

1 SCOPING MEETING FOR THE PROPOSED CANADIAN NATIONAL
2 RAILWAY COMPANY ACQUISITION OF THE ELGIN, JOLIET
3 AND EASTERN RAILWAY COMPANY
4 LOYOLA UNIVERSITY
5 25 EAST PEARSON STREET
6 CHICAGO, IL
7 SEPTEMBER 8, 2008

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10 CHIMNIAK REPORTING & VIDEO
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1 MS. TARCZAN: Good evening, ladies
Page 1

2 and gentlemen. Can everybody hear me?
3 Thank you all for attending tonight's
4 meeting. We are here tonight to hear your
5 comments on the draft Environmental Impact
6 Statement that was released on July 25th
7 regarding Canadian National Railway's
8 proposed acquisition of the EJ&E Railroad.
9 My name is Heather Tarczan, and I will be
10 facilitating this meeting.

11 Before we get started, I'd like
12 to take this opportunity to review some
13 protocol for tonight's meeting. For
14 starters, I would like to ask that
15 everybody please turn off your cell phones
16 and please refrain from interrupting any
17 speakers or commenters. In a moment I will
18 introduce those presiding over the meeting,
19 and there will be a short presentation on
20 the findings from the draft Environmental
21 Impact Statement.

22 Immediately following this we
23 will hear your comments. Each commenter
24 will be given up to three minutes to speak.

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1 The time clock will be displayed on the
2 screen, and a yellow card will be held up
3 at two minutes and 30 seconds and a red
4 card at three minutes. A list of speakers

5 in the order will be displayed on the
6 screen. Also, I will call forward the next
7 two speakers in line after each speaker so
8 we can be as efficient as possible. There
9 is one microphone in this aisle.

10 If you are interested in
11 speaking and haven't registered yet, please
12 proceed to the registration table just
13 outside this venue or see a staff member
14 who's identified with a name tag who can
15 assist you.

16 Alternatively, included in the
17 program you received tonight you may make
18 comments to the Surface Transportation
19 Board through a toll-free number, Web site,
20 or mailing address, all of which are in the
21 program you received tonight. There also
22 comment forms and drop boxes, as well as
23 court reporters located in the open house
24 area. You may record your comments with

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1 them throughout tonight's meeting. Please
2 recognize that all methods of comment
3 received by September 30th will be taken
4 into consideration and weighed equally.

5 Tonight we are here to listen to
6 your comments on the draft EIS. This is
7 not a question and answer session, though

8 we invite you to return to the open house
9 area if you have any questions or would
10 like to provide your comments in a more
11 private setting with a court reporter
12 there.

13 We appreciate your courtesy as
14 we work to create an environment where
15 everyone can be heard. If you disagree
16 with a speaker, we ask that you not express
17 your disagreement out loud. Likewise,
18 please note that applause for a speaker
19 during his or her remarks gives that person
20 less time to speak and ultimately limits
21 the time for everyone else to speak. In
22 the event that anyone is in need of a
23 Spanish translator, please let a staff
24 person know. If you have any questions, we

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1 have a number of staff available to assist
2 you. Again, staff are identified with name
3 tags and are located throughout the venue;
4 and one quick -- quick housekeeping matter,
5 emergency exits are located behind you.

6 I'd now like to introduce the
7 people on stage with me. Phillis
8 Johnson-Ball is the deputy chief of the
9 section on environmental analysis for the
10 Surface Transportation Board. John Morton

11 is the team leader supporting the Surface
12 Transportation Board's section of
13 environmental analysis. Phillis
14 Johnson-Ball will now make some remarks
15 about the draft EIS.

16 MS. JOHNSON-BALL: Good evening.
17 Thank you all for coming out. I'm glad to
18 see that the weather didn't deter you all
19 from coming to the meeting tonight. I'd
20 like to start by saying I'm Phillis
21 Johnson-Ball. I know many of you have
22 submitted comments, and you're probably
23 very familiar with my name; and we
24 appreciate the comments and the suggestions

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1 that you provided to the board so far. So
2 I know many of you are concerned about what
3 types of impacts this proposed acquisition
4 may have on your community, so tonight
5 we're here to hear your issues and to
6 record your comments.

7 I'd like to -- to start off by
8 talking a little bit about who is the
9 Surface Transportation Board, what we do,
10 and what the board's function is with
11 regard to this proposed acquisition.

12 The basic function of the
13 Surface Transportation Board is to

14 authorize carrier actions. We authorize
15 mergers, acquisitions. We authorize
16 abandonments and a host of other activities
17 for minor carriers such as bus, truck, and
18 -- and pipeline.

19 The board also has an office
20 that resolves carrier disputes. We conduct
21 rule-makings and proceedings. We
22 adjudicate rates. We monitor carrier
23 activity and industry performance. We have
24 an office that deals with enforcement

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1 actions, and we have an office that
2 provides information to the public; and
3 many of you have already taken advantage of
4 -- of that particular office.

5 The board is made up of three
6 members. Those are our decision-makers.
7 They're appointed by the President, and
8 they're confirmed by the Senate. Our
9 chairman is Charles Nottingham,
10 Vice-Chairman Mulvey, and Commissioner
11 Douglas Buttrey.

12 Now, who is the section of
13 environmental analysis? The section of
14 environmental analysis is an office within
15 the Surface Transportation Board that is
16 the environmental arm. We direct the

17 environmental review process for all
18 actions within the board that requires an
19 environmental review. Our analyses are
20 independent. We provide technical
21 assistance to the board and to the public.
22 The purpose of the environmental
23 review is not just to advise the Surface
24 Transportation Board's decision-makers

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1 about the environmental process but to also
2 -- to make the public aware of the
3 environmental impacts associated with
4 various projects that come before the
5 board; and the board also ensures that we
6 comply with NEPA or the National
7 Environmental Policy Act.

8 And the most critical part of
9 the environmental review process is public
10 participation. We want your comments.
11 It's very important that you tell us for
12 our draft Environmental Impact Statement
13 what we did well, anything -- what we did
14 poorly, or the types of actions or types of
15 issues that you -- you think that we have
16 not addressed. So those are the types of
17 things we would like to hear in your -- in
18 your comments.

19 The responses -- as -- as
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20 Heather said, the comment period is a
21 60-day comment period; and the comment
22 period is over September 30th. Your
23 comments, if they're written comments, must
24 be postmarked by -- did I say December? I

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1 meant September 30th. Your comments, if
2 they're written, must be postmarked by
3 September 30th.
4 If you provide comments either
5 by phone, by e-mail, and through other
6 electronic ways at the board, those
7 comments have to be in by September 30th;
8 and as you can see, you can do it by phone.
9 We have a 1-800 number that's located on
10 the -- the brochure that you received
11 tonight; and please make sure that
12 everybody receives a copy of that brochure
13 because it gives you more detailed
14 information about who is the board, the
15 section on environmental analysis and our
16 function, and I'm just doing this very
17 briefly tonight. You can submit it in a
18 letter or comment form, e-mail, speaking
19 tonight. We have a couple -- we have a
20 recorder, and she can take your comments,
21 the court reporter, and you can talk to the
22 court reporter outside.

23 Now, people have asked us as
24 part of the -- the process exactly how does

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1 this process work, and what does the -- the
2 board consider? And the -- when Canadian
3 National filed an application with the
4 board, the process began by them simply
5 filing an application. The board then set
6 the procedural schedule in which we
7 consider the transportation or the merits
8 and the environmental issues.

9 Just to talk a little bit about
10 what does the board consider in terms of --
11 we look at it in two parallel fashions.
12 The board considers the merits, and the
13 merits consist of economics, competitive
14 issues, and transportation; and the board
15 also considers the environmental impacts,
16 and those things are weighted equally in
17 the process. The board -- our
18 decision-makers do not make any decision
19 until both of those processes have been
20 completed, so they have the full benefit of
21 the entire record.

22 The board then can take three
23 actions: The board can deny the
24 acquisition; the board can authorize the

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1 acquisition; or the board can authorize the
2 acquisition with conditions. The board can
3 place conditions on the merit section,
4 which is competitive, economic, and
5 transportation; and the board can impose
6 conditions on the environmental part of it.

7 We also have heard lots of
8 questions about the third-party contractor
9 project -- process and who exactly is HDR
10 and why is HDR working with the board to
11 prepare this document. We are -- we're a
12 very small federal agency. We have
13 approximately 150 people in the entire
14 agency. We have about nine people on the
15 environmental staff. We have about 22
16 projects that are currently before the
17 board, ten of those are about -- are EISs.
18 So as other small agencies -- federal
19 agencies, we use the third-party contractor
20 process to assist us; and HDR, who has
21 worked with us on many projects, is our
22 third-party contractor.

23 Now, John Morton is -- who's the
24 project manager, will give you a little

1 more detail on the project. Thank you.
2 John?

3 MR. MORTON: Thank you, Phillis.
4 First, I'd -- I'd like to talk a little bit
5 about, you know, kind of who Canadian
6 National is, the -- the applicants, and
7 then talk some about the process that --
8 that we're going through and there -- and
9 some of the results.

10 If you have any questions, I --
11 I would encourage you to -- to talk to one
12 of the team members, look at the maps, look
13 at the information that we have in the open
14 house. The open house portion of this is
15 still going on, and it's still staffed; and
16 so if -- so if -- if -- I know I'm going to
17 go through this rather fast. So if you
18 have questions, you want to, you know, find
19 out a little bit more, feel free to -- to
20 -- to step into the other room and -- and
21 ask one of the staff members back there.

22 CN is a Class 1 railroad and a
23 major shipper. They -- they operate five
24 rail lines, as you can see in -- in the

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1 dark colors, that -- that radiate out from
2 the Chicago area. They operate about 150

3 miles of -- of rail line in Chicago.

4 EJ&E is -- is a regional
5 railroad that operates in generally an arc
6 around the outside of Chicago. EJ&E has
7 two major rail yards, one in -- East Joliet
8 rail yard in Joliet, Illinois, and Kirk
9 yard in Gary, Indiana. CN's purpose for
10 acquiring the EJ&E -- they stated three
11 purposes in their applications: First is
12 to increase their operational flexibility
13 by combining or -- or providing a
14 continuous route connecting their five rail
15 lines.

16 The -- the second purpose is --
17 is to make available EJ&E's Kirk yard and
18 East Joliet yard to their operations.

19 And the third is to -- to
20 develop a more extensive relationship with
21 the shippers on the -- the EJ&E.

22 The draft EIS analyzed a number
23 of -- of topics and resources. I want to
24 talk about just a few of them tonight. The

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1 rest of them, if you have questions, once
2 again, we have staff members available in
3 the open house that would be more than
4 happy to walk through any -- any of these
5 resource areas with you.

6 There's some major operational
7 changes resulting from the -- the proposed
8 transaction, and I'll talk about those in a
9 minute. In addition to those changes, the
10 CN proposes to construct six new
11 connections. We've listed them there. We
12 -- we have graphics and -- and displays in
13 the other room if you want to look
14 specifically at those connections, and they
15 also propose to -- to construct about 19
16 miles of new parallel track along their
17 existing track.

18 This is an output from -- from
19 some of the modeling and the work that --
20 that we've done, and I know it's a little
21 difficult to -- to read; but essentially
22 the -- the -- this is a schematic of the --
23 the EJ&E and CN's five rail lines. The --
24 the light color, the light blue is the --

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1 represents the current traffic that's on
2 those rail lines today. The dark blue
3 represents the proposed traffic, you know,
4 should CN acquire the EJ&E and -- and
5 change its operations. And so you can see
6 in general they're shifting traffic from
7 the interior of the -- on the CN rail lines
8 inside the arc to outside of the arc. The

9 -- the -- it -- the expected volume changes
10 is somewhere between 15 and 24 trains per
11 day.

12 The analysis that was done in
13 the EIS concluded a couple -- three things,
14 basically, on the operations. First, that
15 the EJ&E rail line would be operating at or
16 close to its maximum capacity in -- in
17 several key locations. As a result, the --
18 the EIS concluded that it would be unlikely
19 that -- that the -- there would be more
20 traffic on the EJ&E than the -- than the
21 traffic levels estimated by CN in their
22 applications.

23 And, third, that Metra's on-time
24 performance can be maintained through

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1 effective cooperation with CN.

2 The EIS also evaluated train and
3 roadway safety. On the EJ&E arc because of
4 the increased number of train miles, the --
5 the probability of a train accident would
6 go up, as would the probability of a
7 highway rail accident. On the CN rail line
8 inside of the arc, the -- there would be a
9 reduction in the train miles and a
10 reduction in the probability of a train
11 accident and the probability of a highway

12 rail at-grade accident. There were two --
13 or three roads -- crossings that -- that,
14 you know, we calculated that there would be
15 a substantial increase in risk; and one is
16 Woodruff Road in Joliet, Illinois, and the
17 other two are Lake and Miller Streets in
18 Griffith, Indiana.

19 The -- the EIS evaluated
20 passenger rail safety; and with respect to
21 that, there is no passenger rail currently
22 operating on the EJ&E there so the
23 transaction would have no effect on
24 passenger rail safety. That if -- there

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1 would be a reduction of freight traffic on
2 the CN rail line segments inside the arc
3 and, consequently, an improvement in
4 passenger rail safety there. There would
5 also be a substantial increase in the
6 shipment of hazardous materials on the --
7 the EJ&E rail line and a reduction of the
8 shipment of hazardous materials on the CN
9 rail lines within the arc.

10 The EIS also looked at the --
11 the transportation systems. The -- the --
12 evaluated 155 at-grade crossings on the CN
13 rail lines, that's 125 of which would have
14 reduced delays because of the reduction in

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15 the number of trains. They looked at 112
16 crossings -- highway rail at-grade
17 crossings on the EJ&E rail line. Of those,
18 87 of them actually met the board's
19 threshold for environmental analysis. Of
20 those 87, there -- that without mitigation,
21 15 of those grade crossings were identified
22 as being substantially affected by the --
23 the acquisition; and those 15 are shown on
24 the map here. They're listed on a board on

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1 the outside in the hallway, and -- and
2 they're described on the maps in the open
3 house area if anybody wants to -- to look
4 at any specific railroad highway at-grade
5 crossing.

6 The EIS also evaluated air
7 quality issues. Because of the longer rail
8 line -- rail route around the city --
9 around the -- the Chicago area, there would
10 be an increase in fuel use. However, that
11 increase in fuel use would be offset by a
12 -- by a more free-flowing operation and
13 more efficiencies and less trains idling.
14 Therefore, the -- the overall emission
15 changes in 2015 would not exceed, you know,
16 current regulations or would not impact the
17 region's air quality compliance.

18 The EIS looked at emergency
19 response and concluded that there would be
20 11 emergency service providers that -- that
21 would be impacted. There would be nine
22 fire stations and two emergency medical
23 facilities that -- that would be
24 potentially substantially affected; and,

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1 once again, those are shown on the -- the
2 graphic here. They're listed on the -- on
3 the board in the -- outside in the hallway,
4 and you're more -- and they're listed and
5 identified specifically on -- on the maps
6 that we have in the open house section.

7 The EIS evaluated noise. There
8 would be about 3,000 residences along the
9 EJ&E rail line that -- that would see an
10 increase at noise levels above 65dba. In
11 -- on the CN rail line there would be about
12 2700 residences that would show a reduction
13 in the -- the noise levels. In addition,
14 the -- the Barrington area quiet zone,
15 because of the increased freight traffic
16 without mitigation, it would lose its quiet
17 zone status.

18 The EIS also identified a number
19 of mitigation measures. CN provided a set
20 of voluntary mitigation measures that are

21 all listed in the -- the EIS. They -- they
22 provided 76 in these subject areas. In
23 addition to that and on top of that, Steve
24 recommended 72 additional measures in those

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1 topic areas and, once again, be more than
2 happy to -- to talk or show you the -- the
3 specific mitigation measures. I have them
4 in the -- the executive summary and also
5 chapter 6 of the draft EIS.

6 And with that, I'd like to turn
7 it back over to Heather. Thank you.

8 MS. TARCZAN: We will now begin the
9 comment portion of our meeting. Let me
10 remind you that we will adhere to the
11 three-minute rule which begins as soon as
12 you start speaking. If three minutes is
13 not enough time for you, please feel free
14 to speak with a court reporter in the open
15 house area to complete your remarks. We
16 also invite you to submit your full written
17 remarks to the court reporter located here.

18 To be fair and consistent if you
19 speak beyond three minutes, I will begin to
20 announce the next speaker. I would now
21 like to ask that the first speaker, Fred
22 Millar, please step forward and come to the
23 microphone. In the que behind him is Jim

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Foote and Christopher Berry. Jim Foote?

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1 okay. We're going to go ahead and start
2 with Jim LaBelle. Again, once you hear
3 your name, please proceed to the
4 microphone. So we'll go ahead and start
5 with Jim Foote, to be followed by
6 Christopher Berry, followed by Jim LaBelle.
7 So if you can go ahead and take your que,
8 that would be terrific. Go ahead.

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1 MR. FOOTE: Thank you. My name is Jim
2 Foote. I'm executive vice president, sales
3 and marketing, for CN with my primary
4 office here in Chicago. I've worked in the
5 railroad industry for over 35 years and
6 have also lived in Chicago for much of the
7 past 30 years. Thank you for this
8 opportunity to -- to speak with you tonight
9 about the important benefits that the
10 CN-EJ&E transaction will bring to the
11 Chicago region.

12 Chicago-area rail congestion is
13 well -- is a well-documented problem.
14 Diverting most of our trains that currently
15 operate through downtown Chicago onto the
16 underutilized EJ&E line will streamline
17 CN's operations in the region and reduce
18 regional rail and related vehicular
19 congestion. In fact, roughly 60
20 communities inside the EJ&E arc will
21 benefit from reduced train traffic as a
22 result of the transaction.

23 Despite the important benefits
24 this transaction would bring to the city of

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1 Chicago and surrounding communities, there
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2 has been an astounding amount of
3 misinformation disseminated about this
4 transaction. Allow me to focus on the
5 facts.

6 First, safety overall will
7 improve. The D -- draft EIS project --
8 projected an overall eight percent
9 reduction in crossing accidents. Further,
10 while the DEIS projected that train
11 accidents on the EJ&E line would increase
12 by 28 percent, it also found that train
13 accidents on the CN lines inside the arc
14 would decline by 77 percent. The net
15 impact is an important and safe -- in --
16 the net impact is an improvement in safety
17 that could save lives in the Chicago area.

18 Second, C found that no
19 additional hazardous material accidents are
20 anticipated as traffic shifts from CN's
21 downtown line to the J. The transaction
22 actually addresses an important objective
23 of the federal government, namely, that
24 certain hazardous materials should be

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1 routed away from heavily populated urban
2 corridors such as Chicago to less populated
3 areas whenever possible. CN's line
4 currently runs through the heart of Chicago
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5 under McCormick Place and past Soldier
6 Field. CN also has committed to providing
7 full training for municipal first
8 responders and will offer more
9 comprehensive emergency response
10 capabilities than exist along the J today.

11 We respect the noise impacts.
12 The draft stated that 1,160 so-called
13 sensitive receptors would be affected.
14 CN's voluntary mitigation plan addresses
15 these noise impacts. Notably, however, CN
16 did not -- C did not quantify the
17 significant noise benefits for communities
18 inside the -- the J arc, even though it's
19 safe to assume that these benefits are far
20 greater than the noise impacts from added
21 traffic on the J. With the reduced noise
22 the transaction would bring for millions
23 inside Chicago and CN's commitment to
24 mitigate noise impacts affecting the fewer

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1 people on the J, the transaction can only
2 bring about undeniable benefits for train
3 noise in the Chicago region. Thank you
4 very much.

5 MS. TARCZAN: Thank you. Christopher
6 Berry, Jim LaBelle, Gordon McCoy.

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1 MR. BERRY: Hi. I'm Chris Berry from
2 the University of Chicago. I'm here today
3 to speak to you not as a professor but as a
4 citizen who has a stake in the outcome
5 here. I live on the near South Side, and I
6 work in Hyde Park, which are two of many
7 neighborhoods in the city that will be
8 affected by this acquisition and will
9 benefit from it. We expect improvements in
10 pollution, noise, safety, congestion, and

11 also increases in property values; and it
12 seems the benefits to city neighborhoods
13 are being almost entirely ignored in this
14 debate.

15 Instead, the debate is being
16 framed as one between overall benefits to
17 the region versus community impacts in the
18 suburbs, but this is a false juxtaposition.
19 In fact, the CN's deal can be justified
20 solely on the basis of community impact if
21 the positive impacts in Chicago's
22 neighborhoods are counted.

23 Suppose we look at the
24 acquisition solely in terms of community

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1 impact. Ignore for the moment the regional
2 and national economic benefit. Being an
3 academic, I collected some data along with
4 my colleague Ethan Bueno de Mesquita, who
5 will speak later.

6 They clearly show that there are
7 far more people who will benefit from this
8 deal than will be harmed by it. The
9 suburbs, where train traffic would
10 increase, have a combined population of
11 900,000 people. Looking at all Chicago
12 neighborhoods that would see a reduction in
13 freight traffic, we find a population of
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14 1.25 million people. Moreover, the
15 population density near the tracks in the
16 city is more than twice as high as in the
17 suburbs, meaning that more people will be
18 directly affected.

19 There are, however, some notable
20 differences between the people in the city
21 who will benefit from the plan and those in
22 the suburbs who would be negatively
23 affected. The suburbs, where rail traffic
24 would increase, have a median income of

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1 \$76,000 and are 76 percent white. The city
2 neighborhoods have a median income of
3 \$46,000 and are 70 percent minority. Just
4 because the people in the city have less,
5 doesn't mean they should count for less in
6 this process.

7 Yet, there are some disturbing
8 signs that the people in the city are not
9 being treated equally. Of seven STB
10 scoping meetings, six were held in the
11 suburbs and only one was in Chicago. Of 39
12 poster locations announcing those meetings,
13 only one was in the city; and it was not
14 even in a neighborhood that would have been
15 affected. Of 22 outreach meetings for
16 minorities, only one was in Chicago; and of
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17 eight public hearings on the draft EIS of
18 which this is one, this is the only one in
19 Chicago, and this is not even in an
20 affected neighborhood.
21 Yet there are more people in Chicago who
22 would benefit from this plan than would be
23 harmed by -- by it in all the suburbs
24 combined.

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1 If all the affected communities
2 are counted equally, then the acquisition
3 can easily be justified on community impact
4 grounds alone; and I haven't even mentioned
5 the 1.2 million people living in other
6 suburbs where rail traffic would decrease.
7 Factor in the overriding regional and
8 national economic and environmental impact,
9 and the case in favor of this deal is
10 overwhelming.

11 Now, I am not suggesting that
12 the negative impacts in some suburbs should
13 be ignored. A central tenet of good
14 government is that policies whose benefits
15 outweigh the costs should be approved, and
16 the losers should be compensated. In the
17 present case, the STB, along with state and
18 local governments, have many tools
19 available to mitigate negative impacts in

20 the suburbs.

21 Every important policy decision
22 creates winners and losers, but the mere
23 existence of adverse impacts should not
24 derail this deal because if the deal is not

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1 approved, someone will have to explain why
2 the negative impacts for a few outweigh the
3 positive impacts for the many.

4 MS. TARCZAN: Thank you. Jim LaBelle,
5 Gordon McCoy, Jim Giblin.

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1 MR. LaBELLE: Good evening. My name
2 is Jim LaBelle. I'm vice president of
3 Chicago Metropolis 2020. We're a
4 business-led civic organization that was
5 created in 1999 by the Commercial Club of
6 Chicago to promote sound growth. The -- I
7 just have one main comment, and that's that
8 the draft Environmental Impact Study
9 focuses solely on the direct impacts that
10 were being anticipated from the -- the CN
11 acquisition of the EJ&E; and as it shifts
12 much of its traffic to the EJ&E, the draft
13 EIS does not address the regional or
14 national economic impact of the proposed
15 acquisition.

16 We believe it's important that
17 the STB, as well as the region's residents,
18 understand how this transaction will affect
19 production, income, and jobs in the region
20 and the nation. Therefore, Chicago
21 Metropolis 2020 is undertaking an analysis
22 of the regional and national economic
23 impacts. We will consider the economic
24 impact of changes that can reasonably be

1 expected in such things as rail operations,
2 shipping time, business investment, and
3 other quantifiable factors. We've retained
4 an economic development research group to
5 assist us in this.

6 When the economic analysis is
7 completed this fall, we intend to present
8 it to the Surface Transportation Board for
9 consideration in making its decision on the
10 matter. We may have this before the end of
11 September; but if -- if we don't, we'll
12 submit it directly to the Surface
13 Transportation Board for consideration.
14 Thank you.

15 MS. TARCZAN: Gordon McCoy,
16 Jim Giblin, David Betlejewski.

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1 MR. GIBLIN: Jim Giblin.

2 MS. TARCZAN: Okay. Go ahead.

3 MR. GIBLIN: Good afternoon. My
4 name is Jim Giblin. I am a transportation
5 consultant that lives and works in Downers
6 Grove, Illinois.

7 We have approximately 150
8 freight and passenger trains per day
9 operating through our town on one of the
10 busiest rail main lines in the world with
11 absolutely no grade separations. And I am
12 here to tell you that the quality of life
13 in our town is just fine.

14 According to a 2002 study by the
15 Illinois Commerce Commission, there are
16 over 1,700 public highway grade crossings
17 in the six counties of northeastern
18 Illinois.

19 Every weekday approximately half
20 a million motorists are delayed at these
21 crossings for a cumulative total of some
22 11,000 hours.

23 Frankly, being surprised at
24 finding railroad grade crossing delays in

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1 the Chicago region is like being surprised
2 to find gambling in the back room of Rick's

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Cafe in Casablanca.

The projected grade crossing delays along the EJ&E after the CN acquisition would still represent a relatively small portion of the region's overall total.

According to the ICC study in 2002, the region had 30 grade crossing locations, count them, 30, where delays exceeded any of the projected crossing delays on the EJ&E. Thus, one is tempted to ask "What's the big deal?"

Much has been made about the impact of CN/EJ&E on the proposed Star line commuter route. Yet comments made by EJ&E management in the 1999 Metra feasibility study clearly indicate that the future of the Star line has been in serious jeopardy for some time.

Quoting directly from that report: "EJ&E management indicated that specific long-term levels of freight

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traffic are difficult or impossible to predict at this time, but they will need to retain their existing trackage and other infrastructure to conduct their future business, allowing EJ&E exclusive use of

6 their present physical plant without
7 interference from Metra commuter
8 operations. EJ&E management reiterated
9 that their existing track capacity would be
10 required for present and future freight
11 operations."

12 Finally, we would like to remind
13 all parties involved here of the larger
14 issues at stake. According to STB Chairman
15 Charles D. Nottingham, in sworn
16 congressional testimony March 5, 2008,
17 "Given the magnitude of rail infrastructure
18 needs and the lack of alternative sources
19 of funding, Congress and the STB should be
20 very careful to avoid sending signals to
21 the financial market that we do not welcome
22 and encourage investment in the
23 privately-owned rail system. Freight
24 railroads in the U.S. are in reasonably

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1 good financial shape and are attracting
2 investors of all types and sizes. The rail
3 industry's ability in future years to
4 continue this trend will largely determine
5 whether the rail sector will have the
6 resources needed to meet growing demand for
7 rail service."

8 Thank you.

9 MS. TARCZAN: We do have a number of
10 people who have arrived since we started,
11 and I certainly would like to invite those
12 of you who wish to speak before us tonight
13 to register outside this room. You're
14 welcome to do that.

15 At this time I'd like to call
16 David Betlejewski, Representative Karen
17 Yarbrough, Village President Harold
18 Wiaduck, Representative Ken Dunkin.
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1 MS. YARBROUGH: Good evening. I'm
2 State Representative Karen Yarbrough. I
3 represent the 7th District and also the
4 Democratic Committeeman for Proviso
5 Township, one of Cook County's largest
6 townships just west of Chicago.

7 I support the CN/EJ&E
8 transaction.

9 You already have data from a
10 number of sources about this matter, so my
11 focus is on the bigger picture. And that

12 is how this transaction impacts the lives
13 of my constituents, the lives of those
14 living along the EJ&E, and how it impacts
15 all of us in the greater Chicago region.

16 I fully understand why the
17 residents along the EJ&E are resistant to
18 what they perceive is an infringement on
19 their daily lives.

20 I live in the village of Maywood
21 which is cut in half by the UP railroad. I
22 have more commuter trains alone passing
23 daily through my village than the total
24 trains the communities on the EJ&E will see

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1 in one day.

2 We have 59 commuter trains and
3 40 to 60 freight trains daily. Clearly, I
4 get impatient and frustrated when I'm
5 blocked by a train, but I also realize that
6 those trains are moving people to and from
7 work, moving freight, which is the backbone
8 of our economy, and let's not leave out the
9 jobs.

10 I have several crossings in my
11 district that will see a reduction in rail
12 traffic including one near the huge Loyola
13 Medical Center that's often blocked by CN.

14 I am told that this transaction

15 could result in a net reduction of grade
16 crossing delays of 174 hours per day. I
17 understand the vast majority of those
18 reductions will occur in the City of
19 Chicago and its border towns.

20 Your task is to measure the
21 environmental impact of this transaction,
22 and I commend that effort. But please
23 don't tell my constituents the disruption
24 to their lives from train congestion is

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1 less important than disruption to the lives
2 of those along the EJ&E. And don't tell
3 them that an improvement for them somehow
4 should not be measured equitably against
5 the inconvenience to others.

6 It is neither appropriate nor
7 fair to tell the people of my district that
8 because they're used to it, any relief to
9 them is somehow less relevant, when there's
10 a solution out there that begins to address
11 the problem for the entire region.

12 CN should not be penalized for
13 looking beyond the confines of the City of
14 Chicago and revitalizing an existing,
15 underutilized segment of rail
16 infrastructure that will help unstrangle an
17 urban legend, the Chicago rail hub.

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18 I leave you with the words of
19 Victor Hugo who said, and I quote, "There
20 is nothing more powerful as an idea whose
21 time has come," end of quote.
22 The time is now and the idea
23 positively makes sense.
24 Thank you.

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1 MS. TARCZAN: Village President
2 Harold Wiaduck, Representative Ken Dunkin,
3 Reggie Greenwood.
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1 MR. WIADUCK: Good evening. My name
2 is Harold Wiaduck. I'm the President of
3 the Village of Riverside, a community of
4 about 9,000 residents located in west
5 suburban Cook County.

6 I'm the past president of
7 the West Central Municipal
8 Conference, an association that
9 comprises 38 municipalities in
10 western Cook County representing a
11 population of over 500,000.

12 I am here tonight to express our
13 Village's support for this transaction.
14 The West Central Municipal Conference also
15 supports the purchase.

16 We in western Cook County are
17 disappointed that our area has been ignored
18 in this process. All of these meetings
19 have been held in areas that will be
20 affected in a negative way.

21 Only tonight's meeting is in a
22 location where the region will see
23 benefits. This makes it difficult for our

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24 supporters to come and attend and gives an

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1 unfair advantage to the opposition.

2 More than 60 communities
3 throughout the metropolitan area will see
4 freight traffic reduction as a result
5 compared with fewer than 30 communities
6 that will see an increase. Less rail
7 traffic in our communities means less road
8 congestion, freer flow of goods, services,
9 and people within our communities.

10 The Draft EIS does not discuss
11 in detail the benefits that will be derived
12 from this transaction; however, much
13 attention has been given to the issues
14 raised by those who oppose the transaction.

15 On the economic side, the recent
16 CREATE feasibility study suggested over
17 \$780 billion of output and \$217 billion of
18 wages are affected in this area. What
19 happens in our region impacts the entire
20 nation and arguably the entire continent.

21 Being a transportation hub is a
22 double-edged sword. Congestion is a
23 problem. It takes a long time to get
24 people across this area. In fact, a longer

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1 time to get across the City of Chicago than
2 it does to send a train between Winnipeg in
3 western Canada and Chicago.

4 Without question, when we
5 consider what we have to gain and what we
6 would lose, we cannot afford inaction or a
7 missed opportunity.

8 Arguments have been made that
9 the corridor needs to be preserved for
10 transit service. The rail lines in our
11 region need to be used to their fullest
12 potential and that means moving people and
13 freight. Our region has a long history of
14 transit operating on freight and rail
15 lines, and we need to continue that
16 tradition.

17 The Metropolitan Planning
18 Council has estimated that a billion
19 dollars is lost annually by the freight
20 industry due to congested condition. Who
21 pays that cost? The citizens of the
22 region, the nation. The cost of shipping
23 goods is passed on to the consumer.
24 Keeping the cost of goods down is critical

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1 if we can find a way to do it, and we must.
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5 which is an economic development
6 organization with public and private
7 members promoting economic development in
8 south Cook and east Will Counties.

9 One of the main economic
10 development activities in our region is
11 branded the I-80 East Logistics Corridor.

12 We have just completed a
13 comprehensive freight study that identifies
14 our region's unique freight assets for
15 economic development. Two of those key
16 assets are the EJ&E line and the Canadian
17 National line and the Canadian National
18 intermodal site.

19 These assets are already leading
20 to significant new development in our
21 region such as the five million square feet
22 logistic center in Sauk Village.

23 There's also a lot of potential
24 now for industrial development in the

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1 inner-ring suburbs of Harvey around the CN
2 intermodal site.

3 This proposed acquisition of
4 EJ&E by the CN will substantially benefit
5 the industrial development opportunities in
6 our region.

7 Our region will indeed, however,
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8 be substantially impacted by increased rail
9 traffic at four crossings along the EJ&E.

10 One of our biggest potential
11 problems of course is access to, as pointed
12 out earlier, fire and hospitals.

13 Our organization recently had
14 gotten together with several other
15 institutions, for example, the Will County
16 Center for Economic Development and the
17 Will County Intergovernment League, to
18 develop a proposal to take to the State of
19 Illinois so that the new Capital Bill will
20 hopefully include a separate line item for
21 freight investments so that we can
22 encourage and pressure the State to
23 recognize that they have to play a role in
24 funding the mitigation measures for the

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1 crossings in our region.

2 However, I do want, even though
3 we have these potential, we do have these
4 negative impacts in our region, we must
5 also recognize that our area would greatly
6 benefit from the potential of increased
7 jobs from the industrial/warehouse
8 development that would be spurred by this
9 acquisition. Thank you.

10 MS. TARCZAN: Don Jaburek, Ethan
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11 Bueno de Mesquita, Patricia Harthun.

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1 MR. JABUREK: Good evening. My name
2 is Donald Jaburek. I'm a resident from the
3 inner area here in Chicago that would be
4 greatly affected by this acquisition.

5 I live in the area near
6 the St. Charles Airline near 16th
7 and Clark Street or 16th and the
8 Chicago Metra Rock Island line
9 intersection with the current CN
10 line.

11 I echo many of the other
12 comments that people have made and will
13 make, but I don't want to give a lot of
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14 numbers and so forth.

15 I want to just give you a little
16 bit of information about a particular area
17 and how it's impacted in terms of air
18 quality.

19 Westbound trains on the
20 St. Charles Airline of the CN line idle for
21 three to five hours every day while they
22 wait for passage across the Metra line and
23 go south. Every day myself and my
24 neighbors watch and breathe as these

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1 locomotives spew their fumes into the air
2 waiting in this congested bottleneck that
3 currently exists.

4 The ongoing impact of this air
5 quality in that area is terrible and has
6 many of course immeasurable health
7 negatives to communities such as ours. And
8 this is of course duplicated all across the
9 region.

10 I would hope that you would take
11 this into consideration, particularly the
12 air quality, in just this one area where
13 these trains sit every day two, three, and
14 four locomotives for three to four hours
15 every day. Sometimes more hours than that,
16 but every day that. That's significant and

17 it can be alleviated by this acquisition.

18 Thank you.

19 MS. TARCZAN: Ethan Bueno de
20 Mesquita, Patricia Harthun, Michael Mini.

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1 MR. BUENO DE MESQUITA: Hi. I'm
2 Ethan Bueno de Mesquita. I'm a professor
3 of public policy at the University of
4 Chicago.

5 I'm presenting my
6 personal views as a resident of the
7 City of Chicago who lives and works
8 in the neighborhoods that would be
9 positively affected by the CN
10 acquisition.

11 It's clear from a strict sort of
12 cost benefit perspective that this
13 acquisition is a good idea. As my
14 colleague Christopher Berry already
15 emphasized, the number of people who would
16 benefit far exceeds the number of people
17 who would be inconvenienced. And when you
18 add in the regional benefits, this seems
19 like a no-brainer.

20 And yet, the merits not
21 withstanding, the regulatory approval
22 process frankly seems to be getting bogged
23 down in a political debate pitting regional
24 interests and regional benefits against the

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1 local and parochial interests of suburban
2 residents who want to avoid an increase in
3 rail traffic in their communities.

4 In my view the reason that the
5 Service Transportation Board, nonelected
6 federal officials, is making this decision
7 is precisely because your status allows you
8 to be insulated from these local concerns
9 and consider the regional and national
10 benefits and weigh the cost and benefits.
11 with many of the economic and environmental
12 benefits, this is a fairly straight forward
13 exercise.

14 But in thinking about the impact
15 on communities, you have to assess the
16 impact on people's lives. And it's
17 important that in doing so the quality of
18 life of people in the suburbs and the
19 quality of life of people in the city get
20 equal weight. And it's to this point I
21 want to speak.

22 My concern is that suburban
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23 interests opposed to the deal seem to be
24 getting significantly more attention than

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1 the city interests in favor of the deal.

2 My guess is this is the case for
3 two reasons: First, as my colleague Chris
4 already detailed, the STB process for
5 assessing community impact has been
6 seriously biased in favor of soliciting
7 suburban concerns. There has not been a
8 single one of these meetings, including
9 this one, held in an area that's going to
10 be positively affected.

11 Second, the suburban interests
12 opposed to the acquisition have been better
13 organized and more vocal than the city
14 residents.

15 You might naturally assume from
16 this that the negative impact on the
17 quality of life in the suburbs must be
18 qualitatively larger than the positive
19 impact of quality of life in the city. I
20 would caution you against reaching that
21 conclusion.

22 As my colleague described
23 earlier, the demographics of these two
24 communities is quite different.

1 In particular, suburban
2 communities opposed to the acquisition are
3 on average 65 percent more affluent and
4 have half the number of underrepresented
5 minorities when compared to urban
6 neighborhoods that will benefit from the
7 acquisition.

8 Like in any American inner city,
9 the residents of the south side of Chicago
10 that stand to benefit from this acquisition
11 have a lot of issues to occupy their
12 attention. Many are concerned about
13 whether their children will return safely
14 from schools, whether those schools will be
15 properly funded, when the next set of
16 foreclosures will hit, and so on and so on.
17 Train traffic may be pretty far down the
18 list of things that they need to solicit
19 their government about.

20 Meanwhile, in some of the
21 Chicago suburbs the prospect of an increase
22 in rail traffic may actually be the biggest
23 problem their community has faced in quite
24 some time. But this does not mean that the

1 city residents don't have serious interests
2 at stake.

3 You should not discount the
4 interests of city residents simply because
5 those citizens have larger issues occupying
6 their attention and as such have not been
7 as vocal on this issue, the turnout tonight
8 notwithstanding.

9 In conclusion, let me note that
10 this is a rare opportunity for you to
11 support a policy that will both benefit the
12 economy and the region and members of an
13 urban community that have long borne more
14 than their fair share of the cost of our
15 region's economic activity. Thank you.

16 MS. TARCZAN: Patricia Harthun,
17 Michael Mini, Jacquelyn Paine.

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1 MS. HARTHUN: Hi. My name is
2 Patricia Harthun. I'm here as a citizen of

3 the south side of Chicago in the Beverly
4 neighborhood, and I am speaking in support
5 of the proposal to allow the Canadian
6 National Railway to use the old Elgin
7 lines.

8 As many people have already
9 detailed in their numbers, the measure
10 would reduce congestion on the overburdened
11 city rail lines.

12 Our neighborhood is surrounded
13 by busy rail lines. There's rarely a trip
14 that I take that doesn't result in waiting
15 for a train.

16 My statistics are on a much more
17 personal level. I plan my routes
18 frequently around whether the train line is
19 open. Oh, 99th Street is open, cross now,
20 because there are so many trains that go
21 through the neighborhood that they congest
22 traffic, people sit with their engines
23 idling and further pollute the air.

24 There are two sets of tracks

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1 between my house and the grocery store,
2 three on my way to exercise, two between my
3 house and the nearest trauma center.

4 Obviously, some of these are
5 very personal and somewhat inconsequential

6 on the overall impact. However, I have
7 seen ambulances sitting, waiting to cross
8 the tracks, to the nearest trauma center.

9 Christ Hospital is the only
10 trauma center in the area, and there are
11 two rail lines between the east side and
12 Christ Hospital in Oak Lawn.

13 In addition, the congestion on
14 the city rail lines often causes the trains
15 to stop, and that further delays any type
16 of life-saving measures.

17 It's understandable that the
18 communities that will be impacted
19 negatively would speak up. These
20 communities have strong voices, but the
21 number of people who may be inconvenienced
22 by the proposal is less than those who will
23 benefit.

24 I heard a complaint on the news

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1 that school buses have to cross the tracks
2 and that they were afraid of accidents.
3 But if the drivers heed the crossing
4 signals, that shouldn't be an issue.

5 However, in the city children
6 walk to school, and it's tempting for a
7 child who may be late to school to try and
8 cross through that stopped train. And we

9 have lost children to rail accidents trying
10 to cross the tracks.

11 On a larger scale, obviously the
12 increased amount of time the train takes
13 increases transportation costs which are
14 then passed on to the consumers.

15 I would urge you to consider the
16 greater good rather than the local
17 objections of those few who have enjoyed
18 relatively little train traffic up to this
19 point.

20 I don't see how the
21 Transportation Board could turn down the
22 proposal that would reduce this freight
23 train congestion.

24 So please support the measure to

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1 grant access to the Canadian National
2 Railway. Thank you.

3 MS. TARCZAN: Michael Mini,
4 Jacquelyn Paine, Robert W. Trowther.

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1 MR. MINI: My name is Michael Mini.
2 I'm the Government Relations Director at
3 the Chicagoland Chamber of Commerce.
4 We represent over 2,600
5 businesses throughout the
6 Chicagoland region. Our mission is
7 to make Chicagoland the most
8 business-friendly region in America.
9 Chicagoland Chamber of Commerce
10 strongly supports the CN acquisition of
11 EJ&E Railway.
12 We believe that this proposed
13 acquisition is key to ensuring the
14 long-term health and well being of our

15 regional economy. We urge the STB to
16 approve the transaction without further
17 delay.

18 Industrial and manufacturing
19 businesses in the Chicagoland region depend
20 on good transportation, and freight rail
21 plays a major role in their success.
22 However, quite often the railroads serving
23 our shippers encounter severe congestion
24 that is an adverse impact on our economy.

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1 CN's acquisition of certain EJ&E
2 assets is an important step toward
3 improving that situation.

4 Without question, our rail
5 shippers will benefit from the streamlined
6 rail operations and reduced congestion
7 resulting overtime as well as the new
8 efficiencies and operating improvements the
9 acquisition will bring to CN's network.

10 In addition, the acquisition
11 will be another step forward in CN's
12 long-term commitment to reduce costs,
13 improve service, and provide customers with
14 more single-line market opportunities, all
15 of which will benefit the Chicagoland
16 region and our businesses.

17 Finally, we urge the STB not to

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18 burden this transaction with unrealistic
19 mitigation requirements and approve it as
20 soon as possible so that Chicagoland and
21 regional businesses, as well as the
22 community in general, can begin realizing
23 the benefits of this important transaction.
24 Thank you.

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1 MS. TARCZAN: Jacquelyn Paine,
2 Robert W. Trowther, Bob Crowther.
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1 MS. PAINE: Hello. I'm Jacquelyn
2 Paine, and I live in Riverside, Illinois.

3 I have 25 years
4 experience in rail transportation
5 with a Class I railroad, CSX, and
6 also as Director of Rail
7 Transportation for a Fortune 500
8 company.

9 When I started with CSX, my
10 first day on the job my boss and I flew
11 from Baltimore to Chicago and we visited
12 the CSX bar yard. It was full of cars.
13 The problem was trying to get the cars out
14 and get them to other railroads so they
15 could complete their journeys.

16 Since then I've been to many,
17 many rail yards, and it's the same problem
18 everywhere here in the Chicago area.

19 Rail cars don't spend a lot of
20 time moving. They spend a lot of time
21 sitting. We call that the dwell time. In
22 a 24-hour period, typically a car will only
23 move six or eight hours maximum, unless

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24 it's coming from the west coast or

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1 something like that.

2 The way this impacts us is in
3 several different ways, and I tend to take
4 a more regional look and a more national
5 look than I would had I not worked for a
6 railroad. However, what you want to do is
7 move the cars as quickly as possible.

8 If you can improve that, you can
9 reduce congestion simply because you don't
10 have as many rail cars sitting in the yard
11 clogging them up making it difficult to
12 move them to their next destination.

13 I have personally experienced
14 delays of up to three weeks on cars coming
15 into Chicago from a western road trying to
16 get to the CSX yard or perhaps the NS on
17 the other side of Chicago. The reason for
18 lengthy times is weather conditions,
19 flooding, et cetera.

20 It's not a pleasant thing to
21 have your customer calling you every day
22 hounding you about when they're going to
23 get their rail car. And you're absolutely
24 powerless because it's sitting, it's stuck

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1 maybe in the clearing yard, the yard is
2 full of cars, and the belt railroad just
3 can't get it out.

4 Do you know who pays for this?
5 All of us here in the room pays for this
6 because those transportation costs are
7 passed onto us through the products we buy.

8 I am supporting this acquisition
9 because of the economic benefits that it
10 would bring to us personally and also to
11 the manufacturing companies we have in this
12 area.

13 Manufacturers can reduce the
14 size of their car fleets, which is a huge
15 drain. They can provide better service.
16 And, you know, the productivity wouldn't be
17 bad either because I really got tired of
18 having to call the railroads and beg and
19 plead and scream and yell just to get my
20 cars to move. Thank you.

21 MS. TARCZAN: Robert W. Trowther,
22 Bob Crowther, A. Johnson.

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1 MR. CROWTHER: I may be No. 17 and
Page 58

2 18, but it's Bob Crowther.

3 I've come from Barrington
4 down here to see, I'm opposed I must
5 say to the railroad increases in our
6 town. We have a ton of them now on
7 the commuter line.

8 The interesting thing about
9 Barrington is that these tracks cross each
10 over in our town. One train, one freight
11 train, can block all four intersections in
12 our town. So the fact that they mentioned
13 on the chart outside that there's one
14 mitigation point in Barrington isn't really
15 true. There's four.

16 So anyway, I thought I should
17 come down and see your turnout. We had
18 over five thousand. I counted at best 72
19 here and even with the nice court
20 reporters, verbatim reporters, and your
21 nice board.

22 We opposed it for a couple of
23 simple reasons: First of all, our tracks
24 are crossed by school buses 840 times a day

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1 now, okay, without increased train traffic.
2 That's significant.

3 The other thing is that our 90
4 square miles of the Barringtons are

5 serviced by wells, not deep wells, shallow
6 aquifers. So that hauling chemicals and
7 petro chemicals and the like doesn't appeal
8 to us that much, as it doesn't to you I'm
9 sure.

10 So that's all I basically had to
11 say. I don't like the idea of transferring
12 problems from one area to the other.

13 I respect the gentlemen from the
14 University of Chicago, but some of the
15 names in Barrington are on those walls at
16 both the hospital and the university, as
17 you know, and they were at this meeting and
18 they don't like it. So we don't think it
19 impacts too much.

20 U.S. Steel, \$300 million is a
21 pittance to them in selling this railway.

22 We also don't think it's the
23 Service Transportation Board's role to
24 enhance the future profits or whatever of

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1 an international railway.

2 I want to thank Ms. Ball for her
3 time and you guys, all your patience. I
4 noticed that in the document it says that
5 your board and the previous Interstate
6 Commerce Commission, which was before you,
7 has in the past denied mergers.

8 I hope you will deny this one.

9 Thank you for your time.

10 MS. TARCZAN: A. Johnson, John
11 Ehlers, Patrick Spiroff.

12 MR. JOHNSON: I'm A. Dwight Johnson,
13 and I'm a consultant for Canadian National
14 Railroad. Now I'm retired from Canadian
15 National Railroad. I have 42 years of rail
16 experience, and I did written comments so I
17 don't want to repeat those.

18 what I want to talk about now is
19 the -- is -- they complain about the other
20 -- the EJ&E acquisition because who's going
21 to pay for overpasses because of additional
22 freight service on the EJ&E? Well, I have
23 a source for their funding, and that is the
24 additional property taxes that Canadian

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1 National's going to pay because when that
2 happens in my experience -- and I've been
3 involved in three different mergers -- and
4 to pay -- the property taxes for the
5 railroad, they will triple immediately. So
6 that will be a definite source of funding
7 for their overpasses that they're all
8 worried about.

9 Another thing, and I did write
10 this in my written testimony. I want to
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11 mention about Barrington. Barrington has a
12 commuter rail station on Union Pacific.
13 They voluntarily decided to build it
14 downtown, blocking both Route 59 and Lake
15 Cook Road for -- for an average of four
16 minutes every time a train stops. They are
17 crying crocodile tears.

18 They also -- another thing, when
19 there was a brand new schedule out that
20 Union Pacific put out, one train did not
21 stop in downtown Barrington; and they had
22 service every -- an average of every 15
23 minutes at that time, and they forced that
24 train to stop there. If they care about

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1 crossings being blocked, they should have
2 not stopped that train at Barrington.

3 MS. TARCZAN: John Ehlers, Patrick
4 Spiroff, Bill Wendt.

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1 MR. EHLERS: Good evening,
2 everybody, ladies and gentlemen, the
3 surface Transportation Board, and other
4 interested -- other interested parties. My
5 name is John Ehlers. I'm owner and
6 president of Rail 1 Media. I'm here to put
7 on the public record our extended automatic
8 warning system. Just to clarify, Rail 1 is
9 not part of any news organization, however
10 kindred to outdoor advertising. Both Rail
11 1 -- but Rail 1 does have -- have multiple
12 divisions that are involved in highway rail
13 safety. Our second division is design and
14 installation.

15 My company has designed an
16 extended warning system that could be

17 installed and connected electrically from
18 the grade crossing to an LED lighting
19 system along the road. With the roadside
20 message, both the LED and roadside message
21 are Federal Highway
22 Administration-approved.

23 The warning system is
24 multifunctional. That is, with a standard

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1 grade crossing vehicles react to the action
2 of the -- to the lights and the gates and
3 in some instances take a gamble, for lack
4 of a better word, to drive around the gates
5 to beat the lights -- beat the lights
6 through the -- through the grade -- through
7 the right-of-way.

8 On the other hand, there are
9 those that respond to the stop and --
10 respond and come to a stop at the stop
11 zone. As we go -- as we know, this -- this
12 entire action works around time. We feel
13 that there is a need for transition time.
14 This is where we feel our warning system
15 applies and comes into effect.

16 How our warning system works is
17 connected at -- to the grade crossing
18 directly when the train shunts the -- the
19 relay through a series of connections and

20 directly activates the lights -- the LED
21 lights. This with the roadside message
22 when lights are flashing, trains operating
23 through the right-of-way, which would
24 provide the transition time for those

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1 vehicles that are on the roads.
2 AS I said, it's a
3 multifunctional system as a constant
4 reminder, as well as the LED system
5 providing a greater distance of visual
6 contact from the LED lights that a train is
7 operating through the right-of-way. This
8 provides emergency services, police, fire,
9 and EMS to use an alternative route to
10 respond and find a different means to
11 respond to an emergency.

12 To conclude, I hope that you --
13 you take a closer look at Rail 1's extended
14 warning system, that the Surface -- Surface
15 Transportation Board determines as a result
16 of these meetings -- determines that as a
17 result of these meetings, provides certain
18 recommendations, as I hope we become one of
19 them. Furthermore, extended warning system
20 -- our extended warning system sheds new
21 light on the Surface Transportation Board
22 and the communities of this acquisition

23 that it affects.

24 MS. TARCZAN: Patrick Spiroff, Bill

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1 wendt, Michael Howard.

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1 MR. SPIROFF: I want to thank you
2 for allowing me to come here to speak
3 tonight. I'm just an ordinary citizen. I
4 live in Frankfort, Illinois. The train's
5 going to be running through my backyard.
6 Obviously, I'm not thrilled about that,
7 just, you know, want -- imagine that you
8 moved, and you're living on a small country
9 road; and the next thing you know, it's
10 going to be turned into a superhighway.
11 But, you know, so obviously it's going to
12 affect my property values, those personal
13 issues. But that's not really why I came
14 down here on this rainy Monday night.

15 In December of 2006, my oldest
16 daughter was diagnosed with type one
17 diabetes. It's also known as juvenile
18 diabetes. And, you know, all the other
19 factors I understand; but I -- I'm just
20 coming here as a concerned father. You see
21 I don't have prepared notes; I'm just kind
22 of winging it.

23 But what concerns me is, you
24 know, I live at an at-grade crossing, up --

1 you know, up the street from it; and I'm
2 very concerned that it's going to be
3 blocking emergency vehicles making it to my
4 home. You know, so I'm just here as one
5 individual father speaking out for his
6 daughter.

7 I'm very -- you know, the -- the
8 impact of type one diabetes is you can
9 suffer a coma due to low blood sugar and so
10 every second would count getting my
11 daughter to an emergency room to bring her
12 back up and have her regain consciousness
13 and not affect, you know, her brain. So,
14 obviously, I'm not going to explain any --
15 any kind of mitigating factors. It's just
16 kind of well, you know, you lived on a
17 railroad track. You should just have to
18 deal with that.

19 So I just -- you know, I just
20 want to say here that, you know, with no
21 mitigating factors to take in account that
22 crossing, there's also -- not only just to
23 my home, but there's -- she also lives --
24 I'm sorry. She goes to school, and there's

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1 a railroad crossing just to the north of
2 her; and this crossing does not even have a

3 signal or lights or anything, and it's the
4 first crossing right behind the school.

5 So not only is it going
6 to affect emergency vehicles coming to my
7 home; it will also affect emergency
8 vehicles access to that school; it's
9 Hickory Creek. And that's why I'm here.
10 Thank you very much for your time.

11 MS. TARCZAN: Just to confirm, it's
12 Patrick Spiroff?

13 MR. SPIROFF: Yes. Thank you very
14 much.

15 MS. TARCZAN: Bill Wendt, Michael
16 Howard.

1 MR. WENDT: Yes, my name is Bill
2 Wendt. I live in the city, and for quite a
3 few years I have thought that the railroads
4 are running too much freight through
5 Chicago when they would have a shorter,

6 more direct route outside the city; and
7 along the bypasses of Chicago would be the
8 Elgin, Joliet and Eastern. Having said
9 that, it's not like -- my written remarks
10 might -- might seem like I'm more of a
11 friend of thinly populated suburban sprawl
12 than I am, but there are very valid
13 concerns about these emergency vehicles
14 being blocked; and I haven't heard any real
15 mitigation of that concern. And the
16 railroad, I think, is kind of blowing its
17 own credibility on that in not proposing at
18 least something like a dozen separated
19 crossings to alleviate this particular
20 concern.

21 As far as the STAR line is
22 concerned, now Metra is talking about
23 20-minute commuter train service, which is
24 incompatible with freight service. I do

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1 think there is a better approach than -- to
2 -- to public transportation needs in that
3 area, and that would be -- well, we've had
4 these van pools for over 20 years,
5 computer-matched van pools. we could have
6 computer-matched bus pools of 50 or more.

7 And there are about 500,000
8 people in that area west of O'Hare, working

9 in that area. It's what -- about the same
10 as downtown Chicago except over at least 10
11 times the land area. You need rubber tire
12 distribution there anyway, and if you have
13 to have rubber tire distribution, well,
14 there's not much point in running an
15 expensive, disruptive railroad down the
16 middle of an expressway when there is a
17 railroad just a couple miles north of
18 there.

19 But still, I think the better
20 solution would be a bus rapid transit, and
21 we -- that would be with or without a
22 monorail that could really put the rapid in
23 bus rapid transit, suspend a monorail in
24 which a vehicle is simply a skid that a bus

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1 drives on and drives off and the stations
2 need be little more than a bus turnaround.
3 It doesn't matter too precisely
4 where they are. But figure the great
5 unemployment center in the southern suburbs
6 is about 35 miles as the crow flies from
7 the great employment center in the
8 northwestern suburbs. And we could have
9 one seat rides in -- in an hour or less
10 between the two with that kind of
11 technology.

12 I think the Grand Trunk Western
13 lines in the city could be used for Metra
14 commuter trains, save about 400 million in
15 rerouting the Metra southwest service. And
16 I would be opposed to abandoning the rail
17 lines -- these rail lines in the city
18 because with traffic increasing the way it
19 is, we just might need them again before
20 too terribly long.

21 MS. TARCZAN: Michael Howard, Jim
22 Domiano, Steve Mannos.

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1 MR. HOWARD: Good evening. I'd like
2 to say thank you very much for offering the
3 opportunity for us to come. I represent
4 the community of Fuller Park, 4500 families
5 that are most affected by all the growth
6 and commerce that's been mentioned here
7 tonight. I just want you to know that the
8 impact from all of the profit and all the
9 growth that hasn't -- has happened in the
10 rail system over the last three to four
11 decades has impacted our community to a
12 greater extent than those that are worried
13 about being affected if this acquisition
14 goes forward.

15 We suffer from the largest
16 asthma population in the city of Chicago
17 due to all of the congested locomotives in
18 those switching yards and those side rails
19 that have been built to -- to handle the
20 increase of traffic through the city
21 itself. Our -- our -- our properties are
22 rattled daily, 24 hours a day, by the
23 banging of those cars being switched from
24 track to track and being loaded and

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1 unloaded. Our children have so much
2 asthma. Our senior citizens have a large
3 increase of respiratory ailments due to all
4 of the diesel and traffic emissions that
5 encompass our community.
6 we're surrounded on both sides
7 by major hubs. Not only do we get the CN
8 traffic and others. We have the Amtrak,
9 the Metra traffic. All of that has to
10 share the same lines through our
11 neighborhood on both sides of the
12 neighborhood every day. I want you to
13 imagine not being able to open your windows
14 on a -- on a hot summer night because you
15 cannot afford to breathe that heavy diesel
16 fumes that's coming from those 15 engines
17 that are just sitting there waiting to

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18 switch their load through the city.

19 So, for us, I -- I'm really in
20 support of this move because the mission of
21 our organization -- I'm executive director
22 of Fuller Park Community Development -- is
23 to improve the quality of life for our
24 constituents, and this move to relieve the

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1 congestion through the city of Chicago
2 would indeed improve the quality of life
3 for our constituents. So we would say yes,
4 vote yes for this expansion for our health.

5 we're not here -- we're not
6 gaining economically. We're not gaining
7 for jobs. We don't have any economic
8 benefit from this pollution that -- that
9 affects our lives daily, but it has
10 ruined the quality of life for many of the
11 seniors that are in this room tonight and
12 then it also affects our children every
13 day, as they can't even open up the school
14 room windows on certain summer days, and
15 even during the coldest day of the year
16 we've had some heavy diesel fumes that
17 float through. They had to -- everyone
18 closed their windows because the children
19 were choking.

20 So it's matter of life and death

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21 for our community that you approve this
22 plan. Thank you.
23 MS. TARCZAN: Jim Domiano, Steve
24 Mannos.

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1 MR. DOMIANO: Hi. I'm Jim Domiano,
2 and Michael stole my notes, I think; but I
3 am here to speak as an individual who lives
4 in the near South Loop at 15th and State.
5 I live approximately that far from the rail
6 line, and my situation and my building
7 situation, Dearborn Towers, is aggravated
8 by the fact that we live above this. In
9 our neighborhood you have canyons of
10 concrete, and the noise issues that we're
11 talking about here are significantly
12 exacerbated by the problems with having
13 huge tunnels of buildings that the noise
14 reverberates through.

15 We moved in in 2001 and during
16 one of the first nights that we stayed
17 there, I was awoken at about 2:30, 3:00
18 o'clock in the morning by what I thought
19 was someone throwing giant aluminum boxes
20 down a concrete stairwell. I said to my
21 wife, what is that? She said, oh, those
22 are the coal cars. The train just stopped
23 over there where Dan was mentioning earlier

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24 where the crossing is over by Clark and

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1 16th, crashing together 300 times.
2 I invite any of you to spend
3 some time in my guest bedroom because I'll
4 tell you; I'm still not used to the noise.
5 The vibration is so intense, and I live on
6 the 10th floor, that things will be moved
7 off of shelves. I feel very badly for
8 people who live on the fourth floor, which
9 is about 30 feet above this.
10 we're a small community of about
11 315 units, so you're looking at about 600
12 people; but multiply this by the tens of
13 thousands of people who live along the
14 lines from the south side. And one of the
15 reasons that you don't see some of these
16 people here is because -- I found out about
17 this meeting Thursday, and I'm pleased to
18 see two other members of Dearborn Tower
19 here. But the disenfranchised of those
20 neighborhoods haven't been made known and
21 aware of this particular situation.
22 They look to you for their
23 assistance and your wisdom and your
24 guidance to look at the situation and say,

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1 the needs of more people who will benefit
2 outweigh the needs of some communities.
3 And with proper guidance and proper holding
4 accountable of CN, which I know is part of
5 this plan, we can mitigate the issues that
6 will potentially occur in the suburban
7 areas; and everyone will benefit
8 significantly from situations like this.
9 Part of the challenge in this type of a
10 situation is everyone wants the benefit of
11 this type of arrangement. Everyone wants
12 the benefit of rail traffic and the
13 decrease in costs, but nobody wants it in
14 their backyard.

15 So I think at the end of the day
16 it is really important about the individual
17 personal stories that we're seeing here;
18 but more so, we need to look at the overall
19 financial impact on the greater area and
20 the impact on the number of families,
21 positively and negatively. Add that up and
22 determine at the end of the day what the
23 best decision is to make. Thank you.

24 MS. TARCZAN: Steve Mannos, Mike

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1 Joyce, Representative Ken Duncan.
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1 MR. MANNOS: Good evening. My name
2 is Steve Mannos. I'm president of the
3 Dearborn Tower Condominium Association,
4 along here with Jim and another one of our
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5 residents. I'm here tonight to strongly
6 back the proposal and to give you some
7 reasons why.

8 Economic, but not -- but more
9 importantly than that, we -- we have a
10 severe problem in our neighborhood with
11 noise and pollution. When those trains
12 idle for three, four hours at a time at
13 State and 16th, the -- the fumes and the
14 pollution are unbelievable. We, therefore,
15 are strongly supporting the -- the
16 railroad's move; and we're also going to do
17 everything we can to notify more people in
18 our neighborhood because we weren't
19 notified until very recently, and it's a
20 travesty that there's only one meeting in
21 the city of Chicago which has a
22 million-and-a-half people. You know, I
23 know Barrington is growing rapidly; but
24 they're nowhere near a million-and-a-half

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1 people.

2 I've also lived -- I have a
3 perspective of living in the suburbs. I
4 lived in LaGrange for several years; and,
5 believe me, waiting for the train an extra
6 four, five minutes is a hell of a lot
7 easier than sitting and listening to

8 banging and banging for two, three hours at
9 a time. That's all I have to say.

10 MS. TARCZAN: Mike Joyce,
11 Representative Ken Duncan.

12 I would like to take this
13 opportunity again to ask anybody who's
14 interested in speaking tonight to please
15 step outside the room and register. We
16 have no more registered speakers at this
17 time. We certainly invite any additional
18 commenters again to register now. In the
19 meantime, we invite everyone to return to
20 the open house area if you would like to
21 review the boards or ask questions. The
22 court reporter and at least one member of
23 the Surface Transportation Board team will
24 remain here in the public meeting area to

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1 receive additional comments from newly
2 registered speakers should we have any
3 additional registration before 9:00 p.m.
4 This concludes the public comment portion
5 of the meeting. Thank you all for coming.

6 (Brief pause.)

7 (Whereupon the audience took its
8 leave.)

9 MS. TARCZAN: Representative
10 Ken Dunkin.

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1 MR. DUNKIN: Hi, thank you. I'm Ken
2 Dunkin, Illinois State Representative.

3 I represent the 5th District
4 where there's a considerable amount of
5 transportation that has been a major issue
6 of concern as voiced to my residents on the
7 southern end of my district, particularly
8 around 39th and Shield and Princeton, that
9 area.

10 Even before I was elected they
11 had discussed and talked about how the
12 trains often sat idle for a number of hours
13 and sometimes throughout the night over
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14 around 43rd and Princeton, 45th and Normal.
15 They said there were a number of fumes that
16 would be emitted there. Not to mention the
17 rumbling of the engines for quite some
18 time, for some extended period. They
19 believe it was or is sort of a yard where
20 they just had a long freeze or pause.

21 So I recall that at least
22 almost, wow, over six years ago now when I
23 was actually a candidate, and to have this
24 issue close to being rectified or at least

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1 pushed or moved further away from the
2 community will be a big value add for my
3 constituents over in the 3rd Ward of the
4 5th District.

5 Some of the areas that were
6 discussed or issues that I recall, and
7 again, I'm going way back six years now,
8 were issues of possible asthma,
9 environmental racism because it was a
10 predominantly poor, predominantly black
11 community, certainly on one side, and the
12 community just tended to take it for
13 granted that there was nothing anyone could
14 do about it or even consider moving it
15 along.

16 I believe Michael Howard, who's
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17 a strong voice and advocate against this
18 particular idling of trains, I'm sure he
19 gave voice to this as well.

20 Just some of the points that I
21 wanted to make. The residents of the 5th
22 District have had to deal with the burden
23 of bottlenecks on rail lines. Chicago's
24 rail line is one of the most important in

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1 the nation but it's in desperate need of
2 improvement.

3 In fact, dozens of residents
4 from the 5th District will be attending
5 today's hearing just to give voice to their
6 support for CN's proposed acquisition of
7 the EJ&E line and to explain how their
8 communities will benefit greatly from the
9 streamlined rail operations.

10 Again, we know that St. Louis
11 almost took the place, the center hub of
12 the country of Chicago years ago. But
13 Chicago became that strong hub where there
14 was a lot of interchange, and we appreciate
15 that, but we have to do just mass
16 improvement, as voiced, of trains idling in
17 any particular community for a given time
18 so we can avoid the possible negative
19 affect such as hazardous air quality and

20 sort of some of the other issues that
21 affect our constituents.

22 So please give this great
23 consideration. I wish I had more time to
24 discuss this issue. And I'll be supporting

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1 them moving along away from our particular
2 area. Thank you.

3 MS. TARCZAN: Thank you.

4 I do want to point out to you if
5 you'd like to make your remarks, continue
6 them with the Court Reporter outside, we
7 can certainly have you do that, or we can
8 also record your remarks on paper through
9 our hotline on our website.

10 MR. DUNKIN: I can leave something
11 in writing?

12 MS. TARCZAN: Yes.

13 (End of statement.)

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