impact on the subject of the EIS and I'll go
15 into more detail on that in a moment. But
16 recognize that the STB's -- the STB's failure
17 to acknowledge the critical nature of the
18 comments and conditions sought by MnDOT has
19 influenced your approach to the entire EIS.

20 In particular, the STB chose to
21 ignore that significant increases in rail
22 traffic will be experienced in the City of

1 Winona with environmental consequences. I'm
2 going to skip, now, to comments that I have
3 not made earlier this afternoon.

4 Speaking specifically to the City
5 of Winona. Winona is a community with
6 significant congestion problems from rail,
7 truck and auto traffic. For the Draft
8 Environmental Impact Statement to be silent
9 on the impacts that this project will have on
10 Winona is arguably a fatal flaw. It really
11 boils down to this question. If your analysis
12 is based on train volumes of 37 per day
13 through to Winona, where do the trains go?
14 Safety, access, emergency services, mobility,
15 noise, vibration are all significant issues
16 in the City of Winona that this Draft DEIS
17 fails to acknowledge and address.

18 Environmental impacts, as well as
19 benefits to the City of Winona, the Port of
20 Winona, and the Mississippi River, must be
21 considered in your analysis. Further, it's
22 the informed opinion of MnDOT that adequate

1 rail capacity simply does not exist in Winona
2 to handle the 37 additional trains that are
3 used as your threshold for environmental
4 analysis.

5 I want to speak briefly to 104
6 mitigative measures. MnDOT is of the opinion
7 that the STB should specifically order that
8 the cost of all mitigation is the sole
9 responsibility of the DM&E railroad. again,
10 this would include any and all costs
11 associated with grade crossing safety
12 improvements and grade separations. In
13 conclusion, MnDOT recognizes and respects the
14 complexity of STB's charge. I hope the STB
15 in turn appreciates the need for an objective
16 and fair review of this application as
17 provided for under the authority given the
18 STB in matters of this nature.

19 I have heard it said from many
20 sources the STB process is a process weighted
21 heavily in favor of the railroads. Your
22 responsibility in this emotionally charged

1 and regionally significant project is to
2 ensure that this critical matter of
3 interstate commerce is decided based on
4 objective analysis conducted by qualified
5 experts. Thank you.

6 MR. JANNI: Thank you. My name is
7 Ron Janni of 11486 Shag Road. I have some
8 concerns regarding the Middle East Staging
9 and Marshalling Yard for Alternative B and C,
10 option B, located a quarter mile southeast of
11 New Ulm along Shag Road. Closing township
12 road 97, also known as 110th Avenue, would
13 make Shag Road a four and a half mile dead
14 end road, leaving over 30 homes, plus an
15 apartment house with only one exit. This exit
16 has been closed several times in the last few
17 years due to flooding. Also the junction of
18 Highway 15 at Shag Road is a dangerous
19 intersection. Because of a hill, traffic
20 coming from the north cannot see far enough
21 in advance for any vehicle that is waiting to
22 make a left-hand turn on to Shag Road. There

1 have been several accidents here over the
2 years, some of which are fatal.

3 Having a hundred more vehicles
4 using this intersection instead of
5 using 110th would increase the chances of
6 more accidents. Residents living toward the
7 eastern end of Shag Road wishing to go
8 towards Mankato for work, or whatever, would
9 have to drive an extra eight to nine miles.
10 The school bus would have to backtrack the
11 entire length of Shag Road and 110th Avenue
12 which would add an extra 12 to 15 miles to
13 the route twice a day. It would also take
14 rescue vehicles much longer to respond to an
15 emergency on the eastern end of Shag Road.
16 Farmers would have to move their farm
17 equipment an extra eight to nine miles on a
18 major highway to get to some of their fields
19 that are within a half mile of their yard.

20 In the DEIS statement it states
21 that there's one intermittent stream that
22 passes through the proposed yard. In the

1 glossary they define an intermittent stream
2 as a small waterway which water flow is not
3 continuous, usually having only seasonal
4 water supply or sporadic water flow. There's
5 a fairly large stream at mile 161.5 that
6 flows pretty much the whole year. During the
7 spring thaw and after rains it flows very
8 strong, almost violent. Right now there's a
9 log jam up against the trestle. This stream
10 brings surface runoff water from several
11 hundred acres all the way from the top of the
12 hill near Highway 68. If this stream were to
13 be restricted and caused to back up, it would
14 very easily back up into an apartment
15 building located at the bottom of the hill.

16 At mile 16.8 (sic) there also is a
17 trestle over the stream. There are also two
18 large cement culverts under the existing
19 track, one at mile 162.1 and the other
20 at 162.6. Both of these flow strong during
21 the spring thaw and after the rain. There
22 are two homes and an apartment house and an

1 apple orchard tucked in the hillside south of
2 the yard. The only way out would be to cross
3 the rail yard because of the hill. There
4 would be parcels of land that would be
5 landlocked and so there would be the danger
6 of mostly children being hit by trains while
7 crossing the yard to get to a friend's home
8 or their hunting spots in the woods. There
9 are over a hundred people in the 35 homes
10 along Shag Road that would be near the switch
11 yard. Several of them being less than 125
12 feet. They would have to listen to the loud
13 noise of stop and starting and switching of
14 cars in the yard which DM&E informed me would
15 take place 24 hours a day. I think this
16 would be very disruptive at night especially
17 for children. Thank you.

18 MR. SMITH: I'm Steve Smith and I
19 represent several hundred farm families in
20 rural Olmsted County whose lives would be
21 irretrievably changed by Rochester's
22 construction of a bypass through a heretofore

1 pristine area. I'm here to tell you that the
2 purposes of the National Environmental Policy
3 Act are not served by destroying the natural
4 environment out in that area. The City of
5 Rochester complains about delays for funeral
6 processions to get into a cemetery, yet their
7 bypass goes right through Holy Redeemer
8 Cemetery requiring the removal of grave
9 sites.

10 They have plotted this line on a
11 region of karst topography with sinkholes and
12 could you not design a line which aligned
13 more closely with those sinkholes. The Draft
14 Environmental Impact Statement fails to
15 address the fact that those sinkholes are
16 caused in part by hydrological -- or
17 hydraulic changes caused by construction. The
18 rail construction with 90 foot fill sections
19 and 40 foot cut sections is going to have
20 great hydraulic changes. The City of
21 Rochester's water supply depends upon
22 underground 40 foot aquifers, and a 40 foot

1 cut section into bedrock is an open wound
2 into those aquifers, and the DEIS fails to
3 address that.

4 There is another region of
5 sinkholes located in the southwest part of
6 the county and the western part of the county
7 through which the bypass is proposed to run.
8 The effect of those 40 foot deep cut sections
9 is not only going to greatly affect the
10 ability of farmers to get from one field to
11 another, it's going to draw down the water
12 table and make it much more difficult for
13 them to grow crops adjacent to that area.

14 There are ag residences along the
15 route. There are also other residences.
16 There is also animal husbandry along that
17 route, which has not been addressed in the
18 DEIS. The City of Rochester complains about
19 the adverse effects of emergency vehicles
20 being unable to cross the tracks because they
21 have turned down overpasses which would allow
22 them to cross the tracks and yet they propose

1 a 35 mile long route through rural Rochester,
2 or through rural Olmsted County which would
3 require long detours especially when ten of
4 those crossings likely would be closed under
5 standards set by the Minnesota Department of
6 Transportation. Their lives are not less
7 valuable than the lives of the people in the
8 City of Rochester.

9 Finally, we get to Section 19 in
10 Rock Dell Township where they propose to
11 cross an absolutely beautiful pristine wooded
12 gorge by a 90 foot high fill bracketed on
13 either side by 35 foot, 40 foot deep cut
14 sections. Incidentally, the 90 foot high fill
15 is supposed to join a 250 foot long bridge
16 which is only 28 feet above the ground. I
17 don't know how they join a 90 foot high fill
18 with a 28 foot -- a 28 foot high bridge, but
19 that is indicative of the quality of the work
20 that has gone into this bypass. Thank you.

21 MR. MATTICK: My name is Neil
22 Mattick. I live on, or near the southern

1 bypass that's been proposed. I'm strongly
2 opposed to the southern bypass route that is
3 set up at this time. Just a couple of points.
4 On the application to the STB two years ago,
5 a map was posted on the DM&E website. It was
6 a topographic map that was very detailed.
7 The route submitted to you at that time is
8 not the same that has come out at this time.

9 At that time, it would have touched
10 my property and come through it, now it's
11 moved 2000 feet north of my property, so I
12 feel you have been submitted with wrong
13 information from the DM&E, and if this is one
14 instance, how much more information have you
15 had that is wrong?

16 Another thing, two years ago,
17 again, on the southern bypass we had a
18 township meeting. We submitted comments to
19 you regarding the environment and it took you
20 two years to submit a draft, and I don't feel
21 any of our comments were viewed. I feel that
22 you went around this wrong. That you need to

1 do your environment first and all your
2 other -- and get a definite route from the
3 DM&E because it's totally wrong. Thank you.

4 MS. SALLSTROM: My name is Kathy
5 Sallstrom. I live at the intersection of
6 County Road 90 and Highway 66. This is
7 located in a portion of the river valley
8 where you propose the new rail line should be
9 built. At one time my driveway seemed to be
10 the place where the track was going, now it
11 appears that it's just across the road from
12 my house.

13 Meaningful, educated input from
14 many residents along the M-2 bypass, myself
15 included, could not begin because portions of
16 this route had not been conclusively
17 identified for us by a map until
18 November 6th. It was at the November 6th Blue
19 Earth County's Commissioner's public input
20 session that an accurate map that I now call
21 the "current map" of the route was provided.
22 Until that meeting I had seen no less than

1 four other versions of the map in a span of
2 two weeks. I haven't had an opportunity to
3 read the DEIS in its entirety for all the
4 reasons as mentioned by others. I also
5 request an extension of time.

6 I wish this discussion wasn't
7 talking about alternative rail routes. I
8 wish it was discussing alternative available
9 non-polluting sources of power. It's too
10 self-serving for the railroad and the power
11 companies to line their pockets at the
12 expense of so many of us. The expense only
13 begins at pollution and will inevitably end
14 with increased taxes. This affects everyone.
15 Even if I didn't live in the valley, I would
16 object. I feel that the government, meaning
17 the taxpayers, has no place in funding
18 private corporations. This project does not
19 benefit our area. There's no public interest
20 in it, in the Blue Earth County area.

21 I object to the danger of passive
22 crossings. Two of my four children drive. I

1 have a daughter 15, a son 13. Everywhere we
2 go from our location I fear for their safety
3 if these passive crossings were to exist. The
4 number of trains coupled with the passive
5 crossings is just a disaster waiting to
6 happen.

7 I find it unbelievable that in the
8 short time I have been acquainted with the
9 DEIS that this lengthy document even has
10 environmental study in its title. I'm
11 referencing this to the quality of air in the
12 valley where I live, the wetlands, the flood
13 waters, wildlife, and the quality of live of
14 those who live in the valley. How do you
15 mitigate the obliteration of a habitat of
16 deer, pheasant, duck, turkey and geese?

17 A portion of the proposed route is
18 to be constructed in the floodplain currently
19 zoned conservation. It's been explained to
20 me that the hillside will be cut and pushed
21 into the valley to provide fill to create a
22 level grade to accommodate the train. These

1 flood waters will go to the lowest lying
2 area, which is where my house is. The
3 conductor of sound through the valley has
4 been addressed. The odors and pollution that
5 hang in the valley have been addressed. The
6 safety factors and substantial trends of
7 regular train traffic and people who frequent
8 the area for recreational purposes. The
9 Corps of Engineers' map signifies that the
10 chairlifts of Mount Kato on the back hill are
11 in conflict with the study. This is
12 practically in my backyard. I haven't had any
13 contact from anyone about the effects on my
14 property.

15 MR. DEBERG: Good evening. I'm
16 Kevin DeBerg from Springfield, Minnesota. I'm
17 a representative of Harvestland Cooperative.
18 we are in favor of DM&E's revitalization
19 project and for mainly two reasons.

20 First, building a new and
21 economically feasible markets. We'll have,
22 with the revitalization product (sic) better

1 access to eastern and southeastern feed
2 markets for our corn. Secondly, better access
3 to Pacific Northwest markets and the Asian
4 market. thirdly, the IM Merrill link, the new
5 market for corn down into Iowa.

6 Crop inputs such as dry fertilizer
7 products, liquid fertilizer products, and
8 propane will also be freighted in at lower
9 costs and new suppliers will enter our
10 markets thus lowering costs for our
11 producers.

12 The second topic is highway traffic
13 without rail service which could happen
14 without the revitalization. Springfield,
15 alone, would put an additional 6,000 semi
16 loads of grain on our highways in the
17 shipping -- in the April through August
18 shipping period. For example, we did have a
19 location one year ago that lost rail service,
20 and after shipping nearly 4,000 semi loads of
21 grain, we had numerous meetings with city
22 council, and hearings with the town people in

1 that city, and now the city, the residents,
2 and our cooperative, with other cooperatives
3 on that line, are working to get rail service
4 back. we cannot afford to lose service and
5 increase our costs economically, socially,
6 and environmentally.

7 In summary, there are two basic
8 issues important to us. First of all, a
9 revitalized DM&E railroad will lower input
10 costs for our producers. Secondly, the
11 revitalized DM&E will raise prices received
12 by our producers in our area for their
13 products. These two factors, in our analysis,
14 will raise revenue per acre for our
15 producers, at a minimum, of 9 and half to \$11
16 an acre and with some higher -- other higher
17 estimates, if things go the way we think they
18 will, of 25 to \$30 an acre. Thank you.

19 MR. HAMER: I'm Dick Hamer. I own a
20 small office building at 217 Walnut Street in
21 Mankato. This is well within the floodplain
22 in downtown Mankato. The City of Mankato has

1 endured at least two floods and many, many
2 years of apprehension about flooding until
3 the flood control project was completed.

4 I'm extremely concerned that heavy
5 haul coal trains on or near the flood control
6 project might sooner or later compromise the
7 project which was constructed at great cost
8 by the Corps of Engineers. It just doesn't
9 seem reasonable to allow anything that could
10 possibly compromise the integrity of the
11 flood wall and the dike, and thus endanger
12 the lives and property of the citizens of
13 Mankato.

14 I agree with the DEIS that the M-3,
15 in-city route is not the environmentally
16 preferred route. I believe the M-3 route
17 should never be used. Therefore, I urge that
18 the M-3, in-city route, be withdrawn from
19 consideration as a viable alternative. Thank
20 you.

21 MR. TILLISCH: My name is Skip
22 Tillisch and I'm here to express my concerns

1 about the effect of the DM&E trains on the
2 local flood wall. My office is located a
3 block and a half from the flood wall and it's
4 definitely within the floodplain. I purchased
5 my building at about the time that the flood
6 wall was just being completed, and that
7 protection that was going to offer was a
8 large consideration in my determination to
9 spend the money and stay in downtown Mankato.
10 Now they're talking about running 37 trains
11 along the wall and nobody has done an
12 adequate study of what effect this is going
13 to have on that wall itself.

14 Floods seem to be getting worse
15 everywhere. I have two friends who were
16 flooded out in Grand Forks in that flood a
17 couple of years ago. They said those dikes
18 would hold, but because of the incredibly
19 high water levels, they did not. Their
20 practices still haven't returned to the level
21 they were before the flood.

22 If Mankato should be cut -- be

1 flooded because of the trains weakened the
2 flood wall, the loss is going to be
3 devastating to this area. I ask you to make
4 sure that no additional tracks are added and
5 that no additional trains are allowed to run
6 along the flood wall until adequate testing
7 has been performed and you can offer a
8 guarantee that our hundred million dollar
9 investment in the flood wall and our hundreds
10 of millions of dollars investment in lower
11 Mankato are protected. Thank you.

12 MR. PUTRAH: I'm Jeff Putrah and
13 I'm representing the Mount Kato ski area
14 south of Mankato. I'm slightly unprepared
15 due to the same problem one of our other
16 people talked about, the change in the map.
17 The map we originally had showed the M-2
18 route to be south of County Road 90. Now all
19 of a sudden it's in our backyard on the north
20 side of County Road 90.

21 The impact statement also says that
22 we will have our western lifts impacted. I

1 want it to be known that's a complete
2 understatement. With the loss of those lifts
3 will be the loss of the Mount Kato ski area.
4 The area will simply close. It is not a
5 viable area without its rear side of the
6 area. We draw from Kentucky, Missouri, South
7 Dakota, Nebraska, Wisconsin, North Dakota,
8 and a large portion of Minnesota, including
9 the metropolitan area. Without the rear part
10 of our area on the south facing slopes, that
11 area cannot draw from that large of an area
12 any longer. It will close because it will no
13 longer be viable.

14 With the loss of that, I want
15 everyone to consider you will also lose a
16 great form of recreation for our children and
17 the trickle down dollars that have to come
18 from that area to the gas stations, to the
19 restaurants, to the hotel-motel businesses in
20 the City of Mankato are dramatic. In the
21 winter you will lose all of it. Like I said,
22 I'm sorry, I'm kind of unprepared, but I

1 think it's a real important fact that
2 everyone know this. After several phone calls
3 this morning to some very important clients
4 that we have at Mount Kato, not one had a
5 clue that this would affect the Mount Kato
6 ski area.

7 I just want it to be known that I
8 think a little more should be written due to
9 the fact that what is going to happen, no one
10 knows. Impact is a pretty broad statement.
11 But if impact means removal of the lifts on
12 the rear side of our area, there will be no
13 more area. Thank you.

14 SISTER SCHMITZ: Thank you for the
15 opportunity to speak. My name is Sister
16 Gladys Schmitz. I live at 170 Good Counsel
17 Drive, Mankato. I want to speak in favor of
18 the no action alternative which, according to
19 the DEIS, 2.2.1.1 on page 2-10 states, "Under
20 the no action alternative DM&E would not
21 construct or operate a new coal line in South
22 Dakota and Wyoming extending its existing

1 line into the PRD, the Powder River Basin."
2 The footnote states that, "It is likely that
3 the DM&E would not rebuild its existing
4 system in Minnesota and South Dakota due to
5 lack of available resources."

6 I believe there might be other
7 resources available through the new federal
8 Railroad Rehabilitation and Improvement
9 Financing Program, RRIF. If they use that to
10 give the kind of rail service that the farm
11 co-op people have been talking about, it
12 would eliminate the perceived need to inflict
13 massive environmental and social damage for
14 the sake of saving the coal train line.

15 I'm not against railroads. But
16 from my earliest understanding of what this
17 DM&E expansion is all about, I have
18 strenuously opposed its passage either
19 through Mankato, through a bypass, be it
20 north or south, or through anybody else's
21 city or countryside. All I have learned since
22 then has re-enforced and underscored my

1 opposition. My reasons are multiple and
2 they're the same as those you have heard from
3 a lot of other citizens. But most of all I
4 think it's wrong-headed, at best, to
5 spend 2.4 billion dollars on railroad
6 expansion for an out-moded form of energy
7 production.

8 We need a national energy policy
9 that moves away from fossil fuels to one that
10 emphasizes a comprehensive and serious effort
11 at efficiency, conservation and promotion of
12 renewable resources such as wind, solar, and
13 biomass. As climate change begins to be
14 taken more seriously, emissions from coal
15 fired plants will have to be addressed since
16 the electric utility industry is the largest
17 single source of air pollution in the United
18 States.

19 Coal fired plants emit many heat
20 trapping gases. Some of these same
21 pollutants, along with other emissions cause
22 acid rain, respiratory diseases, heart

1 problems and cancer. In fact, the New York
2 Attorney General took legal action last year
3 against 17 midwestern coal fired electric
4 plants for the pollution they have caused for
5 years he said. But coal fired plants also
6 emit mercury which is carried downwind along
7 with other pollutants. It falls on lands and
8 into rivers, lakes, and streams where it is
9 changed by bacteria into an extremely toxic
10 form called methyl mercury. Methyl mercury
11 is the only form that bio- accumulates.
12 Humans ingest most mercury by eating fish.
13 More than 95 percent of the mercury we get
14 through fish is methyl mercury. Its
15 biological half-life, that is the time it
16 takes the body to rid itself of half of
17 mercury is 70 days. But mercury's half-life
18 in the brain is 230 days. The brain is the
19 organ that is most harmed by this neuro
20 toxin. This is dangerous for any person but
21 especially for children, those in utero and
22 those whose nervous system is still

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1 developing until at least to age six. It's a
2 complex problem that can't be easily
3 addressed.

4 Well, I have got more here, but
5 I'll try to come to an end. But, anyway, I
6 just want to say that let the DM&E use the
7 RRIF to upgrade its tracks for hauling
8 agricultural and other local products. The
9 STB should consider all environmental impacts
10 in the DEIS, but even as it is we don't have
11 time to examine it. I looked at maps, for
12 instance, on the part I had and I couldn't
13 find what was written in the words. I
14 couldn't find it on the maps and so on. So,
15 anyway, I request a longer time. I think we
16 need it because --

17 MR. TORBENSON: I'm here -- I'm
18 Kevin Torbenson and I'm here on behalf of the
19 thousands of people that call Mankato home.
20 I'm talking about more than the city proper.
21 I'm talking about the outlying areas involved
22 in the southern route. If we could all take a

1 look at the numbers that came through on the
2 last census, I believe that we would see in
3 the last 10 years the status of the City of
4 Mankato has been no growth. Actually, in
5 fact, it went down in population.

6 How can a shrinking in size, a city
7 shrinking in size support a new mall, hotels,
8 lots of places to eat, it seems like we have
9 unprecedented growth in Mankato. The fact is,
10 not all the people that are supporting these
11 things, and this new growth are coming from
12 Iowa, by the way. The so-called growth in
13 Mankato is coming directly supported from the
14 growth in these outlying areas. Eagle Lake,
15 Mankato Township, rural neighborhoods like
16 Copper Mountain, Riverview Heights, and
17 Meadow Brook, these are the Lakevilles and
18 the Bloomington of the metro area. If you
19 take a drive south you will see homes,
20 development and neighborhoods everywhere.
21 Rural development is the trend. It has been
22 for decades. This is nothing new. These are

1 established neighborhoods.

2 I applaud Mayor Kagermeier's brave
3 stance to say no to the southern route, as
4 well the city route. The Blue Earth
5 Riverway, Mount Kato, the Red Jacket Trail,
6 Hungry Hollow, Indiana Lake Nature Trail,
7 Minneopa State Park, Minneopa Falls, these
8 are all vital parts of Mankato. As many of
9 you have already stated, the scenic river
10 valley that surrounds this area is what makes
11 this community, which includes your fellow
12 Mankatoians that live along the southern
13 route, a wonderful place to live. The people
14 of Mankato need to stand together on this
15 issue. The people of Mankato don't want DM&E,
16 period.

17 MR. YEZZI: I'm Ron Yezzi, 201
18 Chancery Lane in Mankato. The nature of the
19 DEIS forces people to discuss the specifics
20 of the environmental impact in their areas
21 simply as a defense against the effects on
22 them of the DM&E project. But the

1 environmental impact of this project is much
2 broader than these specific impacts. An
3 adequate EIS needs to take into account the
4 environmental impact of alternative national
5 energy policies.

6 In particular, there needs to be a
7 study of the environmental impact of
8 conservation and alternative energy sources.
9 If the national environmental value of this
10 project is the transport of low sulphur coal
11 to the Midwest to reduce polluting emissions
12 there, doesn't any such environmental
13 advantage have to be weighed through a cost
14 benefit analysis against the environmental
15 advantages of alternative energy sources?

16 If the purpose of the EIS is to
17 determine environmental impact, then it needs
18 to measure the total environmental impact. If
19 the development of alternative energy sources
20 such as solar, wind, or biomass would have
21 less adverse environmental impact, then these
22 alternatives belong in the EIS for the DM&E

1 project.

2 Without alternative energy policy
3 inclusion, the EIS promotes coal solutions to
4 the nation's energy needs by ignoring
5 important relevant environmental
6 considerations. Thank you.

7 MR. FERNANDEZ: I'm Santiago
8 Fernandez and speaking in favor of the no
9 build option. For many reasons which have
10 been previously stated, specifically, I think
11 that fuel cell technology which hasn't been
12 discussed earlier will be so prevalent in 10
13 years that this will have seemed like a
14 complete boondoggle. So keep that in mind.
15 But on a more new by nature I work at Two
16 Fish Recording Studios in Mankato. We're
17 very concerned about low decibel rumble and
18 how it's going to impact our business in the
19 recording studio. We're at Second and Grove
20 in Mankato. That's close enough that we
21 already have some impact from the rail line
22 as it is. But we're very worried about 37

1 trains a day. It would basically put all our
2 investment in our location to waste. So,
3 thank you.

4 MR. DORN: Good evening. I'm John
5 Dorn. I'm the state representative for
6 District 24A, which is basically the City of
7 Mankato, the Village of Skyline and South
8 Bend Township. You asked us on the
9 instructions that accompany this -- and by
10 the way, I thank you for coming to our
11 community and listening to our voices. You
12 suggested that we say "ditto" or rather than
13 be redundant and I came up here in part to
14 say a lot of "dittos" to the many articulate
15 statements that have been made by the folks
16 in this community about the concerns they
17 have with this proposal through what is
18 really the greater Mankato area park as you
19 have heard tonight and the damage that would
20 be done to the entire area.

21 The concerns about the crossings,
22 and the safety, and the traffic concerns, the

1 flood wall, the vibrations, the noise damage,
2 the pollution damage to our air, our water,
3 our flora, our fauna, that is what I'm saying
4 "ditto" to.

5 I have two comments, because I
6 don't say "ditto" quite to everything that I
7 have heard tonight. The first is that I
8 certainly want a strong agricultural industry
9 in Minnesota. That's part of what Minnesota
10 is. We've heard the statistic that each car
11 is four semis and 100 trains -- I'm
12 sorry, 100 car train would be four -- 400
13 semis and 10 would be 4,000. This is a
14 very -- this is a very smart area. I believe
15 we've got to be smarter than to be putting
16 ourselves in a position where the solution to
17 revitalizing our agricultural community is to
18 run the equivalent of 12,000 semis on a coal
19 interstate through the park in which we live.
20 I think we can do better than that in terms
21 of what the needs are from the agricultural
22 community.

1 The second comment, you heard the
2 first speaker, my good friend, Senator
3 Vickerman, from the Tracy area to say hurry
4 up. Wanting to proceed as fast as possible.
5 I think you have heard real clearly here
6 tonight a plea from folks to say, "We need
7 some more time." This is a huge project.
8 This is a massive document. There are
9 surprises or unexpected twists in the
10 document for people in terms of alternative
11 routes.

12 I have heard it characterized that
13 this proposal is the largest rail expansion
14 in the last hundred years. I don't know if
15 that's accurate or not, but it is a major
16 expansion. I don't know where we ever came
17 upon the solution or the idea that 90 days
18 was the magic number in terms of time that
19 people would need to respond to this. I
20 thought, well, if it's a 50 year proposal
21 would we have only 45 days, a 25 year
22 proposal, would we be down to three weeks? I

1 don't think there's -- there's a good
2 connection between the 90 day time line and
3 what people are experiencing, what they need
4 to know, and what they can share. So, I would
5 add my voice publicly here, and I'll also
6 follow up in writing, that certainly it is
7 reasonable for folks to have more than 90
8 days to respond and to deal with all of the
9 concerns that they're dealing with this.

10 Thank you.

11 MR. RAGAN: Yeah, I was here this
12 afternoon. Chuck Ragan, Chuck's Body Shop. I
13 said my piece and I listened a lot. I hate to
14 say it, but it sounds like there's a lot of
15 crying both ways. I -- I was probably one of
16 the criers saying that I'd like to see that
17 many trains not go by my place. Well, my body
18 shop is right beside the railroad tracks. My
19 house is there. I lived there 30 years. Hey,
20 if I didn't like it, I shouldn't have built
21 my body shop there. I know that.

22 But, I brought up the story that

1 I'd like for them to buy me out. That would
2 be fine. I know that the railroad would have
3 to go through with it if they had to buy the
4 land. They've had the land bought already
5 for a hundred years. When I said I wanted to
6 be bought out, I'm on old Highway 14. I have
7 got land on the new Highway 14. That's why I
8 said I'd like to be bought out and move my
9 body shop. The railroad -- I know it's -- I
10 mean, I've listened and listened and listened
11 to people complain, complain and complain. I
12 don't want to be one of the complainers. I'd
13 like to see the railroad tracks go through
14 right where they're at. The only thing is I
15 don't want to be in my business beside them,
16 the railroad tracks, because I'm so close.

17 Fifteen years ago they had a
18 derailment right beside my body shop, 1,000
19 feet down. I'm so close to the railroad
20 tracks that if they did have a derailment it
21 would be right inside my body shop. I know
22 that they're going to put all new railroad

1 tracks and everything, that problem ain't
2 going to be there.

3 So, the only problem I have got is
4 the traffic on new Highway 14, the turnoff
5 comes right by my body shop. They have to
6 cross the railroad tracks first. If
7 there's 40 trains, 37 trains go through a
8 day, the people taking new Highway 14 are
9 never going to be able to get to my body shop
10 to get an estimate to get their car repaired.
11 I appreciate your time. Thank you.

12 MS. MCKEOWN: My name is Diana
13 McKeown. I am the energy programming
14 coordinator for Clean Water Action Alliance
15 of Minnesota. It's a state chapter of the
16 National Organization of Clean Water Action.
17 Clean Water has over 40,000 members in the
18 State of Minnesota and we were alerted by
19 members in south Minnesota in July of 1998
20 about this environmentally devastating
21 project. Forgive me for repeating this
22 afternoon's comments, but considering that

1 I'm the only person representing an
2 environmental organization state-wide, or
3 nationally, I felt like I really needed to
4 get back up again.

5 We do not oppose railroads. I
6 didn't say that very clearly this afternoon.
7 We oppose the continued reliance on fossil
8 fuels. We would support an upgrade for the
9 continuation of agricultural farm products to
10 go to market. Please understand that.

11 We respectfully request a 180 day
12 comment period. Ditto to the Corps of
13 Engineers project as well for an extension on
14 that. That comment period as well. These
15 documents are large and confusing to be able
16 to read, analyze, and comment on, not only
17 for public citizens, but also for
18 professionals, as well as citizen interest
19 groups. This is the busiest season of the
20 year for most people with the holidays in
21 November and December, and for my
22 organization that also includes the election,

1 which, of course, as we all know is not quite
2 over yet.

3 I will comment briefly and then
4 submit written comments. Clean Water Action
5 does support Alternative A, no action
6 alternative. I'm mostly looking at the
7 environmental impacts of energy generation on
8 our water resources in Minnesota. As I speak
9 here today, across the globe in the Hague,
10 Netherlands, there are negotiators from all
11 over the world working to further the work on
12 the Kuhn Treaty to greenhouse gas emissions
13 with the U.S. Agreement that would have us
14 reduce greenhouse gas emissions by 7 percent
15 below 1990 levels. Much of this greenhouse
16 gas in the U.S. comes from coal fired plants
17 and other electric generation.

18 In this room we are discussing
19 whether or not to allow a private project
20 that not only takes farmers' and ranchers'
21 lands, violates sovereign nation's treaties,
22 impacts our air and water quality, lowers

1 property values, increases noise pollution,
2 has safety impacts as well as delaying
3 emergency vehicles, but also may diverge from
4 our national policy and potential national
5 commitments that reduce our global
6 contribution to climate change.

7 In addition to that national
8 decision there is another looming national
9 decision that will have an impact. The EPA
10 will be making a determination within the
11 next month on whether to regulate mercury
12 from coal fired power plants. Every
13 indication is that they will do that. While
14 the DEIS cheerleads the efforts of DM&E to
15 adhere to the Clean Air Act by using a low
16 sulphur coal, they don't mention that the low
17 sulphur coal also has a lower BTU value and
18 that power plants will need to burn more coal
19 to get the same thermal value, meaning more
20 carbon, more mercury, and potentially the
21 same amount of sulphur. In addition, using
22 low sulphur coal is not the only way to meet

1 the Clean Air Act Amendments of 1990.

2 I also wanted to add that -- the
3 question that why aren't the impacts of the
4 increased barge traffic on the Mississippi
5 River and the building of a new barge
6 facility not included in the DEIS?

7 We're very concerned that this
8 project is even being considered considering
9 the options that our country and the
10 direction our country might be going with
11 renewable energy. I also have some postcards
12 showing a southwestern Minnesota farm with
13 wind turbines on it and if anybody came from
14 the east saw the farm in Lake Benton where
15 this train will go through. We do have the
16 resources in Minnesota to do a different way
17 and I'd love to submit these. Anybody else
18 want one? I have got them.

19 MR. GARDINER: That concludes my
20 list of people who have signed up to finish
21 the comments. Is there anybody else who has
22 not provided comments who feels moved to

1 provide comments? The gentleman there. Is
2 there anybody else? Okay. We've got a
3 couple. Why don't we start here and then
4 we'll go here.

5 MR. BROCK: My name is Cameron
6 Brock, engineer with the DM&E railroad,
7 Waseca, Minnesota. I spoke earlier. Just to
8 point out a few ironies. The track -- the
9 tracks that are now in Mankato, there are two
10 railroads traversing. There used to be four.
11 Where your civic center and your parking ramp
12 and your Hy-Vee and your hotel downtown, that
13 used to be a yard. So in actuality, there's
14 probably been six times as much rail torn out
15 of the town as the DM&E would like to have to
16 go through the town.

17 Other ironies. Your tourist center
18 is in a caboose. Your tourist information
19 center. That's kind of ironic. These coal
20 train signs I see all over, you have had coal
21 trains running through your town for the
22 last 20 years on the Northwestern and now the

1 Union Pacific by your flood wall since the
2 day it was erected. it's still standing. I
3 compliment the Corps of Engineers for their
4 fine work.

5 Another irony I find is that the
6 DM&E hauls coal to one town at present. It
7 has been since start up and that is
8 Rochester, Minnesota. There's a coal fired
9 power plant right in the middle of downtown
10 and we have delivered -- I have personally
11 delivered product 30 to 40, 25 car trains to
12 that facility. I think that's pretty ironic.

13 Otherwise, I'd like to say that the
14 coal pays for the project, but it's not the
15 do all and the end all of the project. We can
16 haul grain. We could haul any commodities.
17 President Scheiffer is wide open to limited
18 passenger excursion trains. We've got three
19 coaches now that the employees can use if we
20 want. he's wide open to anything like that. I
21 realize I have a vested interest because I
22 could be the engineer that hauls you out

1 there. But I just think we need to take a
2 longer view. Everybody turns on a light when
3 they get home and wants the light to come on.
4 They sit down at their typewriter to type up
5 a mean letter and that's electric, or
6 computer whatever.

7 We need electricity and right now
8 coal is it. like I say, it doesn't have to be
9 the do all, end all, but the railroad will
10 not, I don't think, survive unless this
11 project is approved because they've spent a
12 lot of money up to this point. Thank you.

13 MR. RIEF: Tom Rief, 609 Wall
14 Street, north Mankato, Minnesota. I own
15 property at 1717 Third Avenue, 1721 Third
16 Avenue, and 1810 Third Avenue, which is at
17 the Third Avenue crossing. I own property on
18 both the northwest corner of the crossing and
19 the southeast corner of the crossing.
20 There's talk about the option M-3 if that's
21 chosen. There would be an overpass built.
22 If that would be constructed, it would be 25

1 foot high in front of our property on both
2 sides and it would eliminate the access,
3 totally, to our property.

4 So my question is, how will the STB
5 effectively mitigate the loss of access to
6 our property? I'd just like to echo many of
7 the comments that have been made tonight and
8 will we be involved in the Final DEIS when it
9 comes out? Is there comments to that? Thank
10 you.

11 MR. ZUPFER: I'm Curt Zupfer. I
12 spoke this afternoon. I'm not going to cover
13 that. But I think I have been listening to
14 this session and one of the things that
15 bother me is the fact that we've heard a few
16 comments that this railroad will not survive
17 without coal trains. We've heard other
18 comments that the people are in favor of
19 agricultural products being hauled on it. I
20 guess they're being hauled on it now. I guess
21 I don't quite understand how a coal train
22 railroad will help the agricultural products

1 reach Japan or wherever else. However, there
2 is probably something there I don't know
3 about the business.

4 Now, as far as needing coal trains
5 for this, or a coal train approved for this
6 railroad to survive, indicates to me that
7 this railroad is going broke. Now, I don't
8 know if this is true or not. But common
9 sense, and some logic, says that if they need
10 this to survive, they're going broke. Now,
11 your STB sent out statements in a remittance
12 about, oh, six months ago that had statements
13 from the railroad from '95 and '96. Both
14 those statements showed this railroad is
15 making an adequate profit. That's all I know.
16 The later statements, these are what we call
17 ancient history, '97, 8 and 9, I don't know
18 what happened. Maybe they had a dramatic
19 turnaround.

20 But, anyway the point that I don't
21 like to hear is we need this coal train
22 project for this railroad to survive. I

1 think that is not true. it should not be
2 considered. Thank you.

3 MR. MCCLEWEN: I'm Rick McClewen.
4 I live in Mankato Township and I followed
5 this coal train proposal and situation as
6 it's gone through the city and now as it's
7 looking to go through the township. the only
8 thing I can say about the STB and this entire
9 process is I'm overwhelmed at the level of
10 arrogance that our government of the people,
11 the people in this room, will sit here and
12 simply assume that we have to accept this,
13 this, and this. You have heard many people
14 get up here tonight and speak and essentially
15 say the Environmental Impact Statement didn't
16 take into consideration the very things it's
17 supposed to take into consideration. I think
18 at some point there's got to be a real level
19 of accountability as far as that
20 Environmental Impact Statement, as far as
21 this entire project.

22 I think that it's flawed in many

1 respects. I think that for the STB to simply
2 sit there and make a decision that's going to
3 impact all the people in this room, the City
4 of Mankato, I don't buy it. The other thing I
5 don't buy is the agricultural aspect. I have
6 seen trains come and go through southern
7 Minnesota over the last 25 years. I know
8 what's hauled on those trains. You can't put
9 grain in a coal car. I don't think that we
10 have the grain car capacity in southern
11 Minnesota to provide all of that capacity
12 that everybody has alluded to here tonight
13 that we need to haul grain and products to
14 market.

15 I don't think you have any way to
16 get them from the Powder River Basin to
17 Winona. What are you going to do with the
18 increased barge traffic in Winona? Where is
19 our grain going to go when you send it out to
20 the Powder River Basin? You know, you have
21 got some serious questions here and you have
22 got a group of people who are going to ask

1 their elected officials to hold some people
2 accountable. I think the accountability is
3 to the people in this room because we are the
4 government. we are the people that call the
5 shots. To simply have this railroaded down
6 our throats I don't think is very
7 appreciated.

8 I applaud you folks for coming out
9 here and getting input, but I would urge you
10 to listen to what all these people here had
11 to stay tonight. Thank you very much.

12 MR. KIBBLE: Ron Kibble, Route 8.
13 I'm on the Southern Bypass Coalition team,
14 also. I'd just like to make some comments
15 from the financial end. I think just about
16 every other area has been covered this
17 evening and this afternoon.

18 In 1976 the Railroad Revitalization
19 and Regulatory Reform Act provided about 2
20 billion dollars for upgrading railroads and I
21 think that kitty is about 3 billion and I'm
22 sure if there wasn't anything in that kitty

1 none of us would be in this room right now,
2 and I think that's the prize that is being
3 sought on this whole coal issue.'96 was all a
4 big year. Larry Kresler, the state U.S.
5 Senator from South Dakota, a former classmate
6 of mine, in fact, was defeated by Tim
7 Johnson. His chief aid at the time was Kevin
8 Scheiffer. At that same time the Union
9 Pacific celebrated their 50 thousandth coal
10 train leaving the Wyoming basin. They also
11 merged with Southern Pacific to become the
12 largest railroad company in the United
13 States.

14 At that same date, in 1996, they
15 sold 200 miles of the western track to DM&E.
16 Now, I got on the Internet today and looked
17 at some of the history of Union Pacific and
18 seen how they have grown to be the largest
19 company in the United States. Invariably,
20 they end up buying out, probably for 10 cents
21 on a dollar, just about every little rail
22 company that has gone and declared Chapter 7,

1 and that's how they've grown where they're at
2 today. So I really feel that the prize in
3 this whole thing is that 3 billion dollars of
4 taxpayers' money sitting in that kitty
5 created by the Railroad Revitalization and
6 Regulatory Reform Act.

7 My question, can this underfinanced
8 company, DM&E, possibly build us a 21st
9 century railroad? Whether it's in the
10 southern bypass or through Mankato or
11 whatever, if we can, or somebody can put a
12 railroad underneath the English Channel,
13 certainly we ought to be able to figure out
14 noise mitigation and whatever, even if it
15 constitutes building concrete passageways in
16 a tunnel system. certainly we have an
17 existing corridor. There's no sense in
18 having a second corridor in Mankato, which
19 probably will soon have its city limits
20 extended down to County Road 90 (sic).

21 I would like to see that 3 billion
22 dollars taken by the Federal government and

1 purchase the land along Interstate 90, and if
2 coal is so essential to move it on that line
3 along County Road -- not County Road 90. I'm
4 sorry. Interstate 90 and forget about coming
5 through the cities that you're talking about
6 going through right now. I think it's
7 paramount that if it's that essential create
8 a whole new coal line and then help these
9 small companies like DM&E upgrade so they can
10 stay within their financial means and exist
11 as a company. Because we really don't need
12 any more Chapter 7s and a half a job done as
13 far as coming through and then not keeping
14 any written agreements or promises. Thank
15 you.

16 MR. GARDINER: Back there? Anyone
17 else who would like to provide comments?

18 SPEAKER: Can we repeat?

19 MR. GARDINER: Let me just check on
20 people who haven't commented yet.

21 MR. SWEERE: Hello. I'm Alan
22 Sweere. I live at 911 Warren Street in

1 Mankato here. I work for the DM&E railroad
2 as a conductor. I'd just like to point out a
3 few points here that no one has really
4 covered. Let's say have a mile long train
5 going 10 mile an hour and that takes six
6 minutes to travel one mile. At 25 miles an
7 hour, it takes two, two minutes and thirty
8 seconds. At 40 miles an hour it takes one
9 minute and thirty seconds. If you equal that
10 all out, that equates to -- if 37 trains a
11 day, that equates to what, the trains that we
12 run now at 10 miles an hour in some spots
13 around Mankato.

14 Mankato is -- we run at 10 mile an
15 hour. We are limited to 10 mile an hour
16 through Mankato per rules to the Union
17 Pacific being on their tracks. To touch on
18 the comment of the number of cars available,
19 it's a fact DM&E owns over 6,000 cars of
20 their own to haul corn. Most of those are
21 covered hoppers, let alone cars for cement
22 and bentonite clay which is transported

1 around the world to be used in such things as
2 makeup, blast for coal molds and all kinds of
3 stuff.

4 Then, if you ever been out to
5 Wyoming in the Powder River Basin, those
6 towns live off of railroads. If a person
7 doesn't work for the railroad, they don't
8 have a job. It's a simple fact of life out
9 there. Being that I am partially biased, I
10 work for a railroad, I understand, I also
11 live in the community. I want what's best
12 for everybody, but there's some parts you
13 have got to give and take on.

14 I just wanted to make a few points,
15 and I do think that the DM&E does have the
16 financial resources to make this project
17 work, so hopefully we can all come together
18 on something. then, also, the DM&E is
19 actually -- if the coal project doesn't go
20 through, I think they will go broke. We owe
21 money to the State of South Dakota. We keep
22 taking out loans on top of loans. As a

1 business economics aspect, you cannot run
2 trains at 10 miles an hour and make money.
3 It just does not work. Railroads are
4 efficient. They depend on efficiency to make
5 their living. Thank you.

6 MR. GARDINER: Does anyone else
7 want to provide a comment? Yes, ma'am.

8 MS. SIMONSON: My name is Eunice
9 Simonson. my comment is we ought not to be
10 promoting burning more coal. It's just not
11 good for human beings. in 1994, I lived for
12 six months in southeast Asia where they burn
13 coal. I didn't see blue sky. The sky isn't
14 blue in the big cities. When you come out in
15 the morning it belches this stuff out of the
16 air. By the time I came home my glasses were
17 pock marked. Most of the Chinese have to
18 "hauck" and they spit out big gobs of mucous,
19 and it's all over the streets. they pick in
20 their noses. I did too because you have
21 black stuff inside your nose. When I'd wash
22 my hair, I would have black grease coming

1 down my neck and spilling off of my
2 shoulders. You don't want to put more coal
3 dust in the air. Believe me, it's awful.
4 It's really -- it's dangerous to our health
5 and it's ugly. The buildings are all covered
6 with soot. I don't want that in Mankato. I
7 don't think that we should impose that on the
8 people out in the East either. Thank you.

9 MR. GARDINER: Thank you. Ma'am,
10 did you want to make a comment?

11 MS. SCHALLER: My name is Sharon
12 Schaller. I live at 55656 Hemlock Road,
13 which is out in South Bend Township. When I
14 was looking over this stuff, one of the
15 things I would like to ask for is a longer
16 comment period for both the 404 permit and
17 the DEIS. When I was looking through the 404
18 permit application at the library, the copy
19 that's on file at the library does not have
20 any proposal for the bridge over the Blue
21 Earth River where it goes from LeHillier to
22 West Mankato. I would kind of like to see

1 what's proposed there and is there any way
2 that the copy that's on file can be completed
3 to have that particular bridge in there also?
4 That's my comments.

5 MS. CRAIG: I'm Ruth Craig. I own
6 property at 414 Park Lane in Mankato and I'd
7 like to "ditto" a lot of things that were
8 said tonight about how this is going to
9 affect people. As I was sitting here
10 tonight, I couldn't help but think of a
11 friend of mine in Montana who is a rancher
12 who many years ago had his ranch bisected
13 when Interstate 90 went through his property.
14 I talked to him 25 years after that
15 interstate went through his property, and
16 although he was compensated for the land he
17 lost, it affected his life and he still
18 regrets it 25 years later that his life style
19 was changed by that interstate going through
20 his property.

21 So what I would like to say tonight
22 is that the decisions that the Surface

1 Transportation Board is going to be making
2 aren't decisions that are just going to
3 affect people here for the next three years,
4 or five years, this is going to affect people
5 for a very, very long time in the future and
6 I hope that you would take enough time to
7 give everybody enough time to comment on it
8 so that everybody feels that they know that
9 they're well- informed on the issues, that
10 they have time to comment. The way that this
11 is going to affect people's life is very
12 intangible and it's hard to put a dollar
13 figure on it so I can't probably talk as
14 effectively to that point as somebody can
15 talk about the cost of shipping coal some
16 place or another. But I would hope that the
17 intangible things that are going to affect
18 people's lives for a very, very long time
19 into the future will be taken into
20 consideration too. Thank you.

21 MR. GOODRICH: Could I just make
22 one additional comment?

1 MR. GARDINER: Okay. This woman
2 here wanted to supplement her comment first.
3 I want to be sure that those who haven't
4 commented -- somebody else. Yes, ma'am.

5 MS. LANGSJOEN: Thank you. I will
6 be very, very brief. Gail Langsjoen. About a
7 little over four weeks ago a friend of mine
8 was killed here in Mankato. He was cut into
9 one, two, three, four parts. Actually five
10 parts. By trains in down, going through
11 downtown Mankato at 10 miles an hour. He was
12 a homeless man, and maybe that matters and
13 maybe it doesn't. He was my friend, so I
14 think it matters.

15 The other thing I want to mention
16 is that I do know a lot of homeless tramps,
17 tramps, whose voice I also feel privileged to
18 be able to share with you tonight refuse to
19 ride the DM&E because it's a bumpier ride.
20 The tracks are in such ill repair that it's
21 physically painful to ride the DM&E.

22 I would like to draw our attention

1 to page 4.4 through 29 of the DEIS where it
2 states that derailments are unlikely. There
3 is nothing offered in here, no study, no hard
4 data, nothing to substantiate this claim, and
5 I would like to offer that my own information
6 is that the DM&E has the second worst
7 accident rate -- history in the United
8 States. Thank you.

9 MR. GARDINER: Thank you.

10 MR. GOODRICH: It's Ron Goodrich,
11 and thank you once again. I just want to make
12 sure that I understand this whole process
13 before we leave tonight. First of all, we
14 have a draft environmental study that I think
15 a lot of people, a lot of citizens of this
16 area assumed would have much more detail in
17 it, and I think a lot of the citizens were
18 looking for more specifics as far as what
19 types of things the STB was requiring in the
20 form of mitigation. I think based on some of
21 the things we've heard tonight, it's pretty
22 obvious that there's still a lot of questions

1 to be answered. There's a lot of things that
2 are, you know, need to be worked on.

3 So now we enter this period where
4 we have to comment on something that is not
5 very clear in many areas. We have to do so
6 as people that have very little knowledge of
7 this type of a project.

8 Then, at the end of the, the final
9 draft coming, coming out, are we just then to
10 accept whatever is ultimately your decision,
11 or do we really have another say in this
12 process so that we can comment on something
13 that's a little more specific, or do we just
14 have to accept the Final EIS as it's written
15 and then the ultimate decision that will
16 follow? That's -- I guess some clarification
17 on that would be very helpful. Thank you.

18 MR. GARDINER: Thank you. Other
19 comments? Well -- I'm sorry. Do you want to
20 provide a comment?

21 MR. VESSER: I want to thank you
22 for allowing me to comment. I hadn't intended

1 to, but I have sat here for some time and I
2 have listened to a lot of very valid --

3 MR. GARDINER: Could you state your
4 name, please?

5 MR. VESSER: Richard Vesser. I
6 live in western Brown County at Springfield.
7 I have lived there most of my life. During
8 the process of a lot of people talking about
9 how all of a sudden we're going to have all
10 these trains going and it's going to
11 basically shut down life as we know it. I
12 know in the earlier years, back in the '50s
13 down in western Minnesota on the Chicago
14 Northwestern the same -- the same rail, the
15 same ties, only in just a little bit better
16 condition were running passenger trains that
17 in order to keep on schedule had to sometimes
18 run 70 miles an hour. There weren't any
19 flashing red lights or gates, people didn't
20 try to beat the train when they saw it
21 coming.

22 I personally know of a number of

1 instances in southern Minnesota in the last
2 several years where people tried to beat the
3 train, went around the flashing lights, and
4 the bells ringing and the stop arms down and
5 they came out second. if you come in second
6 when you beat a train with a vehicle, you're
7 history.

8 Trying to put down the need for
9 coal power plants and to meet the emission
10 standards that are coming up, we talk about
11 the black soot and the other problems they
12 have in other parts of the world, you look at
13 the vapors coming off of a coal fired power
14 plant with the environmental controls as they
15 are today, they have to meet some very
16 expensive controls and in the summertime when
17 there isn't a great deal of difference in the
18 temperature, you can't even see what's coming
19 off of there. I know 40 years ago most every
20 power plant a big, black plume of smoke
21 coming out of it and you knew they were
22 generating power.

1 So it's going to be hard for those
2 of you that are opposed to it adding any more
3 coal plants that we're going to use renewable
4 power resources. I'm very familiar with the
5 wind generating up in the Lake Benton area
6 and I know the man from Zaun in California
7 that designed and built those. They run
8 about 37 percent of the time. Do you think --
9 is there anyone in the room here that's going
10 to want to sit in the dark the other 63
11 percent of the time?

12 Someone mentioned solar generating.
13 It's a known fact that a solar panel is not a
14 producer of electric power, it's a user. I'll
15 clarify that. The energy it takes to build
16 the solar panel and put the system in
17 operation takes more energy from somewhere
18 else than the unit will ever produce. I have
19 a little map here. I'll probably send a
20 better copy of it to you later. But after we
21 knew that this railroad project could be a
22 reality, and I certainly support it 100

1 percent, we, through private donations in
2 Springfield, raised 1.2 million dollars,
3 built a community center 100 feet away from
4 the track. It's completely paid for by
5 volunteers, and in its first year we have had
6 people use it to the extent of over 23,000
7 people. I couldn't find one person that was
8 adversely affected in even the most minute
9 way by the fact that track is that close to
10 our facility. Thank you.

11 MR. GARDINER: I think that
12 concludes the comments. Again, I appreciate
13 the very thoughtful comments from all of you
14 and from all the people who left a little
15 earlier. Again, if you have statements or
16 you have filled out a written comment sheet,
17 please leave them with us and we certainly
18 welcome your written comments by January 5th.
19 Thank you very much for coming.

20 (Whereupon, at 9:28 p.m., the

21 PROCEEDINGS were adjourned.)

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