

Chairman Fuchs and Esteemed Board Members.

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I am opposed to the leasing of the Union Pacific Railyard to the Central Oregon and Pacific Railroad.

This lease would result in the loss of at least 30 High wage Union jobs (TE&Y, Carmen, Roundhouse, MOW) and replace them with approximately 15 much lower wage, NON-Union jobs.

The lost jobs are very highly skilled, highly trained and experienced and would be replaced by newly hired, far less skilled and trained crews resulting in a far less efficient and less safe operation.

Newly hired CORP crews would not only be responsible for the daily switching of cars in the yard but also for the servicing of local industries in Eugene and Springfield. Some of these industries handle very deadly and hazardous chemicals with very sensitive and dangerous movement requirements. Carelessness or inexperience could result in Hazardous Chemical release damaging the local environment and endangering surrounding communities. Just a few of the Hazardous commodities that traverse our community are Flammables, Caustic Acids, Poisons and Inhalation hazards like Chlorine and Anhydrous Ammonia. One of our Chemical facilities, Hexion Chemical, is situated on the bank of the Willamette River. Each of the 3 tracks within that facility end at the river. These tracks are very steep and very short. Lack of experience and carelessness in this facility can result in any of the 3 commodities(Urea, Phenol, Methanol) within that facility ending up in the river.

The possible reduction in safety is concerning for several reasons, not least of which is public and environmental impacts. Any incident could also result in major service disruption for local industries and interstate commerce.

With this lease there would be a shift of Liability. Union Pacific would limit, if not eliminate, their own liability in the event of a disaster. The CORP is a Class 3 railroad that is a subsidiary of Genesee and Wyoming. As an LLC with revenue listed at around 5 million dollars a year, they would not have the financial power to properly protect and compensate the communities in the event of an incident. CORP would most likely file bankruptcy and leave the costs and consequences on the shoulders of the taxpayer.

CORP, when it was owned by Rail America, owned and operated the Coos Bay Branch line that runs from Eugene to Coquille Oregon. Due to a failure to maintain their infrastructure, CORP abandoned the line and stopped servicing all shippers on that line. This resulted in an obviously negative impact on those customers and the surrounding communities. The abandonment forced the Port of Coos Bay to sue for the purchase of the branch line, paying for it at great expense, with taxpayer money.

As this proposed move would only be a lease, CORP would not be required to upgrade the infrastructure under their care, only to maintain it at a minimum level. The Mary's River bridge incident is an example of that kind of minimum level maintenance under a lease agreement. Their low revenue would undoubtedly force the need for Taxpayer subsidies.

While testifying at the House Transportation and Infrastructure Subcommittee on Railroads, Pipelines and Hazardous Materials hearing last week, Mr. Chuck Baker, President of the American Short Lines and Regional Railroad Association (of which CORP is a member) testified that short line railroad operations are not sustainable without Government Funding.

The importance of this is that as a Class 1 Railroad, with very high revenue, Union Pacific would not be in need of this funding and would not burden Local, State and Federal tax payers with the costs of their day to day operations.

Allowing this lease is not good for the safety of surrounding communities, not good for Taxpayers and the loss of those Union wage jobs can greatly affect the local and state economies further depressing local income and consumer spending ability.

Respectfully,

Edward Henry

Husband, Father, Grandfather, Marine and 21 year Railroader

CC: Parties of Record