
GREEN & KUCHEL

P.C.-ATTORNEYS AT LAW

GLENN W. KUCHEL*

ERIC L. KIRSCHNER

CAROL GREEN-FRALEY

**Also licensed to practice in Illinois*

PLUM CREEK CENTER ■ 322 INDIANAPOLIS BOULEVARD, SUITE 104 ■ SCHERERVILLE, IN 46375

(219) 322.0101 ■ FAX (219) 322.3771

www.greenkuchel.com

July 12, 2016

Dave Navecky
Surface Transportation Board
Docket Number: FD 35952
395 E Street SW
Washington, DC 20423-0001

Re: GLBR—comments from concerned citizens and entities

Dear Mr. Navecky:

Attached please find a letter which we are submitting to you on behalf of our client, Azure, LLC regarding the proposed Great Lakes Basin Railroad (Docket Number: FD35952).

Should you have any questions or comments regarding this letter, please don't hesitate to contact me. Thank you.

Sincerely,



GLENN W. KUCHEL
gkuchel@greenkuchel.com

GWK/rb
Attachment

Janet McNair
Azure LLC
PO Box 1783
Valparaiso, IN 46384

Dave Navecky
Surface Transportation Board
Docket Number: FD 35952
395 E Street SW
Washington, DC 20423-0001

July 11, 2016

I am the managing member of Azure LLC, which owns the approximately 185 acres at the intersection the Great Lakes Basin Railroad (GLBR) and the concurrency of US Route 421 and Indiana Route 2. Most of Azure's land that GLBR wishes to cross is zoned commercial and has been widely acknowledged as vital to the economic development of Westville, Indiana, which borders Azure's property on three sides. GLBR is proposing to construct five tracks across Azure's property from approximately milepost 5.1 of GLBR's *Complete Route* to approximately milepost 5.9. Moreover, GLBR is proposing an overpass, which would likely consume at least one-half mile of frontage on each side of these two highways, totaling at least one mile, most of which would be located on land currently owned by Azure.

The section of the GLBR's proposed route that would cross Azure's land begins at milepost 0 and ends at approximately milepost 9 (the Pinola spur) and is designed to link GLBR's main line to Norfolk Southern's Chicago line. I request that the Surface Transportation Board reject the entirety of the Pinola spur as soon as possible for the following reasons:

1. **Norfolk Southern's Disinterest:** Norfolk Southern Corporation's May 23, 2016 letter to the Surface Transportation Board (*STB Reference: EI-22974*) states, "[the Norfolk Southern Corporation is] not inclined to think that the proposed Great Lakes Basin route would work well with [NS's] system or that [NS] would be a user of the route." Without a customer, the Pinola spur would serve no practical or economic purpose.
2. **Division of the Town of Westville:** In explaining its *Approach*, GLBR's website states, "The major design precept was to avoid building the railroad through any towns." (See: <http://www.greatlakesbasin.net/#!/our-route/w9ywu>) However, the proposed Pinola spur passes directly through Westville at approximately milepost 6, dividing the municipality in two. Westville Council's resolution #2016-2 (*STB Reference #EI-22880*) states the council's opposition to GLBR's encroachment. Indiana Code § 8-4-1-21 (attached) explicitly forbids the construction of a rail line through any city without the express permission of its council. Therefore, the proposed Pinola spur would violate not only GLBR's own stated goals, but likely also Indiana law.
3. **Proximity to Westville's Population:** The first of the GLBR's *Key Design Objectives* in its *Narrative* states that the GLBR will "[l]ocate the route away from existing town populations (of any size) by one half mile to two miles." However, the GLBR's proposed Pinola spur passes within one-eighth of a mile of the nearest Westville neighborhood, New Durham Estates.

4. **Hindrance of Westville's Economic Development:** The GLBR *Narrative* describes an overpass to be constructed on the concurrency of US 421 and IN 2. Westville and US 421/IN 2 comprise the crossroads of traffic passing to and from Valparaiso, Michigan City, and La Porte, Indiana. Westville's central location to these three principal cities of the region and the direct commercial access to traffic moving among them along the one-mile concurrency of US 421/IN 2 are the fundamental assets to Westville's growth. Such an overpass would essentially eliminate these assets by removing at least one-half mile of commercial frontage on each side of US 421/IN 2 and would irreparably hinder Westville's natural economic growth.

The GLBR's proposal contains a strong speculative element, having an extremely high hurdle to achieve financial viability: The GLBR's \$8 billion estimated cost is approximately two-and-a-half times that of the recent and financially troubled Panama Canal expansion (See: <http://nyti.ms/28PA6gV>) and, as of today, amounts to nearly one-third of the market capitalizations of Norfolk Southern (\$26.52B) and CSX (\$26.20B). Both Norfolk Southern and CSX, however, manage vastly larger rail networks than that which GLBR proposes.

Thus, the very real risk exists that GLBR will not meet its revenue projections. Should the GLBR fail, the proposed US 421/IN 2 overpass would become a white elephant for the Westville and LaPorte County communities. It would be enormously challenging, if not impossible, to recover the US 421/IN 2 frontage lost to the overpass. Simply put, LaPorte County has a finite number of commercial intersections; no good reason exists to eliminate one of them for a speculative, unneeded railroad spur.

Other options do exist for achieving GLBR's goals by using northwest Indiana's ample, existing rail resources. The Town of Westville, for example, has presented an alternative route for the GLBR (*STB Reference #EI-22880*) that would consume far less land, be more consistent with proper land use, and reduce the risk borne by the community than does GLBR's proposal.

As long as the Pinola spur remains under consideration, the threat of eminent domain severely impedes the possibility of development along US 421/IN 2 and unnecessarily restricts the economic development of the Town of Westville. In light of the sole intended customer's decision not to utilize the Pinola Spur, Westville Town Council's stated opposition to the GLBR (which may have the force of Indiana law), and the negative economic effects on the Westville area that extended consideration of this project would entail, I ask the Surface Transportation Board to reject the Pinola spur as quickly as possible.

Thank you for your thoughtful consideration of this matter.

Sincerely,

A handwritten signature in black ink that reads "Janet McNair". The signature is written in a cursive, flowing style.

Janet McNair



Burns' Indiana Statutes Annotated
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*** Current through the 2016 Second Regular Session of the 119th General Assembly, P.L. 1 and 2. ***

Title 8 Utilities and Transportation
Article 4 Railroads -- Organization and Operations
Chapter 1 Incorporation of Railroad Companies

Go to the Indiana Code Archive Directory

Burns Ind. Code Ann. § 8-4-1-21 (2016)

8-4-1-21. Altering line -- New map to be filed.

If, at any time after the location of the track of such road, in whole or in part, and the filing of the map thereof, it shall appear to the directors of such company that the line thereof may be improved, such directors may, from time to time, alter the line, and cause a new map to be filed in the office where the map showing the first location is filed, and may thereupon take possession of the lands embraced in such new location that may be required for the construction and maintenance of such road on such new line, either by agreement with the owner or by such proceedings as are authorized under this chapter, and use the same in place of the line for which the new is substituted. But nothing in this chapter shall be so construed as to confer upon any railroad company already incorporated, any powers to locate its road on any route which would not have been authorized by the charters previously granted. And nothing in this chapter contained shall authorize the said company to make a location of their track within any city without the consent of the common council of said city; nor shall the company have power so to change their road as to avoid any point named in their articles of association.

HISTORY: 1 R.S. 1852, ch. 83, § 21, p. 409; P.L.62-1984, § 41.

NOTES:

Research References and Practice Aids

Cross References.

Alteration of routes, *IC 8-3-14-1*.