



VIA E-FILING

Cynthia T. Brown, Chief
Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington DC 20423-0001

245877

Re: FD 36178, Metropolitan Council - Petition for Declaratory Order

Dear Ms. Brown:

ENTERED
Office of Proceedings
June 6, 2018
Part of
Public Record

The City of Olivia City Council hereby files these comments in response to the Surface Transportation Board's ("Board or STB") May 22, 2018 decision permitting public comments on the Petition for Declaratory Order ("Petition") filed on April 4, 2018 by the Metropolitan Council ("Met Council"). In that Petition, Met Council requests the Board find that certain proposed transactions involving Met Council, Hennepin County Regional Railroad Authority ("HCRRA") and Soo Line Railroad Company d/b/a Canadian Pacific ("CP") would not require Surface Transportation Board ("Board or STB") authorization and would not result in Met Council becoming a rail common carrier.

We would note that in our local area there are many active business entities that utilize TCW for their shipping needs. In order for these entities to function efficiently and effectively, they depend upon efficient and time sensitive TCW service to/from the Twin Cities for export/import by the various river ports or for interchange with other carriers. We are fully aware of the Southwest Light Rail Transit Project ("Project"). Being located nearly 100 miles west of the project we have no interest in commenting on the efficacy of the Project itself, but nevertheless we are concerned that some of the Project-related activities undertaken by Met Council could result in a negative impact on shippers in our region that depend upon TCW to handle their shipping needs in a timely and cost-effective manner. We believe that some of the proposed Project-related activities would have significant financial impacts on shippers in the area and the regional economy as a whole.

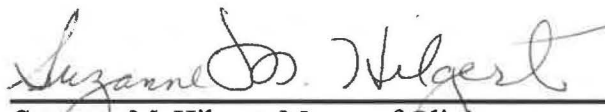
From what we understand, the light rail Project will involve a four year construction timeline. As part of that process, we understand that the existing rail line that TCW presently utilizes will be relocated and realigned. In order to do that, by necessity, part of the rail line will have to be taken out of service during certain construction periods. We also understand that Met Council plans to remove a significant number of existing sidetracks currently used by TCW as part of the Project. TCW has informed us that these sidetracks are an integral component of TCW's service to/from the Twin Cities and that without those sidetracks or the ability to use replacement tracks somewhere else nearby, which do not currently exist, our shippers' transit times will be significantly impacted. This will cost our shippers both time and money. With rural / agricultural areas lagging behind in terms of economic recovery from the 2008 recession and recent instability in commodity prices, increased costs and shipping delays could be another negative hit to our area's economy.

We have significant concern that shipping delays combined with the reduction or elimination of sidetracks will negatively impact our region's shippers at a time when they individually, and our area collectively, can ill-afford additional costs in terms of time and money. In short, the plan as proposed is unacceptable in our view.

We believe these concerns could be alleviated if there was some sort of construction and operation agreement between Met Council and TCW to minimize any service disruptions during the realignment and construction period. Likewise, Met Council should be required to work with TCW to come up with a plan for the replacement of the sidetracks in a manner and location that would not adversely impact rail service, and given that it is Met Council's plans that are causing the disruption, it seems reasonable that they should pay all costs associated with the replacement tracks. The replacement tracks should be built and in place before the current sidetracks are torn up. Otherwise, there could be significant operational disruptions in service to our shippers; and, by extension, negative impacts to our local economy.

Accordingly, the Olivia City Council believes that as a condition to any STB approval of Met Council's Petition, Met Council should be required to enter into a construction and operation agreement with TCW that would protect shippers' transit times during the construction phase, sets forth the obligations of the parties with respect to the future shared usage of the corridor, and requires the Met Council to build replacement sidetracks for the benefit of TCW and its shippers. Without such conditions, our shippers and our entire region of the State could face significant operational problems and financial impacts.

Respectfully submitted,


Suzanne M. Hilgert, Mayor of Olivia

June 4, 2018

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of these comments via prepaid first class mail to all parties of record in this proceeding or by more expeditious means of delivery.

Dated this 6th day of June, 2018.


City Administrator