

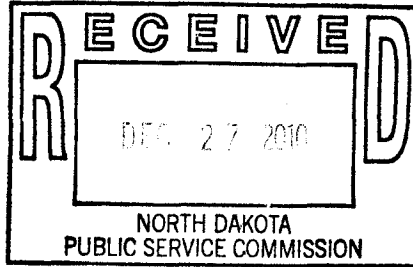


ROLLA JOB DEVELOPMENT AUTHORITY

PO Box 1200 • Rolla, ND 58367
(701) 477-9130 Fax: (701) 477-9633
Email: rollajda@utma.com www.rolla.nd.utma.com

December 23, 2010

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, D.C. 20423-0001



COPY

Re: STB Docket No. AB-6 (Sub-No. 473X) BNSF Railway Company – Abandonment Exemption – in Rolette and Towner Counties, North Dakota

Dear Ms. Brown:

I would like to respond to or refute or provide rebuttal to many of the issues Kristy Clark, General Attorney, BNSF Railway Company cited in her docket to you dated December 3, 2010.

Initially I would like to briefly describe the community and the immediate region I am representing as the local economic developer. Rolla, ND is a small community of 1,417 in population located just 10 miles from the Canadian border in north-central ND. We are just 5 miles from a Native American Reservation (Turtle Mountain Band of Chippewa Indians, Belcourt, ND) which has a population of over 10,000 and an unemployment rate of over 60%. Average age of the reservation is approximately 29 years of age.

To the issues in the above referenced docket.

- **Page 3 – Paragraph 4:** The reason the line has had no traffic since March 2007 is due, in part at least, to BNSF's embargoing the line. For five years prior to this date (see enclosed spreadsheet) we averaged almost 600 car loads of grain each year. Since the embargo the local elevator has added two (2) – 100,000 bushel storage units which would have increased the rail car activity. Ms. Clark also states in this paragraph that the "abandonment will have no impact on rail freight operations and maintenance practices on the line". Of course not, if you're not operating on the line routine operations and maintenance there will be no impact!
- **Page 3 – Paragraph 5:** To "forego the opportunity costs from salvaging the line" strikes me as poor justification for the elimination of rail service to this region. I will support our economic development interests later in this letter.
- **Page 4 – Paragraph (2f):** Again Ms. Clark states that there has been no traffic on this line since March 2007. It appears this comment should be stated differently in that "because BNSF embargoed the line o/a March 2007 there has been no rail traffic". How can there be traffic when BNSF fails to provide rail cars for us to use?

- **Page 4 – Paragraph (3-Land Use):** The City of Rolla only received formal notice of abandonment the first part of December 2010. Within the smaller communities there typically are no formal land use plans! Ms. Clark states that contact was made with the Towner County Auditor who would present this information to the Towner County Commissioners for a response. BNSF failed to contact, in the same manner, what we would consider as the primary county of impact, Rolette County. The Rolette County Auditor and Commissioners were not contacted until they received this abandonment docket the first part of December 2010. Of the 17 miles of rail that is being proposed for abandonment, approximately 12 miles lie within Rolette County. The City of Rolla and County of Rolette are the primary communities served and have the potential to benefit from these 17 miles of track and are the communities being economically impacted by the proposed embargo/abandonment.
- **Page 5 – Paragraph (4) Energy (ii):** Not adversely affected? I will be faxing this letter to you in order to respond to the proposed date of formal application for abandonment. I will also be mailing the original copy of this letter but I will then also include articles from our local newspaper as well as information from the ND Department of Commerce and their solicitation of a Request for Proposal wherein rail service would be beneficial to a proposed business wishing to expand into ND. Inasmuch as Rolla, ND does not have an interstate or 4 lane highway system available to transport product in or out of the area, rail is a very important tool for us to use to attract business and hopefully reduce unemployment, etc.
- **Page 6 – Paragraph (5) Air(C):** Since the 2007 embargo of this line, the local elevator has had to ship grain by truck. Assuming 3.5 trucks are required to ship one rail car load of grain and knowing that historically, we averaged approximately 600 cars per year, we have had approximately 2,100 trucks entering and leaving this community per year, since the embargo. This has caused not only significant and unnecessary wear and tear of our streets, but also due to the increased truck traffic safety (see BNSF comments on Page 7 paragraph (7) Safety) becomes a concern. To my knowledge we have not had any situations however the damage caused by the increase in truck traffic on the streets, contiguous to and in the immediate vicinity of the elevator is quite notable, especially the rail way crossing on our Main Street (U.S. Highway 281/ND Highway 5)(see comment in the newspaper article being mailed).

While I could continue with this, I will stop with my comments regarding this Docket, for now at least, and close out this letter. BNSF has stated that they have not had any credible offers or communications to purchase or lease this line since the embargo. This is simply not the case. Because I was not able to have productive communications with BNSF's office of Network Rationalization I solicited the assistance of our two U.S. Senators, U.S. Representative and the Governor of ND. It wasn't until after the second request through the Governor's Office that I finally had some communications with the Office of Network Rationalization. I, however, was unsuccessful in deterring BNSF's interests in abandoning this line. A ND based short lines company (Northern Plains Rail Road, Fordville, ND) has shown an interest in and have been in communications with BNSF to buy or lease this line. They know that repairs to the two damaged bridges are required which were damaged by local farmers burning the stubble from the contiguous fields. **We are simply dumb-founded why BNSF will not provide a logical quotation for the sale or lease of this line.**

We would respectfully request your office to suspend any proceedings related to the abandonment of this line until such time as we could develop a viable working solution to this issue with BNSF, Northern Plains Rail Road, the local elevator, the City of Rolla and County of Rolette.

Sincerely,

A handwritten signature in black ink, appearing to read "George Youngerman". The signature is fluid and cursive, with a large initial "G" and "Y".

George Youngerman
Executive Director

Faxed: December 23, 2010

Cc: ND Office of the Governor
ND Public Service Commission ✓

ROLLA COOPERATIVE GRAIN RAILCAR QUANTITIES

	Spr Wht	W Wht	Durum	Oats	Soybeans	Flax	Canola	Barley	Yr Total
2002	274	27	89		30	53		215	688
2003	130	15	124	1	14	28		111	423
2004	187	22	50	1		19		149	428
2005	365	38	107			3	26	256	795
2006	278	67	110		4	37	26	132	654
2007	92	4	52			6		83	237
Total	1326	173	532	2	48	146	52	946	3225

5 yr Average
2988/5 = 598
Canola/yr



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RFP ID 0

Search

Geographic Preference

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City Preference *

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* Geographical preferences related to projects on this site have been expressed by agency clients, not the Department of Commerce itself.

North Dakota Department of Commerce		Red text or an * indicates a change
Detail for RFP ID # 15556		
Origination Date: 11/12/2010 Last Update: 11/12/2010		
Name: CONFIDENTIAL	Project Manager:	Deadline: 11/19/2010
Activity Type: Expansion	Industry: Energy	Capital Investment:
Project Summary: This is a wholly-owned subsidiary of a large, well-established foreign company that manufactures major components for wind power systems.		
Additional Notes:		
Employment Info: Access to a deep and well trained labor force will be critical to the success of a manufacturing investment within the U.S. More specifics on number of employees and wages to follow soon.		
# Working Days Per Wk:	# of Shifts:	
<u>Position</u>	<u>Projected Wage Range</u>	<u>Year</u> <u>Projected Job Range</u>
Education: Provide information about local university, college, or vocational school programs that are focused on renewable energy, or more particularly, wind power.		
Buildings: The prospective site can either be undeveloped land or a brownfield location		
Minimum factory floor height of 42 feet/Minimum 75,000 square feet in floor space/immediate access location to transport lines (rail and highway)		
Specify: Bearing capacity of floor structure/exterior storage adjacent to facility/scalable capacity options		
Total Sq Ft: 75,000	Total Acres Min:	Max: Building/Ownership: Any
Geographic Preference: No Preference specified		
Transportation: Need transportation infrastructure that can accommodate large/overweight shipments (15-20 tons; width of 13 feet).		
Air: NA		
Highway:		
* - Rail: Specify rail availability		
Financing/Incentives: Commerce will be submitting information on state financing and tax incentive. Please submit any information for local financing and tax incentive.		
Infrastructure:		
Water:		
Gas: Specify if natural gas is available to the site or if a service extension would be required.		
Electricity: Identify the service to the site, e.g., 3-phase, voltage		
Sewer:		
Telecommunications:		
Most Critical Needs:		
Response Format: Electronic/digital to Mike Fladeland, mfladeland@nd.gov		
Key Dates:	Sent to Communities: 11/12/2010	Expected Short List:
	Expected Decision:	Operational Date:
	Expected Site Visits:	

*

RFP Update Message Log:

11/12/2010 Well-established wind manufacturer, wholly-owned subsidiary of large foreign-based company, seeking a U.S. based manufacturing site.

Questions? Contact the project manager listed above at (701) 328-5300. If you intend to respond to this RFP, select the 'Respond' button to indicate your intent to supply us with the information and documents necessary to propose your community as a site for this project. Then mail your information to the attention of the specified project manager at the ND Department of Commerce, PO Box 2057, Bismarck, ND 58502-2057. Remember, your mailing must reach us by the deadline date shown above in red.



If you can read this, you

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CITY OF ROLLA
PO BOX 1200
ROLLA MO 658367-1200



P2P Meeting

See Page 3



Sports seasons in full swing



Pages 11, 12 and 13



See Page 5

Rolla Mountain Star

Monday, December 6, 2010
Volume 124 - Number 15
Two Sections - \$1
Rolla, North Dakota 58367

Railroad service continues to elude city

By John Rosinski
Of The Star

It's been over two years since a train whistle was heard in Rolla, and unless something changes, it may never be heard again.

Burlington Northern Sante Fe (BNSF) currently owns the section of track running from Rolla to Bisbee. The track, which is approximately 17.7 miles, was initially shut down because of what BNSF spokesperson Amy McBeth said was "major track damage."

In the two years since, McBeth added that two bridges the tracks cover have been damaged extensively

by fires and costs to repair the track are "several millions," McBeth said.

The loss of service has hit the economic community hard, according to Rolla Job Development Authority Director George Youngerman.

"As far as economic development and recruiting new businesses is concerned, one of the services a lot of potential businesses seeking to locate here is access to highway and rail for transportation," Youngerman said. "In addition, companies would look to rail to bring in or ship out their product, and we currently don't have that option."

Youngerman used the future wind

"For us, these decisions are based on whether there is a solid potential for future business."

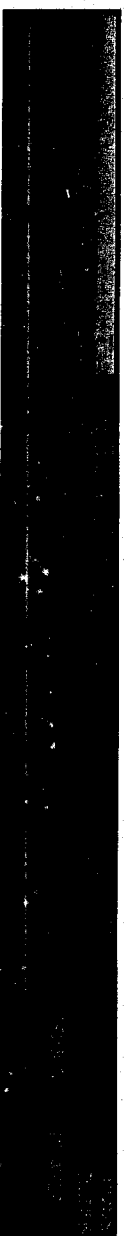
Amy McBeth, BNSF spokesperson

farm as an example, saying officials from Sequoia Energy could have possibly used rail service to bring in turbines and other parts for the wind farm. Without rail service, local elevator managers have been forced to move their grain by truck, putting additional stress on already rocky roads in the city.

"For every carload of grain that gets shipped out by truck, it takes three-and-a-half trucks to equal one carload," Youngerman said. "That's a tremendous annual impact on the highways and the streets to and in the city of Rolla."

pany's intentions to abandon the track. "The notice goes through the Service Transportation Board (STB) and they will determine whether it can be abandoned or not," McBeth stated. "If there is any opposition, the STB can consider that, or if there are any offers to purchase the track, those offers can be considered."

and cents. "For us, these decisions are based on whether there is a solid potential for future business." If the abandonment process is completed, McBeth said BNSF officials will ultimately take apart the track and have it removed. In addition to not providing a service, any motorist driving through the city of Rolla can attest to the horrific condition of the crossing on Main Street. Youngerman said he has tried to contact BNSF officials in Minot to fix the crossing but has yet to receive a response.



Business is a good example of a bad partner

Summary: Burlington Northern Santa Fe is abandoning the city, county and people who helped sustain it.

In small towns, every business matters, from the small mom and pop restaurant to the big hardware store on the corner. We rely on each other in many ways, directly and indirectly.

When one business shuts down, it impacts us all.

There's always a ray of hope that another entrepreneur will step in and try to fill the void.

Today, however, comes word that a business that has long-since shut down operations is formally abandoning the city of Rolla and the surrounding area. The legal notice appears in this week's edition of *The Star*.

Burlington Northern Santa Fe (BNSF) has given formal notice of abandoning 17 miles of rail line between Rolla and Bisbee.

The last time a train whistle blew in Rolla was more than two years ago and city leaders have tried to entice BNSF to sell the line to another interested party, Northern Plains Railroad.

In the meantime, grain in Rolla has been transported via truck. Sooner rather than later, this will take a mighty toll on highways leading east and south from Rolla.

Apparently, BNSF is not taking the matter seriously and has basically ignored polite requests to address the matter.

Here's a not-so-polite response - BNSF is the worst kind of business partner and, apparently, a soulless company interested in the well-being of no one else but themselves.

By neglecting and ignoring strong businesses in the community that depended on rail lines, BNSF is snubbing their nose at the very people who helped sustain it.

While the grain elevators and farmers invested in BNSF, the rail line is refusing to return the favor. That is the definition of a bad partner.

The company's actions are also crippling the chances of the city and area for future economic development. Rail lines are often a vital part of an agricultural community's attraction for value-added production possibilities.

That's not saying any type of plant is knocking on the area's door, but with the loss of a viable rail line, the chances of such a development are dim.

There's another aspect of the BNSF that oozes arrogance.

For many people in the area, the closest relation they've had to the rail line in Rolla is the four bone-rattling bumps they go over when driving down Main Avenue.

For decades, people have voiced complaints about the annoyance and seldom, if ever, did BNSF address the matter.

With every business relationship, however, there are ups and downs. Some could tolerate the bumps because the rail line was an important part of our city.

Now, however, it appears that those bumps will be a sore reminder of a business that used up its good will and abandoned their partners, unwilling to give another business a chance to benefit the community.

Shame on them.

If you agree, we urge you to call or e-mail Amy McBeth, who is the director of public affairs for BNSF in North Dakota. She can be reached at amy.mcbeth@bnsf.com or call her at 763-782-3212.

Editorial: Turtle Mountain Star, Dec 20, 2010