

**ITASCA COUNTY
HIGHWAY DEPARTMENT**

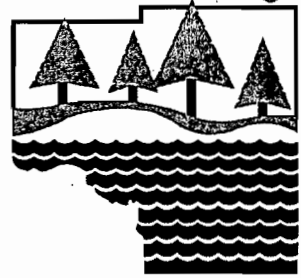
123 NE 4th Street

Grand Rapids, MN 55744-2600

Telephone: 218-327-2853

Fax: 218-327-0688

EI-16221
K48



November 20, 2008

Kenneth Blodgett, Project Manager
Surface Transportation Board
Patriots Plaza
395 E Street, SW
Washington, DC 20423

Subject: FEMA Letter dated June 5, 2007
Construction of Rail Line to the
Essar Steel Minnesota Site
Located in Itasca County, near Nashwauk

Dear Mr. Blodgett:

Enclosed is a copy of a letter from FEMA dated June 5, 2007 which raises a question concerning flood plain impacts related to the railroad construction project to serve the Essar Steel Minnesota project. Although this letter was sent many months ago, we are not sure that this issue has been addressed. Therefore, we have taken the initiative to contact the officials who may be involved in the flood plain issue, and we find that there are no potential flood plain impacts. Enclosed is a letter from Don Dewey, Itasca County Environmental Services Administrator; and an e-mail from the Minnesota Department of Natural Resources which confirm my findings.

If any further information is needed on this subject, do not hesitate to contact me.

Sincerely,

David T. Christy, Itasca County Highway Engineer/Project
Manager – ESM Railroad Project

cc: Steve Thornhill
Dave McKenzie

ITASCA COUNTY

ENVIRONMENTAL SERVICES

Zoning/Solid Waste

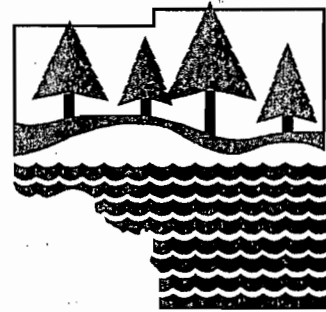
Itasca County Courthouse

123 N.E. 4th Street

GRAND RAPIDS, MINNESOTA 55744-2600

Office (218) 327-2857

Fax (218) 327-7331



DATE: November 17, 2008

TO: Dave Christy
Itasca County Director of Transportation

RE: Construction of Railroad Line to the new Minnesota Steel Industries plant
to be located in Nashwauk

FROM: Don Dewey, Environmental Services Administrator

Dear Dave:

This letter is in regard to the above and the 6/5/07 correspondence from FEMA relative to our department having to issue a flood plain development permit.

As our Area Hydrologist Erika Herr has stated in her 11/12/08 e-mail, there is no State of MN 'floodplain permit' and the Floodplain Management section in St. Paul has already reviewed this project and found that no part of the project appears to be affecting FEMA mapped floodplain areas.

Further, as indicated in our floodway boundary and floodway map index, there is not a panel for this area printed and the floodways in our jurisdiction include the Mississippi River, Prairie River, and the Swan River and the above project is not in a proximity close to these floodways.

If you have any further questions on this matter please contact me.

EI 3007

U.S. Department of Homeland Security
Region V
536 South Clark Street, Floor 6
Chicago, IL 60605



FEMA

June 5, 2007

Burns & McDonnell Engineering Company
Attn: Stephen Thornhill
P.O. Box 419173
9400 Ward Parkway
Kansas City, Missouri 64141

RE: Construction of railroad line to the new Minnesota Steel Industries plant to be located in Nashwauk in Itasca County, MN

Dear Mr. Thornhill:

Thank you for sending us a request to review the above referenced project. It appears some of the rail line construction will take place in federally identified Special Flood Hazard Areas (SFHAs) depicted on the Itasca County Flood Insurance Rate Map (FIRM), prepared for participation in the National Flood Insurance Program (NFIP).

Itasca County participates in the NFIP. Therefore, the county floodplain administrator will have to issue a floodplain development permit for the development affecting floodplains, in accordance with the county's floodplain management ordinance. Additionally, a State of Minnesota floodplain permit may be required. Please contact the Minnesota Department of Natural Resource Water Area Hydrologist (Erica Herr 218-327-4232) for further information.

Further, Presidential Executive Order 11988, Floodplain Management, directs federal agencies to avoid *any action*, including permitting, funding, or constructing, in SFHAs, unless the cognizant federal official first makes the requisite finding of no practicable alternative. The Order further directs federal agencies to avoid actions, which encourage further development of floodplains. The Order mandates an eight-step public mitigative process if the floodplain can not be avoided.

Thank you for the opportunity to review and comment. If you have any questions, please call Jennifer Scholl at (312) 408-5205.

Sincerely,

Terry Reuss Fell, Chief
Hazard Identification & Risk Assessment Branch
Federal Insurance & Mitigation Division

Cc: Region V Environmental Officer
NFIP State Coordinator