

APPENDIX B

APPLICANTS RESPONSE TO COMMENTS ON THE DRAFT EA

E1-20345
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October 31, 2013

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Ms. Victoria Rutson
Director, Office of Environmental Analysis
395 E Street, SW
Washington, DC 20423-001

RE: Finance Docket No. 35523, CSX Transportation, Inc.—Joint Use—Louisville & Indiana Railroad Company, Inc.

Applicants have reviewed 16 comments that the Surface Transportation Board ("STB") received on the Draft EA. The following is a summary of each comment and Applicants views on the appropriate response.

Peoria Tribe of Indians of Oklahoma ("Peoria Tribe"). In a comment received on September 4, 2013, the Peoria Tribe does not object to the proposed transaction. It is unaware of any objects of cultural significance or artifacts linked to the tribe located on or near the project. The tribe is also unaware of any items covered by the Native American Graves Protection and Repatriation Act ("NAGPRA") associated with the proposed project site.

The Peoria Tribe requests notification and consultation if any items protected by NAGPRA) e.g. funerary or sacred object, objects of cultural patrimony, or ancestral human remains) are discovered during construction activities.

The Office of Environmental Analysis ("OEA") has proposed Mandatory Mitigation ("MM") 15, which states:

In the event that any unanticipated archaeological sites, human remains, funerary items or associated artifacts are discovered during Transaction-related construction activities, Applicants shall immediately cease all work and will notify the Board's OEA, interested federally recognized tribes, and the Indiana SHPO or Kentucky SHPO, as appropriate, pursuant to 36 C.F.R. § 800.13(b). OEA will then consult with the SHPO, interested federally recognized tribes, the railroads, and other consulting parties, if any, to determine whether additional mitigation measures are necessary.

MM 15 resolves the issue raised by the Peoria Tribe.

Kickapoo Tribe of Oklahoma ("Kickapoo Tribe"). The Kickapoo Tribe filed a comment on September 23, 2013 and does not object to the proposed transaction. If

burial remains and/or artifacts are discovered during construction, the Kickapoo Tribe requests notification of such findings.

MM 15 resolves the issue raised by the Kickapoo Tribe.

United State Department of Agriculture, Natural Resources Conservation Service ("NRCS"). NRCS filed a comment on September 20, 2013, concluding that the proposed transaction would not cause a conversion of prime farmland.

United State Department of the Interior, Fish and Wildlife Service ("FWS"). On September 30, 2013, the FWS filed a comment identifying additional endangered species and recommending eight conditions. The rabbitfoot mussel was added to the FWS's Threatened and Endangered Species List. The rabbitfoot mussel is known to exist in the Flatrock River, in Shelby County, approximately 15 river miles upstream from the Flatrock River Bridge. According to FWS a mussel habitat survey in the area of the Flatrock River Bridge replacement project may be necessary if any instream work is required, to determine if any suitable habitat is present for the rabbitfoot mussel prior to bridge construction activities. If a suitable habitat is present, a mussel survey may be warranted. FWS has asked that once final bridge plans are developed it be contacted for further consultation on the rabbitfoot mussel. Two other mussel species have become federally listed, the snuffbox mussel and the sheepsnose mussel, however, based on the project description, FWS does not think the project will adversely affect these two mussel species.

Applicants volunteered mitigation ("VM") measure 20, which states:

Before beginning Transaction-related construction activity, Applicants will survey all suitable habitats potentially impacted by the construction activity for state-listed threatened or endangered plant species. If any listed plant species are located, Applicants will implement a mitigation plan in consultation with the appropriate federal and state agencies.

VM 20 resolves the issue of the rabbitfoot mussel raised by FWS.

FSW notes that noise and vibration from increased rail traffic may have an adverse affect on the gray bat. However, FSW states that although the noise level will increase somewhat in the vicinity of the track and western part of the quarry lake and the number of times the bats are exposed to the train noise will increase, FSW believes that the bats are somewhat acclimated to these types of noises and anticipate impacts to the bats from increased noise and vibration will be insignificant and discountable.

The following conditions were recommended by FSW:

(1) Post DO NOT DISTURB signs at the construction zone boundaries in forested areas, and do not clear trees or understory vegetation outside the boundaries;

- (2) Culverts should span the active stream channel, should be either embedded or a 3-sided or open-arch culvert, and be installed where practicable on an essentially flat slope. When an open-bottomed culvert is used in a stream with good bottom substrate for aquatic habitat (gravel, cobbles, and boulders), the existing substrate should be left undisturbed beneath the culvert;
- (3) Construction bridges and culverts in wildlife habitat areas with benches and/or high water shelves for wildlife crossings;
- (4) Restrict channel work, especially low-water work, and vegetation clearing to the minimum necessary for installation of bridges or culverts;
- (5) Minimize the extent of artificial bank stabilization and use bioengineering methods wherever feasible. If riprap is used, extend it below low-water elevation to provide aquatic habitat;
- (6) Implement temporary erosion and siltation control devices such as placement of riprap check dams in drainage ways and ditches, installation of silt fences, covering exposed areas with erosion control materials, and detention basins, in accordance with INDOT specifications;
- (7) Revegetate all disturbed soil areas immediately upon project completion, using native species of plants in undeveloped areas; and
- (8) Avoid channel work in perennial and intermittent streams during the fish spawning season (April 1-June 30).

FWS's recommended conditions 4 through 7 are addressed in voluntary mitigation measures VM 12, VM 15, VM 22, VM 28, and VM 32.

VM 12. To minimize sedimentation into streams and waterways during construction, Applicants will use Best Management Practices, such as silt fences and straw bale dikes, to minimize soil erosion, sedimentation, runoff, and surface instability during Transaction-related construction activities. Applicants will seek to disturb the smallest area possible around any streams and will conduct reseeded efforts to ensure proper revegetation of disturbed areas as soon as reasonably practicable following Transaction-related construction activities.

VM 15. Applicants will employ Best Management Practices to control turbidity and disturbance to bottom sediments of surface waters during Transaction-related construction. Applicants will implement Best Management Practices in wetlands or other waters of the U.S. to avoid adverse downstream impacts on fish, mussels, and other aquatic biota.

VM 22. During Transaction-related construction, temporary barricades, fencing, and/or flagging will be used in sensitive habitats to contain construction-related impacts to the area within the existing right-of-way.

VM 28. Applicants will limit ground disturbance to only the areas necessary for Transaction-related construction activities.

VM 32. During Transaction-related construction activity, Applicants will take reasonable steps to ensure contractors use fill material appropriate and in accordance with applicable regulations for the project area.

To address FSW's recommended condition 8, OFA's MM 13 should be changed as follows:

MM 13. ~~During replacement of the Flatrock River Railroad Bridge,~~
Applicants shall avoid stream-channel disturbance work in perennial and
intermittent streams (including the replacement of the Flatrock River Railroad
Bridge) during the primary fish spawning season (April 1 through June 15/30.)

State of Indiana Department of Natural Resources, Division of Fish and Wildlife (INDNR). INDNR filed a comment on October 3, 2013, identifying Chestnut Ridge Seep Springs, an acid seep (a rare wetland type), located within one half mile of the proposed Crothersville siding. Because of this INDNR recommends that construction activities at this site remain within the right-of-way, with special care taken to prevent impacts to the adjacent acid seep and other wetlands, including siltation impacts from runoff. Additionally, INDNR states that no stockpiling, earthmoving, parking, or equipment staging should take place outside of the right-of-way in this area. INDNR has documented the four-toed salamander in the Chestnut Ridge Seep Springs and recommends that to minimize impacts to this species that no work take place in this area during the egg laying/hatching season, April 1 through June 1. With regard to the Flatrock River bridge removal, INDNR recommends that Applicants develop a mitigation plan if habitat impacts will occur.

Addition of the following mitigation measure would resolve the issue with the four-toed salamander: To minimize impacts to the four-toed salamander in Chestnut Ridge Seep Springs, no work will take place in the area during the egg laying/hatching season (April 1 through June 1).

Applicants volunteered mitigation measure 20, which states:

Before beginning Transaction-related construction activity, Applicants will survey all suitable habitats potentially impacted by the construction activity for state-listed threatened or endangered plant species. If any listed plant species are located, Applicants will implement a mitigation plan in consultation with the appropriate federal and state agencies.

VM 20 resolves INDNR's concern with removal of the Flatrock River Bridge.

INDNR also recommends the follow 10 additional conditions:

- (1) Revegetate all bare and disturbed areas with a mixture of native grasses, sedges, wildflowers, and native shrub and hardwood tree species as soon as possible upon completion. Do not use any varieties of Tall Fescue or other non-native plant.
- (2) Minimize and contain within the project limits inchannel disturbance and the clearing of trees and brush.
- (3) Do not work in the waterway from April 1 through June 30 without the prior written approval of the Division of Fish and Wildlife.
- (4) Do not cut any trees suitable for Indiana bat roosting (greater than 3 inches dbh, living or dead, with loose hanging bark) from April 1 through September 30.
- (5) Do not excavate in the low flow area except for the placement of piers, foundations, and riprap, or removal of the old structure.
- (6) Use minimum average 6 inch graded riprap stone extended below the normal water level to provide habitat for aquatic organisms in the voids.
- (7) Plant native hardwood trees along the top of the bank and right-of-way to replace the vegetation destroyed during construction.
- (8) Post "Do Not Mow or Spray" signs along the right-of-way
- (9) Appropriately designed measures for controlling erosion and sediment must be implemented to prevent sediment from entering the stream or leaving the construction site; maintain these measures until construction is complete and all disturbed areas are stabilized.
- (10) Seed and protect disturbed stream banks that are 3:1 or steeper with heavy-duty biodegradable erosion control blankets; seed and apply mulch on all other disturbed areas.

Voluntary mitigation measures VM 12, VM 15, VM 22, VM 28, and VM 32 as discussed above address INDNR's recommended conditions 1, 2, 9, and 10.

INDNR's recommended condition 3 is addressed by modifying OEA's MM 13 as discussed above.

INDNR's recommended condition 4 is resolved by VM 21, which states:

In order to avoid a take of the federally endangered Indiana bat, Applicants will not clear trees during its roosting period (April –September 30).

INDNR is concerned that the noise footprint will expand with the Upgrade and that the noise impact may have a negative effect on the gray bat colony near the rail line in Sellersburg, and therefore INDNR recommends additional coordination with FSW.

As noted above FSW has concluded that the noise impact to the gray bat colony will be insignificant and discountable.

Dale Sedler ("Sedler"). Sedler filed a comment on September 9, 2013 requesting that the bridge over Hurricane Creek in Franklin, IN be replaced.

The upgrade contemplates replacing the rail and decking on the bridge but not the existing structure. The condition created by the bridge over Hurricane Creek (near MP 20.7) is an existing condition that is not caused by the Proposed Transaction.

Janie Alexander (“Alexander”). Alexander filed comments on September 30, 2013, requesting the Board consider the safety of the 3 crossings in Austin that do not have barriers and the noise of train whistles.

Applicants have volunteered mitigation measures VM 35 and VM 55 which state:

VM 35. Applicants will cooperate with the appropriate state and local agencies and municipalities to:

- Evaluate the possibility that roadways listed in Table C-1 (Appendix C) of the Draft EA could be closed at the point where it crosses the Line, in order to eliminate the at-grade crossing;
- Improve or identify modifications to roadways that would reduce vehicle delays by improving roadway capacity over the crossing by construction of additional lanes;
- Assist in a survey of highway/rail at-grade crossings for a determination of the adequacy of the existing grade crossing signal systems, signage, roadway striping, traffic signaling inter-ties, and curbs and medians; and
- Identify conditions and roadway, signal, and warning device configurations that may trap vehicles between warning device gates on or near the highway/rail at-grade crossing.

VM 55. Applicants will cooperate with interested communities along the Line for the establishment of quiet zones (QZ) and assist in identifying supplemental or alternative safety measures, practical operational methods, or technologies that may enable the community to establish QZ.¹

The crossings in Austin are in Table C-7 and Applicants believe that VM 35 and VM 55 address Alexander’s concerns.

Indiana Department of Natural Resources (“INDNR”). INDNR submitted substantive comments on October 3, 2013.

The only historic issue raised by INDNR concerns the Flatrock River Bridge. INDNR no longer opposes replacement of the Flatrock River Bridge. However, INDNR does suggest that the bridge could be considered eligible for inclusion in the National Register of Historic Places and recommends that the Flatrock River Bridge be

¹ Applicants’ willingness to cooperate does not commit Applicants to expend funds on a physical project.

documented prior to removal according to DHPA Minimum Architectural Documentation Standards.

CSXT has retained Butler Fairman & Seufert, Civil engineers, to document the Flatrock River Bridge according to DHPA Minimum Architectural Documentation Standards. CSXT recommends that MM 14 be modified to read as follows:

CSXT and L&I shall retain their interest in and take no steps to alter the historic integrity of the Flatrock River Bridge until it has been documented according to DHPA Minimum Architectural Documentation Standards and the documentation has been provided to the INDNR all historic properties including sites, buildings, structures, bridges and objects within the project right-of-way (the Area of Potential Effect) that are eligible for listing or listed in the National Register of Historic Places until the Section 106 process of the National Historic Preservation Act, 16 U.S.C. § 470f, has been completed. CSXT and L&I shall report back to the Board's OEA regarding upon completion of the documentation and provide a copy of the documentation to OEA, any consultations with the Indiana SHPO, Kentucky SHPO and the public. CSXT and L&I may not initiate any Transaction-related construction activities (including but not limited to siding construction and bridge replacement) until the Section 106 process has been completed and the Board has removed this condition.

INDNR also concluded that no archaeological investigations appear necessary. However, INDNR requests that if any impacts are to occur within 100 feet of a cemetery that a development plan be prepared and submitted to INDNR for approval.

Addition of the following mitigation measure would resolve this issue: If construction will occur within 100 feet of a cemetery, then Applicants must prepare and submit a development plan to INDNR for approval.

INDNR also requests that it be notified within two business days if any archaeological artifacts or human remains are uncovered during earthmoving activities.

The following modification to MM 15 resolves this issue.

In the event that any unanticipated archaeological sites, human remains, funerary items or associated artifacts are discovered during Transaction-related construction activities, Applicants shall immediately cease all work and will notify the Board's OEA, interested federally recognized tribes, and the Indiana SHPO or Kentucky SHPO, as appropriate, pursuant to 36 C.F.R. § 800.13(b). Notice must be given to the Indiana SHPO within 2 business days. OEA will then consult with the SHPO, interested federally recognized tribes, the railroads, and other consulting parties, if any, to determine whether additional mitigation measures are necessary.

Rodney E. Farrow ("Farrow"). Mr. Farrow filed a comment on September 26, 2013, mainly concerned with traffic delays from additional CSXT trains traveling through Seymour, IN. Farrow indicates that a separated grade crossing on the L&I Line in Seymour would alleviate any congestion and also recognizes that the cost of a grade separation would require substantial financial contributions.

Farrow also indicates that the Hamilton Township Fire Station is not in Seymour but in Courtland, more than three miles from the line. Mr. Farrow also notes that the Redding Township Fire District has a new station in the community of Rockford at High Street and Reddington Street on the east side of the L&I Line.

OEA did not prepare a detailed analysis of the Reddington Street crossing because they did not meet the transportation analysis thresholds for highway/rail at-grade crossings which requires analysis if: (1) expected 2014 traffic volumes greater than 2,500 average daily traffic (ADT) on intersecting roadways; or (2) there is a change of three or more trains per day on roadways with greater than 2,500 ADT; or (3) crossings are closer than 800 feet apart. The expected ADT for Reddington Street is less than 2,500 ADT. "Impacts on roadways with average daily traffic volumes below 2,500 and the additional vehicular delay that would result from Transaction-related increased train traffic would be minimal." Draft EA at 3-3. Therefore, the new fire station at High Street and Reddington Street would experience minimal delays.

Town of Edinburgh ("Edinburgh"). Edinburgh filed a comment on September 24, 2013, expressing concern over the impact of increased traffic on emergency services. The Edinburgh Fire Station and EMS Rescue are located at 203 S. Walnut Street, within 500 feet of the L&I Line and the Edinburgh Police Department is located at 200 S. Main Street, about 1,000 feet from the L&I Line, both on the west side of the L&I Line.

While the Edinburgh Emergency Service Providers were unintentionally left off of the list of Emergency Service Providers within Two Miles of the Line Table C-7, they do not meet the criteria that OEA uses to evaluate the potential effects of at-grade crossings blocked by passing trains on emergency service providers. OEA initially identifies "at-grade crossings at which vehicle delay would increase by 30 seconds or more per vehicle and 30 minutes or more per day for all vehicles as a result of the Proposed Transaction..." Draft EA at 3-13. With regard to the Center Cross Street crossing, the total vehicle delay would increase more than 30 minutes per day, but the delay per vehicle would not increase by 30 seconds or more. Therefore, the Center Cross Street crossing would not have been analyzed further in the Draft EA.

Town of Sellersburg ("Sellersburg"). Sellersburg filed a comment on September 23, 2013, expressing concern over the impact of the increased traffic on

emergency response times, horn noise, and the lack of cross bars at 4 out of 5 railroad crossings within Sellersburg limits. One of these crossings is the main thoroughfare to the local park.

With the exception of SR #403, none of the crossings in Sellersburg meet the transportation analysis thresholds for highway/rail at-grade crossings. They all carry less than 2,500 ADT. Under the Proposed Transaction, the average delay per vehicle at SR #403 will be less than it is currently.

As discussed below in response to the Columbus Area Metropolitan Planning Organization comments, Applicants have suggested voluntary mitigation measures VM 33, VM 34, VM 35, VM 37, and VM 49, which address ways to reduce at-grade crossings blockages.

Applicants voluntary mitigation measures VM 5, VM 36 and VM 38, address Sellersburg's concerns about crossings near the park and other crossings and read as follows:

VM 5. Within six months of Applicants' initiating operational changes associated with the Proposed Transaction, Applicants will cooperate with school and park districts to identify at-grade crossings where additional pedestrian warning devices may be warranted.

VM 36. For up to three years from the date that Applicants' initiate operational changes associated with the Proposed Transaction, CSXT will make Operation Lifesaver programs available to communities, schools, and other appropriate organizations located along the Line.

VM 38. Applicants will continue on-going efforts with community officials to identify elementary, middle, and high schools within 0.5 miles of the Line's right-of-way and provide, upon request, informational materials concerning railroad safety to such identified schools.

With regard to horn noise, as stated in VM 55 "Applicants will cooperate with interested communities along the Line for the establishment of quiet zones (QZ) and assist in identifying supplemental or alternative safety measures, practical operational methods, or technologies that may enable the community to establish QZ."²

Jackson County Emergency Medical Services ("Jackson EMS"). Jackson EMS filed a comment on September 19, 2013, expressing concern over the impact of

²Applicants' willingness to cooperate does not commit Applicants to expend funds on a physical project.

increased traffic on emergency response times. The Jackson EMS and Schneck Hospital are located west of the Line while a majority of the population of Seymour lives east of the Line.

OEA has proposed MM 4, which states:

To assist with the timely response of emergency service providers transporting patients to Schneck Medical Center, Applicants shall consult with appropriate emergency service providers (e.g. including the Seymour and Hamilton fire departments in Seymour, IN) to install a closed-circuit television system (CCTV) with video cameras (or another comparable system or acceptable option) so that train movements and blocked at-grade crossings within the City of Seymour can be monitored in real time. Applicants shall pay for the necessary equipment, equipment installation, and equipment training for up to two individuals from each affected emergency service provider. Applicants shall work with the appropriate emergency service providers to determine specifications and scheduling for the installation of the system. Once installed and operational, Applicants shall be responsible for the ongoing maintenance of the system.

MM4 addresses the issues raised by Jackson EMS. Jackson EMS is an affected emergency service provider under MM 4. As such, Applicants will consult with Jackson EMS to fulfill this mitigation measure.

Columbus Fire Department (“Columbus FD”). Columbus Fire Department filed a comment on September 20, 2013, stating that they had no comment regarding the general regulations regarding the Proposed Transaction. As the regional Haz-Mat response team provider, it was concerned about a spill or accident within Columbus or Bartholomew County.

Voluntary mitigation measures VM 40-VM 48 resolve Columbus FD’s concerns and address hazardous materials issues, including: training, spills/accidents, and communications.

Schneck Medical Center (“Schneck”). Schneck filed a comment on September 27, 2013, expressing concern over the impact of increased traffic on community safety and emergency services response times. Schneck is concerned that the Proposed Transaction: will increase emergency service response times to the I-65 corridor, which runs east of the city; will extend transfer times of critical patients to the hospital and to other hospitals north and south of Seymour; and will extend cardiac catheterization response time when transferring patients to the cardiac catheterization lab at Columbus Regional Hospital north of Seymour. Schneck is also concerned with the lack of crossing mechanisms as well as visibility issues at crossings and the speed of trains moving through the community. Finally, Schneck voices concerns about blocked crossings.

OEA has proposed MM 4, which states:

To assist with the timely response of emergency service providers transporting patients to Schneck Medical Center, Applicants shall consult with appropriate emergency service providers (e.g. including the Seymour and Hamilton fire departments in Seymour, IN) to install a closed-circuit television system (CCTV) with video cameras (or another comparable system or acceptable option) so that train movements and blocked at-grade crossings within the City of Seymour can be monitored in real time. Applicants shall pay for the necessary equipment, equipment installation, and equipment training for up to two individuals from each affected emergency service provider. Applicants shall work with the appropriate emergency service providers to determine specifications and scheduling for the installation of the system. Once installed and operational, Applicants shall be responsible for the ongoing maintenance of the system.

Applicants believe that MM4 addresses Schneck's concerns regarding response times because it will give the hospital real time information on where a train is and whether to use an alternate route.

Applicants have volunteered several mitigation measures (VM 34 through VM 39) that resolve crossing safety issues.

Applicants have also volunteered VM 49 which OEA has supplemented with MM 3 to address blocked crossings:

VM 49 Applicants will notify appropriate Emergency Services Dispatching Centers on the Line of all crossings blocked by trains that are stopped and may be unable to move for a significant period of time. Applicants will work with affected communities to minimize emergency vehicle delay by maintaining facilities for emergency communication with local Emergency Response Centers through dedicated toll-free telephone number.

MM 3 To supplement VM 49, once Transaction-related train traffic begins to move on the Line, Applicants shall promptly notify the appropriate Emergency Service Dispatching Center(s) when a stopped or slowly moving train will not clear a public at-grade crossing within 10 minutes.

VM 49 and MM 3 resolve the blocked crossing issues.

Columbus Area Metropolitan Planning Organization ("CAMPO"). CAMPO filed a comment on September 30, 2013, expressing concern about the impact of increased traffic on the movement of people and goods in Columbus. CAMPO notes that

the SR #46 and Line crossing is a very high traffic area. CAMPO states that SR #46 is a main corridor in the city for traveling east-west and that there are no reasonable alternatives. According to CAMPO, new development in Columbus has been west of the Line but schools, hospitals; employment centers and governmental facilities are east of the Line. CAMPO is concerned that while there are emergency services on both sides of the Line, they use the SR #46 corridor to share resources when necessary. CAMPO has looked into a grade separation at this location and has concluded that it would be difficult and expensive to develop an overpass that would allow the use of existing bridges for SR #46. And instead suggests a realignment of the railroad.

CAMPO is also concerned that increased train traffic will occur but that the increased traffic will move slowly because the upgrade could take 7 years to complete.

Applicants do not believe that CAMPO has provided the necessary justification for a grade separation. While the total delay would be over 40 hours for SR #46, the mobility of the community surrounding SR #46 would not be impaired based on OEA's analysis. Applicants believe that the recommended mitigation measures address CAMPO's concerns.

OEA conducted additional analysis of the mobility of the community surrounding SR #46 and determined that the Proposed Transaction is not expected to reduce mobility of the community of Columbus, IN in the area of the SR #46 crossing. Draft EA 3-6. As part of that analysis, OEA determined that the queue length under the Proposed Transaction would not block any major roads to the east or the west of SR #46. There is one fire station located near the Line but five other fire stations that could provide emergency response if the SR #46 crossing was blocked by a train.

Applicants VM 33, VM 34, VM 35, VM 37, and VM 49, respond directly to CAMPO's concerns. Applicants propose to examine planned train operations for ways of reducing highway/rail at-grade crossing blockages. Applicants would also cooperate with the appropriate state and local agencies and municipalities to: evaluate the possibility that one or more roadways listed in Table C-6 could be closed at the point where it crosses the Line, in order to eliminate the at-grade crossing; improve or identify modifications to roadways that would reduce vehicle delays by improving roadway capacity over the crossing by construction of additional lanes; assist in a survey of at-grade crossings for a determination of the adequacy of existing grade crossing signal systems, signage, roadway striping, traffic signaling inter-ties, and curbs and medians; and identify conditions and roadway, signal, and warning device configurations that could trap vehicles between warning device gates on or near the at-grade crossing. Additionally, Applicants would install power switches along the Line where they determine that manual switches could cause stopped trains to block grade crossings for excessive periods of time and that power switches would increase the speed of trains and reduce the likelihood of such blockages.

October 31, 2013

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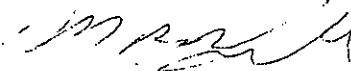
In addition to Applicants VM's, OEA has recommended the establishment of a Community Liaison (MM 16) and MM 3 which reads "To supplement VM 49, once Transaction-related train traffic begins to move on the Line, Applicants shall promptly notify the appropriate Emergency Services Dispatching Center(s) when a stopped or slowly moving train will not clear a public at-grade crossing within 10 minutes.

Increased train traffic will not occur until the upgrades are in place to handle the increased traffic at the FRA Class 4 standards.

Indiana Department of Transportation ("INDOT"). INDOT filed comments October 2, 2013, expressing concern over the Section 106 Historic Preservation process. Based on the comments received from the Indiana State Historic Preservation Office, Applicants believe that INDOT's concerns have been addressed.

If you have any questions or concerns or if you need additional information, please contact me.

Sincerely yours,



Melanie B. Yasbin
Attorney for CSX Transportation, Inc.

E1-20728

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December 15, 2014

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Ms. Victoria Rutson
Director, Office of Environmental Analysis
395 E Street, SW
Washington, DC 20423-001

RE: **Docket No. FD 35523, CSX Transportation, Inc.—Joint Use—Louisville & Indiana Railroad Company, Inc.**

Dear Ms. Rutson:

Applicants have reviewed 14 comments that the Office of Environmental Analysis (“OEA”) received on the Supplemental Environmental Assessment (“SEA”). None of the comments criticize or challenge the methodologies used in the SEA. Therefore, the comments do not propose a basis for modifying the mitigation proposed in the SEA.

The following is a summary of each comment and Applicants’ views on the appropriate response.

Central Park West Neighborhood Association, Rev. Richard Williams; Keven P. Watts Sr., and E. Ninette Basil. In comments filed on November 18, 2014, Rev. Williams, Mr. Watts, and Ms. Basil expressed concern with the increase in traffic and the increase in vibration and noise that will occur because of the increase in trains under the Proposed Transaction. Ms. Basil is located in Seymour, Jackson County, IN on the L&I Line. Applicants believe that the Central Park West Neighborhood Association is located in Louisville, but cannot discern the exact location based on the comments. Based on the comment, Applicants cannot determine Mr. Watts location.

Applicants do not believe that Rev. Williams, Mr. Watts, and Ms. Basil have provided justification for additional mitigation measures.

The analysis in both the Draft Environmental Assessment (“EA”) and SEA show that traffic will be minimally impacted at Seymour and in Louisville. For 71 and 99 crossings, the EA and SEA, respectively, calculated LOS, queue lengths, average delay for all vehicles, and total vehicle traffic delay in a 24-hour period for the approaching roadways and crossing that met the Board’s threshold for analysis. Currently all of the crossings in Jackson County are at LOS A and would remain at LOS A under the Proposed Transaction. There are no crossings in Jackson County that would have a total vehicle traffic delay of 40 hours. There are

no crossings in Jackson County that qualify under the OEA's analysis or the Guidance of Traffic Control Devices at Highway-Rail Grade Crossings (Federal Highway Administration [FHWA] 2002) for consideration of additional grade separation.

There is one crossing on the Louisville Connection at Kentucky Street that would have more than 40 hours of delay but did not exceed any other threshold criteria for grade separation. Because of the hours of delay OEA conducted additional analyses that focused on the queue length at Kentucky Street to determine whether it would block any major roads, impacting community mobility. SEA 3-10. OEA found:

The queue on Kentucky Street in Jefferson County, Kentucky, would be approximately 890 feet in year 2014. This queue would not impact mobility on major roadways adjacent to the crossing. The nearest major roadways are U.S. Highway 65, located approximately 4,500 feet east, and U.S. Highway 60, located approximately 4,000 feet west. The Proposed Transaction would not impact the mobility of major roadways adjacent to the Kentucky Street crossing in Louisville, Kentucky.

Applicants have offered voluntary mitigation measures (VM 36 through VM 39) in response to potential grade crossing delays on the L&I Line and CSXT¹ has offered voluntary mitigation measures (VM 26 through VM 32) in response to potential grade crossing delays on The Three Lines analyzed in the SEA.

The EA found that the Proposed Transaction would not result in significant vibration impacts. See EA at 3-66. And the SEA concluded that "because the Proposed Transaction is not projected to change the GBV levels, there is no increase in the number of receivers exposed to train-induced GBV."

Under OEA's analysis, transaction related noise increases that could be perceived as adverse in order to warrant mitigation must experience a noise level of 70dBA L_{dn} or greater and an increase in L_{dn} of 5 dBA or greater. The Louisville Connection is not projected to experience an increase of 5dBA or greater on an L_{dn} basis, and therefore it does not qualify for additional mitigation. There are 167 receptors in Seymour projected to experience a noise level of 70dBA L_{dn} or greater and an increase in L_{dn} of 5 dBA or greater.

To mitigate the noise effects on the L&I Line, Applicants proposed voluntary mitigation measures 54 through 60 to address both noise and vibration. The mitigation measures provided in the OE and SEA fully address the concerns raised by Rev. Williams, Mr. Watts, and Ms. Basil.

¹ When quoting mitigation measures put forth in the SEA, this letter changes the word "Applicants" to CSXT for reasons explained in Applicants' reply to the SEA.

Thomas Snyder. Mr. Snyder filed comments on November 30, 2014, stating that he did not have concerns with upgrading the line but that he is concerned that there are 5 active grade crossings within one mile and that this does not give a semi or school bus with children enough time to stop at a crossing. Additionally he does not believe that crossing arms come down with enough time to stop a semi.

The location of the crossings Mr. Snyder is referring to is unclear. However, his concerns about the ability of a school bus to stop are misplaced. In Indiana, Kentucky, and Ohio a school bus must stop in front of a railroad track before proceeding to cross any railroad tracks, regardless of the type of safety device at the crossing. With regard to when the crossing lights start to flash and the crossing arms come down, if the arms came down at the same time the lights started to flash, a vehicle could get stuck on the tracks.

Louisville Jefferson County Emergency Management Agency. In comments filed on November 17, 2014, the Louisville Jefferson County Emergency Management Agency expressed concern about a greater potential for hazmat incidents from leaks or de-railing because of the transaction. It believes trains transporting chemicals should not move at 49 mph through communities. Instead, it suggests that approximately 14 miles before reaching a community trains carrying hazmat should slow to 25mph. The Louisville Jefferson County Emergency Management Agency is also concerned that at the end of seven years there could be more traffic than predicted in the EA.

Applicants do not believe that the Louisville Jefferson County Emergency Management Agency has provided the necessary justification for additional hazmat mitigation. The Louisville Jefferson County Emergency Management Agency's concerns have been addressed in the Draft EA at 3-11 and additional mitigation is not warranted. Nevertheless, the Applicants volunteered mitigation measures VM 40 through VM 48 (including: hazardous materials training of emergency responders, running simulated emergency response drills, and conducting Transportation Community Awareness and Emergency Response Program workshops). USDOT regulates the source of the hazardous materials risk, the types of containers that hold hazardous materials, and the way these containers are managed. USDOT also oversees signaling, train control, and track safety.

Additionally, the freight railroads have established recommended operating practices for transportation of hazardous materials pursuant to Association of American Railroads Recommended Railroad Operating Practices for Transportation of Hazardous Materials, Circular No. OT-55-I (CPC-1174, Supplement No. 1) (AAR 2006). The Line is not considered a key route and it will not become a key route under the Proposed Transaction. The mitigation measures in conjunction with USDOT regulations and AAR operating practices address the hazmat concerns.

The Louisville Jefferson County Emergency Management Agency does not question OEA's methodology in determining the level of traffic that may occur seven years out. There is no methodology that can predict the exact traffic levels. The methodology used by OEA in the SEA is based on reasonable assumptions.

City of Seymour. The City of Seymour filed comments on December 2, 2014, expressing concern that the L&I Line crosses U.S. Highway 50 at-grade in the downtown commercial district of Seymour and that the additional trains will result in more delays to car and truck traffic on U.S. 50 (the major east-west highway). Additionally, the City is concerned that train traffic would hinder public safety with regard to accidents that occur east of the Line, including on Interstate Highway 65, because Schneck Medical Center and the Jackson County Ambulance station are located on the west side of the Line. An additional overpass or underpass would alleviate the concerns but the City cannot afford to build an over or under pass.

Applicants believe that the mitigation measures provided in the EA resolve the City of Seymour's concerns regarding traffic and safety. Seymour has not provided the necessary justification for a grade separation. The total vehicle traffic delay would not be more than 40 hours and the mobility of the community surrounding the crossing would not be impaired based on OEA's analysis. Applicants believe the recommended mitigation measures address the City of Seymour's concerns.

In the EA, OEA identified emergency service providers that are within two miles of an at-grade crossing and that would experience Transaction-related increased vehicle delays and that are more than one mile from the nearest grade-separated crossing, including the Seymour Fire Station, Seymour Police Station, Hamilton Township Fire Station and the Schneck Medical Center and provided additional analysis and mitigation. The EA concluded that the Proposed Transaction would not have a substantial effect on emergency response times. Applicants believe that MM4 addresses Seymour's concerns regarding response times because it will give the hospital real time information on where a train is and whether to use an alternate route. Applicants have volunteered several mitigation measures (VM 34 through VM 39) that resolve crossing safety issues. Applicants have also volunteered VM 49 which OEA has supplemented with MM 3 to address blocked crossings.

Mayor Mark W. Myers, City of Greenwood. The City of Greenwood filed comments on December 1, 2014, expressing concerns relating to safety, traffic delays, noise and regional transit plans. Greenwood is concerned with crossing safety on the seven crossings within the City limits, as well as unauthorized pedestrians accessing the L&I Line. Greenwood requests reimbursement for the cost of the design and construction of the upgraded crossings at Worthsville and Pushville Roads. Greenwood is also concerned with noise impacts and requests additional mitigation requiring the Applicants to install barriers along the right-of-way within residential neighborhoods or develop policies and procedures in consultation with Greenwood to

minimize noise impacts, and to create a designated "Quiet Zone" from Main Street through County Line Road to be funded by the Applicants.

Regarding traffic delay, Greenwood is concerned that increased train frequency will adversely impact traffic and because of this adverse impact, CSXT should be required to obtain Greenwood's approval for scheduling trains and any deviation from that schedule. To support this condition, Greenwood cites to a blocked crossing at Pushville Road. Greenwood also suggests that because of blocked crossings CSXT must be required to provide more facilities and equipment to allow acceptable levels of public safety to residents.

Greenwood believes passenger rail is a critical component of the regional transit strategy as developed by the Indianapolis Metropolitan Planning Organization and should be preserved, therefore, provision of passenger rail on the Line should be included as part of any approval.

Applicants do not believe that Greenwood has provided the necessary justification for any of the additional mitigation measures it has requested.

The railroads cannot install additional signals (lights where there are none now or gates where there are none now) without state approval. Crossing protection is regulated by the state and not determined by the railroad. The crossings at Worthsville Road and Pushville Road will be upgraded by the City of Greenwood whether or not the Proposed Transaction is approved, not because of the Proposed Transaction. These conditions are not related to the proposed transaction. Therefore, it would be unreasonable to require CSXT to pay for the upgrades that are not in response to the Proposed Transaction. As the track on the L&I Line is upgraded, the pavement within the crossing right-of-way will be maintained to INDOT standards.

OEA, in response to the City of Greenwood's prior comments regarding the safety of at-grade crossings, added mitigation measures MM 1 and MM 7 in the EA.

To address crossing safety and pedestrian safety Applicants provided VM 36 through VM 39, which include offering Operation Lifesaver programs to communities, schools, and other appropriate organizations located along the L&I Line.

The analysis in the EA shows that mobility of the community would not be impaired because of the Proposed Transaction.

Greenwood's concern with noise impacts has been addressed in VM 54 through VM 60 and Greenwood has not provided any information to justify its requested additional mitigation. Requiring the Applicants to seek Greenwood City approval for the scheduling of trains and deviations from those schedules is preempted by Federal law. Such a requirement would unreasonably interfere with railroad operations. The blocked crossing that occurred on Nov. 8,

2014, was not a result of the Proposed Transaction. With regard to Greenwood's concern about "creeping" trains, there are times when weather or other conditions prevent a train from running at the posted track speed. When conditions allow and once upgrades have been completed, CSXT intends to run Transaction related train traffic as through trains over the L&I Line. Applicants have accepted Voluntary Mitigation Measure VM 49 which requires Applicants to notify the appropriate Emergency Services Dispatching Centers on the L&I Line of all crossings blocked by trains that are stopped and may be unable to move for a significant period of time. OEA supplemented VM49 with MM 3 requiring Applicants to promptly notify appropriate Emergency Service Dispatching Centers when a train will not clear a public at-grade crossing within 10 minutes. VM 49 and MM 3 resolve the blocked crossing issue.

Passenger service over the L&I Line is not on the near horizon and may never come to fruition; therefore, it should not be a condition to granting the Proposed Transaction. OEA has already addressed passenger train concerns with MM 8. "Applicants shall consult with the City of Greenwood, IN and Indianapolis, IN regarding their potential interest in moving passenger trains on the Line."

Greenwood has provided no justification for construction of a spur track. It is not an environmental issue and is unrelated to the transaction. CSXT will use the L&I Line to operate overhead traffic and to set out and pick up traffic for and from CSXT's Indiana Subdivision at Seymour only. CSXT is not permitted to serve local customers or industries along the L&I Line. In a minor transaction such as this, the Board will only impose a service condition to preserve essential rail service. Moreover, conditions must be related to the proposed transaction. *See Burlington Northern, Inc.—Control & Merger—St. L. 360 ICC 784 (1980)*. This Transaction will not limit essential rail service.

Finally, Greenwood is concerned that the voluntary mitigation measures put forth by the Applicants have no "teeth" because they are voluntary. That is not accurate. All mitigation measures, including the voluntary mitigation measures, adopted by the Board in its final decision would become conditions of approval on the Applicants to be enforced by the Board.

Schneck Medical Center. Schneck Medical Center raises the same issues that they raised in comments to the Draft EA, expressing concern over the impact of increased traffic on community safety and emergency services response times. Schneck is concerned that the Proposed Transaction: will increase emergency service response times to the I-65 corridor, which runs east of the city; will extend transfer times of critical patients to the hospital and to other hospitals north and south of Seymour; and will extend cardiac catheterization response time when transferring patients to the cardiac catheterization lab at Columbus Regional Hospital north of Seymour. Schneck is also concerned with the lack of crossing mechanisms as well as visibility issues at crossings and the speed of trains moving through the community. Finally, Schneck voices concerns about blocked crossings. All of these issues have already been addressed. Moreover, LIRC has cleared vegetation within its right-of-way that may impede

visibility. LIRC does not have the ability or right to clear obstacles to visibility that are not on its property.

Applicants believe that MM4 addresses Schneck's concerns regarding response times because it will give the hospital real time information on where a train is and whether to use an alternate route.

Applicants have volunteered several mitigation measures (VM 34 through VM 39) that resolve crossing safety issues and have also volunteered VM 49 which OEA has supplemented with MM 3 to address blocked crossings. VM 49 and MM 3 resolve the blocked crossing issues.

Department of Public Works and Assets Louisville, KY. In comments filed on December 1, 2014, the Department of Public Works and Assets suggests additional mitigation measures to address vehicular traffic delays at Kentucky Street and Shipp Ave. and the pedestrian traffic at both of these streets. In addition, DPWA would like a review of the impact on pedestrian traffic and the safety of students in the final EA along with recommendations for mitigating the impact of stopped trains on pedestrian and bicycle movements. DPWA also expressed concern that drainage issues on an overpass that is not a part of the SEA, should require additional examination of the Louisville Connection and mitigation measures to address public safety issues.

Under the Proposed Transaction, Shipp Ave. will not experience a vehicle delay of over 40 vehicle hours per day. SEA 3-7. Kentucky Street would have over 40 vehicle hours of delay per day but did not exceed any other threshold criteria for grade separation. *Id.* Because of the hours of delay per day, OEA conducted additional analyses that focused on the queue length at Kentucky Street to determine whether it would block any major roads, impacting community mobility. SEA 3-10.

OEA found:

The queue on Kentucky Street in Jefferson County, Kentucky, would be approximately 890 feet in year 2014. This queue would not impact mobility on major roadways adjacent to the crossing. The nearest major roadways are U.S. Highway 65, located approximately 4,500 feet east, and U.S. Highway 60, located approximately 4,000 feet west. The Proposed Transaction would not impact the mobility of major roadways adjacent to the Kentucky Street crossing in Louisville, Kentucky.

CSXT has offered voluntary mitigation measures (VM 26 through VM 32, VM 29, and VM 31) in response to potential grade crossing delays and pedestrian safety issues on The Three Lines analyzed in the SEA. In addition, OEA recommends MM 1 (requiring CSXT to complete a

Grade Crossing Mitigation Plan) and MM 14 (requiring CSXT to establish a Community Liaison).

The structure of the Louisville Connection will not be changed because of the Proposed Transaction. Thus, the overpasses on the Louisville Connection will continue to be maintained as they are currently maintained.

City of Franklin. The City of Franklin filed comments on December 1, 2014, expressing concerns relating to safety, traffic delays, noise and regional transit plans. Franklin is concerned with crossing safety on the 10 crossings within the City limits, as well as, unauthorized pedestrians accessing the L&I Line. Franklin is also concerned with noise impacts and requests additional mitigation including installing barriers along the right-of-way within residential neighborhoods or development of policies and procedures in consultation with Franklin to minimize noise impacts, and to create a designated "Quiet Zone."

Franklin is concerned that increased train frequency will adversely impact traffic and because of this adverse impact, CSXT should be required to obtain Franklin's approval for scheduling trains and any deviation from that schedule. Franklin also suggests that because of blocked crossings CSXT must be required to provide more facilities and equipment to allow acceptable levels of public safety to residents.

Franklin believes passenger rail is a critical component of the regional transit strategy as developed by the Indianapolis Metropolitan Planning Organization and should be preserved, therefore, provision of passenger rail on the Line should be included as part of any approval. Response.

Franklin has not provided the necessary justification for any of its proposed mitigation measures.

The railroads cannot install additional signals (lights where there are none now or gates where there are none now) without state approval. Crossing protection is regulated by the state and not determined by the railroad. As the track on the L&I Line is upgraded, the pavement within the crossing right-of-way will be maintained to INDO'T standards.

In addition to the voluntary mitigation measures, OEA added mitigation measure MM 1 in the EA, which requires the Applicants to complete a Grade Crossing Mitigation Plan prior to moving Transaction-related train traffic on the L&I Line.

To address crossing safety and pedestrian safety Applicants provide Voluntary Mitigation Measures VM 36 through VM 39, which include offering Operation Lifesaver programs to communities, schools, and other appropriate organizations located along the L&I Line.

Based on OEA's analysis, the mobility of the community will not be impaired by the Proposed Transaction. The analysis in the EA shows that traffic will be minimally impacted in Johnson County. The EA calculated LOS, queue lengths, average delay for all vehicles, and total vehicle traffic delay in a 24-hour period for the approaching roadways and crossing for each of the qualifying crossings in Johnson County. Currently, all of the crossing in Johnson County are a LOS A and will remain a LOS A under the Proposed Transaction.

The FRA regulates locomotive horn noise at public at-grade crossings (49 CFR parts 222 and 229). Regulation requires that horns be sounded upon approaching every "unsealed" public at-grade crossing. An unsealed public at-grade crossing is defined as a train and public road crossing without grade separation, four-quadrant gating, or crossing guard with median barrier. Horns are generally not sounded at Quiet Zones established in accordance with the FRA rule. "Communities wishing to establish QZs must equip proposed at-grade crossings with adequate safety measures to compensate for the decreased safety created by the elimination of horn use. The additional safety measures are generally implements at the community's expense and must meet federal specifications." SEA at 3-91.

Franklin's concern with noise impacts has been addressed in VM 54 through VM 60 and VM 49 and MM 3 resolve the blocked crossing issue.

Passenger service over the L&I Line should not be a condition to approval. Passenger service over the L&I Line is not on the near horizon and may never come to fruition. OEA has already addressed passenger train concerns with MM 8. "Applicants shall consult with the City of Greenwood, IN and Indianapolis, IN regarding their potential interest in moving passenger trains on the Line." Moreover, LIRC, in the Joint Use Operating Agreement, has reserved the right to conduct passenger operations, subject to reasonable conditions.

Franklin, like Greenwood, is concerned that the voluntary mitigation measures have no "teeth" because they are voluntary. That is not accurate. All mitigation measures, including the voluntary mitigation measures, adopted by the Board in its final decision would become conditions of approval on the Applicants.

University of Louisville. In comments filed on December 1, 2014, the University of Louisville is concerned with horn noise affecting students living in six residential developments, as well as, the wait time at the Shipp Street crossing for pedestrian and car traffic and the University's evening residential loop shuttle. The University would like additional review and recommendations regarding mitigating the impact of stopped trains on pedestrian movements.

OEA conducted an analysis to identify areas that would experience Transaction-related noise increases that could be perceived as adverse and where mitigation could be warranted. SEA at 3-98. OEA's noise assessment identified noise-sensitive receptors projected to experience noise levels of 70 dBA L_{dn} or greater and an increase in L_{dn} of 5 dBA or greater. The

Louisville Connection “is not projected to experience an increase of 5 dBA or greater on an L_{dn} basis.” SEA at 3-98. Therefore, there are no noise-sensitive receptors that could warrant mitigation on the Louisville Connection, including the University of Louisville.

The vehicle wait time at Shipp Street will increase under the proposed transaction. While the LOS at Shipp Street would change by two, the at-grade crossing would not experience a vehicle delay of over 40 vehicle hours per day. Thus, Shipp Street does not meet or exceed any threshold criteria for grade separation.

Applicants do not believe that the University of Louisville has provided the necessary justification for additional review and mitigation of stopped trains on pedestrian movements. CSXT intends to run Transaction related train traffic as through trains and does not anticipate stopping trains associated with the Transaction on the Louisville Connection. CSXT offers voluntary mitigation measures VM 23 through VM 32, and VM 41 to address crossing delay and safety issues. Voluntary Mitigation measures 28 and 29 deal specifically with pedestrian traffic. VM 28. Within 6 months of CSXT’s initiating operational changes associated with the Proposed Transaction, CSXT will cooperate with school and park districts to identify at-grade crossings where additional pedestrian warning devices may be warranted.

For up to 3 years from the date that CSXT initiates operational changes associated with the Proposed Transaction, CSXT will make Operation Lifesaver programs available to communities, schools, and other appropriate organizations located along the Indianapolis Line Subdivision, Indianapolis Terminal Subdivision—Louisville Secondary Branch, and Louisville Connection, as provided in VM 29.

In addition to these mitigation measures the SEA provides mitigation measure MM 4, which states:

To supplement VM 28, within 6 months of CSXT’s initiating operational changes associated with the Proposed Transaction, CSXT shall cooperate with residential communities, schools and park districts to identify at-grade crossings where additional pedestrian warning devices may be warranted.

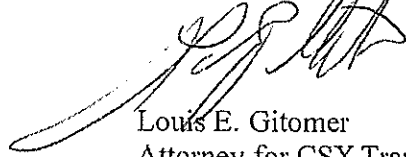
Mitigation measures VM 28, VM 29, and MM 4 specifically address the University’s concern with pedestrian traffic.

Historic issues. CSXT agrees with the KYSHPO that there is no adverse effect on historic properties on the Louisville Connection. Applicants also believes the stipulations of the MOA are appropriate to resolve the adverse effect of replacing the bridge at MP 40.19 over the Flatrock Creek near Columbus, IN, and Applicants are willing to sign a final version of this agreement.

Mrs. Victoria Rutson
December 15, 2014
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Let me know if you have any questions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "L. Gitomer", written over the typed name.

Louis E. Gitomer
Attorney for CSX Transportation, Inc.