

201051

DM&E POWDER RIVER BASIN EXPANSION PROJECT

PUBLIC MEETING
DRAFT ENVIRONMENTAL IMPACT STATEMENT

Rochester, Minnesota
Thursday, November 16, 2000

PROCEEDINGS

(1:05 p.m.)

MR. GARDINER: Why don't we get started. Thank you very much for coming. Those of you in the back, if you want to move up front. You are certainly welcome up here in the front if you want to move up.

We are here to talk today about the proposed DM&E expansion project. My name is Charles Gardiner. I am going to be the facilitator this afternoon. My role is to help make this meeting as productive as possible for all of you in providing comments and also productive for the project team that's here to listen to your comments. I am going to cover a few logistical items first and then we have a short presentation that we want to go through before we get to your comments.

First, I just want to touch on what our overall purpose is. The project team wants to describe to you the roles of the different federal agencies that are involved in the environmental impact review of the proposed project. Want to provide a short overview of the project and a brief summary of the environmental impact review results. Most importantly, we are here to hear from you, hear comments that you have on the Draft Environmental Impact Statement.

So I am going to cover some -- introduce the team shortly and then some meeting ground rules. Then the project team is going to talk about the Surface Transportation Board role. The Surface Transportation Board is the lead federal agency looking at the environmental impacts. Also going to describe the roles of the other cooperating agencies, the other federal agencies that are working with the Surface Transportation Board. Then an overview of the project and the environmental review and again get into the public comments.

Let me introduce the team members who are here in front. Vicki Rutson is here from the Surface Transportation Board. Vicki is the manager for the Board in the Environmental Impact review. Steve Thornhill is here, with Burns & McDonnell Consulting. Steve is the project manager for the consulting team that is assisting the Surface Transportation Board in preparing the Environmental Impact Statement. Tim Fell is here from the U.S. Army Corps of Engineers. He is going to describe their role shortly. But he is responsible for the Corps' review of potential impacts to wetlands and waterways.

Let me cover a couple of things about the hand-out that you have before I do the ground rules. The first handout probably has a blue page on the front. This includes our agenda. Inside is also a description of how we are going to receive comments today. It has a listing of the ground rules that I am going to go over in a moment.

It also describes how to provide written comments. Now, on the back of that sheet are the addresses for you to provide written comments. The next sheet I want to cover looks like this. It's a white sheet. That's a comment sheet that you may feel more comfortable today providing your comments in writing rather than getting up and speaking, or you may want to supplement the comments that you provide orally. This is a tool to do that.

So even while you are sitting there you may want to fill out some comments. Please do that. You can drop it off at the table on your way out or you can mail it in to us. It's designed to fold and mail.

You can provide written comments in other formats. You can certainly write comments at home and send those in as well. You are not constrained to that format.

There is also a short half page sheet. Yours may be pink. This includes some contact

information about the project. First the Surface Transportation Board's web site. So if you are on line you can go view the environmental document there. The second is an environmental hot line. That is not a place to provide comments. It is a place that if you have questions after this meeting, in the next several weeks, if you have questions about some procedural aspects, when the comment deadline is, where the nearest library is and so forth, call the hot line, and we will get back to you as soon as we can.

This card here you may have picked up, we are going to cover in the presentation most of the procedural things on how to participate and so forth. But you may have some questions about the process that we didn't cover. You can fill this out, bring it back to the back table during the meeting and we will try to answer procedural questions during the meeting.

However, we are not intending to answer questions about the Draft EIS. We are here to receive your comments. If you have questions, I encourage you to rephrase them as comments. If something wasn't clear to you in reviewing the draft, we encourage you to state that as I think the draft could be clearer about X.

If something felt incomplete to you, please provide that as a comment. We are really trying to receive those comments. We are not intending to answer questions about the draft here.

The last thing you may have picked up is this orange sheet. That's a listing of the libraries in Minnesota that have copies of the draft. If you want to go look at it if you have not seen it already. This is a list where you can find it.

The ground rules. The first and most important is one speaker at a time. This is a very large room. We have lots of microphones around the room. We do have a court reporter here who is transcribing oral comments. If there are other conversations going on, it makes it very hard for him to hear exactly what the comments are. So one speaker at a time is quite important.

If you want to have a conversation I encourage you to go outside, even beyond the -- into the far lobby, so we don't disrupt people who are trying to provide comments. We are setting some time limits today.

We have a large number of people who have signed up to speak, about 70 people. There are some additional people I know who have arrived and signed up to speak. If we have time we will get to those.

The time limit we set is three minutes. We do that really to be sure that we have time to get to the people who are lower on the list. So if you are providing a comment and you go over the time limit, you are potentially cutting into the time of your neighbors who are further down on the list. So I am going to be timing that and enforcing that.

Let me give you a little guideline what three minutes is. If you come with a prepared statement, you can get about a page-and-a-half double spaced, maybe a page single spaced. It doesn't help the court reporter to read faster. I encourage you to just summarize. You might want to start thinking about it now if you have got a longer statement. We will be happy to receive that statement. You can drop it in the basket on your way out. That will get it into the records.

So you don't have to feel obligated to read your entire statement. We encourage you to summarize and provide the main points in your oral comments. You will all be treated equally in the response process.

The last and most importantly is respect others opinions. We recognize that this is a controversial project. There are diverse opinions everywhere we go. Our job up here is to listen to all of those opinions and we need your help to be sure we can hear all those opinions. You

may have feelings of support; it's certainly okay to express that. If you interrupt someone, either in support or opposition, it cuts into their time.

If you have rebuttal statements or expressions of opposition, I encourage you to keep those to yourself. It's primarily because we want to hear all of the comments. I think it's important for all of us to listen to those comments.

So with that, I am going to introduce Vicki Rutson, who is going to start a short presentation about the project.

MS. RUTSON: Thank you, Charles. Can everyone hear me? If you can't hear me, please raise your hand.

Again, I am Vicki Rutson. I am glad to see you all here this afternoon. I am an attorney with the Section of Environmental Analysis with the Surface Transportation Board. I would like to spend a few moments telling you about the Surface Transportation Board and explaining a little bit about the process that we are involved in together here. The Surface Transportation Board is an independent regulatory federal agency located in Washington, D.C. The Board itself is composed of three members. Linda Morgan is the chairman. There is a vice-chairman and a Board member, Wayne Burkes and William Clyburn.

Congress has given the Board the responsibility of licensing certain railroad actions. Those include railroad mergers, railroad abandonments and the kind of application that's involved here, rail line constructions. The board's involvement in the Dakota Minnesota and Eastern proceeding began in February of 1998. That's when DM&E came to the Board and filed an application seeking a license to construct a new rail line from DM&E's existing line in South Dakota into Wyoming's Powder River Basin.

There were two other rail line construction proposals contained within that application around the cities of Owatonna, Minnesota and Mankato, Minnesota. This application triggered two processes at the Board. The first is called the Transportation Merits Review. The second is the Environmental Review Process under the National Environmental Policy Act.

Let me talk about the first process, the Transportation Merits Review. In that process the Board must ask three questions. The first, is the applicant financially fit. The second, is the proposal before the Board in the public interest. Third, is there a public need for the proposal.

The Board issued a decision on December 10th of 1998 answering those three questions in the affirmative. The Board said, based on the information that was before it back in 1998, DM&E's proposal met the Transportation Merits criteria. But, and this is very important to remember, the Board said it could not be issuing a final decision because all the information was not before it. This is because the environmental review process was not complete. It had just begun.

Until the environmental review process is complete, the Board said it would not be able to issue a final decision on DM&E's proposal. That brings us to the environmental review process. This is a multi-step process that has been going on for some time now. The Board has conducted scoping meetings. A few years ago we were here. The Board issued a final and draft scope of analysis. Most recently, and probably most importantly, the Board recently issued a Draft Environmental Impact Statement and provided an opportunity for public comment.

That's why we are here this afternoon, to hear your comments on the Draft Environmental Impact Statement. Now, the DEIS, as it's called, is intended to perform a number of functions. The first is to let you all know what we believe to be the potential environmental impacts of DM&E's proposal. Also, the potential impacts of any reasonable and feasible alternatives to

DM&E's proposal, including the no action or no build alternative.

The DM&E is intended to inform federal, state and local agencies as well, affected communities, landowners, ranchers, farmers, tribal members and all other interested members of the public who want to provide comments. The Draft EIS also sets forth the Section of Environmental Analysis preliminary recommendations for mitigation.

Comments are due on the Draft Environment Impact Statement January 5th, 2001. We have received a number of requests to extend that comment period. If you have an opinion on that issue, you are welcome to make that comment this afternoon or also submit it in writing.

What's next? When the comment period closes, it will then be our responsibility to take all comments, written and oral, and respond to those comments in a Final Environmental Impact Statement. If necessary and appropriate, we will also conduct additional environmental review in the Final EIS. At that point the environmental review process will be finished. The Board then, the decision-maker, will have all the information before it and the Board will issue a decision, and that will be the final decision on DM&E's proposal.

The Board will have three choices to make, and it will have to make one decision. Either to approve DM&E's proposal as it was originally submitted. Approve DM&E's proposal but only if certain mitigation measures occur. Or third, to deny DM&E's proposal. Those are the three options.

Now, the Board hasn't been working alone on the Draft Environmental Impact Statement. There have been other federal agencies working with the Board as cooperating agencies. These other agencies will also be issuing permits on various applications also involved in this proceeding. Those other agencies, and there are five other federal agencies involved, are the Forest Service, the Bureau of Land Management, the U.S. Army Corps of Engineers, the Bureau of Reclamation, and the Coast Guard.

A representative of the U.S. Army Corps of Engineers is here this afternoon and will be speaking to you about the Corps' role. There is also one other agency, the United States Environmental Protection Agency who has a role in this process. EPA will be reviewing the Draft Environmental Impact Statement and issuing a rating on the DEIS. EPA will also be evaluating some of the Corps' process under what's called the 404 application that our representative from the Corps will be telling you about.

Would the members of the EPA like to just wave to the group so everybody recognizes them. Jim Berkley and Mazin Enwiya. With that, I would like to thank you all again for coming this afternoon. I look forward to hearing your comments on the Draft EIS. I would like to introduce Tim Fell from the Army Corps of Engineers. Thank you.

MR. FELL: Thank you, Vicki. As she said, my name is Tim Fell. I work with the St. Paul district of the Army Corps of Engineers. I am out of the St. Paul office.

The Corps out of St. Paul will be looking at the project as it impacts waters and wetlands in the State of Minnesota. The project also extends into the South Dakota and Wyoming, and the Corps' district office in Omaha will be handling and reviewing the impacts in those areas.

The Corps has permit jurisdiction in this matter under two laws. One is Section 10 of the Rivers and Harbors Act. That is reference to navigable waters. The other law is Section 404 of the Clean Waters Act. Under that law we review projects that involve the discharge or placement of dredged or fill material into other waters in the United States, including areas like ponds, rivers, lakes and wetlands.

The Corps of Engineers will be looking at the impacts of the project and considering

whether the project would be contrary to the public interest. We will be looking at the plans to see whether they represent the least environmentally damaging alternative.

In doing this public interest review there are many factors that are going to be considered. These will include factors of wetlands, wildlife habitat, economics, cultural resources, land use, floodplain values. The information that we gathered in the permit application, information from the Draft EIS and the Final EIS and from our public notice that the Corps has issued, and certainly comments that are generated from public hearings like this and the several other hearings that have been held in the last two weeks, all of that information is going to be reviewed and considered by the Corps of Engineers before we make a permit decision on whether to approve the project.

So with that, I would like to turn it over to Steve Thornhill from Burns and McDonnell. Thank you.

MR. THORNHILL: Thank you. Welcome everyone. As Tim said, my name is Steve Thornhill. I am with Burns and McDonnell Engineering. We are the consulting company that was retained to assist this Surface Transportation Board in preparation of the Draft Environmental Impact Statement. What I would like to do is take just a few minutes to kind of expound a little bit on some of the things that Vicki said the DEIS contains and just briefly kind of hit some of the high points and highlights of the DEIS.

The first thing that the DEIS does contain is a description of the existing environment. In doing that what it attempts to do is kind of paint a picture of what the natural environmental resources of the project areas are. Kind of give people an idea of what it's like, what's out there and what that things are important.

The next thing it does is it looks at the different alternatives proposed for the project. One of those alternatives as required under the National Environmental Policy Act is the no action alternative. That was one of the alternatives that was evaluated for this project. After discussing and describing the different alternatives, the DEIS then goes in and discusses and evaluates what impacts each of those alternatives would have on the existing environment, the environmental resources found within the project area.

As most of you are probably aware, and as Vicki mentioned, the Draft Environmental Impact Statement was released on September the 27th, 2000. There is a 90-day comment period, which will conclude on January the 5th, 2001.

As part of the DEIS, there is a discussion of what the proposed purpose and need for the project is. Just briefly to kind of hit on the two points of that, one of the purposes of the project would be to provide DM&E the financial resources necessary to reconstruct its existing rail line across Minnesota and South Dakota. This has been deemed necessary in order to continue to provide safe and efficient rail transportation to the region.

The second purpose would be, by extending DM&E's existing line into the coal fields of the Powder River Basin they would provide an additional competitive rail access to the coal mines in that region, thereby increasing the competition and transportation opportunities for the region's mineral resources.

There were four alternatives generally evaluated for this extension. The first alternative was the no action alternative. The second alternative, alternative B, would involve new construction of rail line generally along the Cheyenne River in southwestern South Dakota and into Wyoming. The third alternative, alternative C, was a modification of alternative B, which removed the line from portions of the Cheyenne River determined to be environmentally

sensitive. The fourth alternative, alternative D, involved reconstruction of additional sections of DM&E's existing line, as well as new construction along existing rail lines in the region in order to create one rail line that would extend the system into the Powder River Basin.

Just real briefly I am going to touch on some of the project components in the various states affected by the project and highlight some of the things that were noted in the DEIS. For Minnesota, what was evaluated in the Draft Environmental Impact Statement included the proposed reconstruction of DM&E's existing line across the state. There were potentially new constructions evaluated for the communities of Mankato, Owatonna and Rochester. There would be three new yards potentially constructed in Minnesota, which were evaluated.

Some of the unique characteristics and concerns that were identified, and this is just kind of a snapshot, there were many, included the numerous communities located along the rail line. Also those communities in areas of new constructions that were evaluated. The farmers located along the line, again both along the existing line and in the areas of proposed construction. The Mayo Clinic and the health care provided by it in this area was a unique situation throughout the region. Sensitive riparian areas and wetlands found throughout the state, both again along the existing line and in the areas of new construction. Lastly, the flood control projects present in the communities of Mankato and Rochester.

In South Dakota, the proposed project would involve reconstruction of DM&E's existing rail line. It would also include construction of new rail line to extend DM&E's existing system to the coal fields. There were two new rail yards proposed as part of the project within South Dakota. There were construction alternatives evaluated in the Spring Creek Hay Canyon areas of South Dakota and around the community of Brookings.

Some of the unique characteristics again identified in South Dakota included the potential impacts to Buffalo Gap National Grassland, primarily in western South Dakota. Impacts to numerous tribal reservations and Native American issues and concerns. Impact to farms and ranches throughout the line, both along the existing line and the new construction areas. Sensitive riparian areas, particularly those along the Cheyenne River corridor. Impacts to the Angostura Irrigation District. Impacts to the many communities along the line, both again along the existing portion of the project and in the new construction areas. Lastly, impacts associated with either rehabilitation of the existing bridge or construction of a new bridge across the Missouri River at Pierre, South Dakota.

In Wyoming the project would involve construction of new rail line to extend DM&E's system into the Powder River Basin. It would involve the potential construction of one new rail yard. There were alternatives evaluated to access the Black Thunder and North Antelope coal mines. Some of the unique things identified included impacts to the Thunder Basin National Grasslands and the numerous ranches and ranchers that occupy the area and utilize the land that would be crossed.

In conducting the analysis it was determined that a variety of environmental areas and issues would be significantly impacted by the project. Not all of these areas would be significantly impacted by all components of the project, but each of these areas would be significantly impacted by at least one of the potential components of the project. The areas determined to be significantly impacted included safety, and that related to rail highway at grade crossing safety, geology and soils, water resources, wetlands, paleontological or fossil resources, cultural resources, including both archeological and historic, threatened and endangered species, land use, noise, air quality, environmental justice, esthetics, socioeconomics and cumulative

impacts that this project combined with other foreseeable projects throughout the project area.

Lastly, the Draft Environmental Impact Statement discussed proposed measures that should the project be approved these measures could be imposed as mitigation to minimize or reduce the environmental effects of the project on the environmental resources within the area. At this time those mitigation measures are general in nature and could be applied to most of the alternatives considered or proposed. Therefore, they fall into the category of what would best be described as best management practices. Those would be things like utilization of silt fences or straw bales to control erosion.

There were also a number of mitigation measures that involved coordination between DM&E and local, state and federal agencies in order to develop plans and agreements that would address the concerns and jurisdictional issues of those other agencies. However, it was determined as part of the evaluation that some of these impacts would be very difficult to effectively mitigate. Therefore, an important part of the process, and the reason that we are here today, is to receive comments from the people who would be affected by the project as to what mitigation measures are felt would be appropriate and could effectively mitigate the impacts of the project.

Let's see. The last thing that was discussed was the concept of negotiated agreements. Those would be agreements again between DM&E and other organizations or agencies to address the concerns of those parties who have concerns about the impacts of the projects. The mitigation chapter causes how those agreements need to be submitted to the STB so they can be considered by the Board; and if the project is approved, can be imposed as mitigation measures or conditions on approval of the project. With that I will close. Thank you all very much again for coming, and thank you for your comments.

MR. GARDINER: Okay. Just in summary again, about the format for comments. Oral comments at this meeting will be transcribed. Written comments on the comment sheet that you have, or if you have a written statement with you, feel free to provide that. Then written comments by mail to the addresses listed on that sheet that you have.

As Vicki said, the project team will be reviewing all of those comments and comparing responses to the substantive comments. Those responses will be included with the Final EIS. All of that information, the comments, the responses and the Final EIS will be provided to the Board so they can be fully informed about the potential environmental impacts.

Specifically, just to review the things that the team is seeking comments on, the Draft EIS, as Steve just described. Some components of that, including the programmatic agreements on deals with the Native American issues. There is also a biological assessment in there. That deals with threatened and endangered species issues. So those are important components of the Draft EIS.

As Tim described, the Section 404 permit applications for the respective states, seeking comments on those. Then lastly, the proposed forest plan amendments. Those relate to the Forest Services review of potential impacts on Forest Service lands.

The order of commenters, we are going to take any federal or state elected officials who are here, take their comments first. Then work through the list of preregistered speakers. As I said, it's a long list, about 70 people. Then other speakers, those of you who signed up to speak here, or other speakers who may have already provided comments at another meeting. To the extent we have time available, we will take comments from those people. But we have a long list of people who preregistered; we may not get to those other people.

To help us get through as many people as possible, let me review, that we have a three-minute time limit. I will be timing you. I will give you about a 30-second warning. So you should plan on wrapping up at that point. As I said earlier, it's important to be concise, summarize your key points and provide those. Feel free to provide the written statement to us.

If you could provide your name and affiliation so that the transcriber can get that. Start with that; it will be quite important. I will also be letting people know when they are coming up. If you can come up and be prepared to start promptly, that would keep us moving forward quickly as well. So now is a good time for everybody to nod in the affirmative that we are going to live by these ground rules. So that's how we will proceed.

The first name I have is Congressman Gutknecht. I understand he is still in Washington and couldn't be here today. I just wanted to confirm that. I haven't seen him here.

The next one I have is State Senator Sheila Kiscaden. I apologize if I mispronounced that.

MS. KISCADEN: Good afternoon. My name is Sheila Kiscaden. First let me apologize for my rough voice. I got out of my sick bed to be here today. But I think it's a very important topic for our community. I want to thank you for coming to take testimony from the community.

During my eight years in the Minnesota State Senate I have taken a strong interest in rail issues. In fact I am an advocate for improved passage of rail for this community and for the upper midwest overall. So I stand before you not as a person who is opposed to rail but someone who supports rail. I serve on a number of task forces trying to advocate for improved passage of rail. However, the DM&E proposal has created a lot of controversy for this community and throughout our State of Minnesota. Massive transportation projects almost always do, whatever kind of transportation project they are.

This project, however, is different because this project is not going to be determined by how we manage this project. It's not going to be determined by local units of government or by state government. In most instances we have the responsibility to work with the citizens of our communities to find resolution for the conflicts that massive transportation projects impose. Always the benefits of the transportation projects have to be weighed against the economic environmental and social costs of those projects for those who will be negatively affected. In this instance it comes to you. I am a little bit concerned about that overall. I will be asking that you consider ways that you can get state and local government a little bit more involved.

Similarly, when a business wants to expand and its expansion will impact adjoining property owners and the community, the laws and ordinances of state and local units of government seek to limit or minimize the impact on others. What do we have with the DM&E proposal? What we have is a transportation business that wants to expand to meet the needs of other businesses and agricultural and utility industries. There is a potential for significant economic gain for these industries and for the communities who depend on them.

But there is also significant economic, social and environmental costs for other communities. Today you are in a community that will bear economic and social costs from the DM&E expansion and sees no benefit to the community. Today you are going to hear from residents of Rochester that do not want the DM&E to expand its operations through downtown Rochester. Today you will also hear from people in the townships around Rochester that don't want DM&E to have a bypass.

There is one point of agreement. No one thinks that having the rail line go through their property will improve their property. Your job is to decide. Let me ask you to consider a few

thoughts. I realize -- I was told five minutes. I am going to go over a little bit.

We are a unique community. We are an economic engine for the state and for the region. Fully 25,000 people commute in here to work every day. You can think of us as a unique kind of tourist community, a mecca that brings in people for health care issues. So the quality of the community and the ambiance and the environment of the community is very important. I don't think we would allow a freight rail to go through other kinds of tourist locations.

We are proud of our rights as citizens. But where do our rights end and the other guy's begins. In this case, I would like you to, as you are here today, stand on the overpass, the skyway that goes over Broadway and look north and imagine a four block ramp up to a rail overpass and a four block down on the other side and ask what it would do to the ambiance of this community.

Another big concern that I have is that everything I have heard so far from the DM&E rail line, they are not offering to pay the full cost for any bypasses that they would in fact agree to do. Your whole report is very light on mitigations and in ordering mitigation or even empowering local units of government to negotiate with the rail line on mitigations. This is an irony because it's not in keeping with how Minnesota handles our other transportation projects. Generally Minnesota expects the full cost, including costs to other business owners and homeowners, to be included in total project costs. It's not been included in this proposal.

Third, I would like you to think about the value of bypassing communities when it's possible to do so. It's no surprise that many communities are asking you to bypass. You probably came from Mankato on Highway 14. We are in the process of rebuilding Highway 14 using state and federal dollars. The communities who lobbied this long and hard for Highway 14 improvements generally are also asking us to do, as we reconstruct, to bypass their downtowns, to bypass their businesses, to bypass their home owners. Why should we do anything differently with a massive rail project like this.

In my experience controversial transportation projects take a long time to resolve, but you have us on a fairly tight time schedule. I have already written to you to ask you to give us more time so that we can engage in the kind of community dialogue that would be needed. But I would also ask you to be more forthcoming in looking at what the mitigation should be for any kind of project like this, for this project, for projects in the future.

I think you also have to consider giving some authority to local units of government to more actively negotiate perhaps on a state by state basis with the rail line. You need to establish criteria not only for this project but for future projects of when a bypass would be ordered or considered around the communities that will suffer economic, environmental and social costs.

If we are going to succeed in this country in making rail an integral part of a multimodal transportation plan, your role and leadership in involving state and local government in resolving these kinds of disputes is critical and I urge you to use this first massive rail project as a means of changing the way that you work with state government on these issues. Thank you.

MR. GARDINER: That concludes the list of state and federal elected officials that I have. Are there others that I am not aware of that are here?

Okay. So launching into the remainder of the list. What I am going to do is identify the next three people coming up. So if you are on deck, if you could work your way to the front and be ready to go. The names I have John Wade, Dr. Hugh Smith. Is Dr. Smith here? Okay. Mike Podulke.

MR. WADE: Good morning and welcome to Rochester. I appreciate the opportunity to

speaking before you today. Rochester is certainly important to me but I can assure you that I am not alone. In fact, just two months ago a group of community leaders dedicated to preserving the safety and quality of life of our residents formed to launch a campaign against the coal trains. Myself, along with former Chief Justice Sandy Keith, have the honor of being the co-chairs of this massive effort. Our organization, Citizens to Stop the Coal Trains, represents people from all facets of this community, including business, government, health care and community activists. All have united around this issue and rallied to the defense of this great community.

Since Citizens to Stop the Coal Train was launched on September 27th we have been overwhelmed by the support we have received. By the thousands, people have written us, called our office and visited our web site. I have provided you thousands of letters and petitions to enter formally into the record.

Hundreds of open cars carrying coal or other hazardous materials will pose a significant health risk to this community. While this hazard would concern any community, it is especially troubling for Rochester. You see, in our city health care isn't just an individual concern, it is one of the -- it is in fact, the cornerstone of our community. We are fortunate to not only have one of the state's largest employers but the world's most prominent health care provider, the Mayo Clinic.

As a result, hundreds of thousands of patients come to Rochester each year for treatment. An expanded DM&E line which lies just a block from Mayo Clinic will surely erode patients' peace of mind even before an accident or spill occurs. As we recently witnessed on improved track in Scotts Bluff, Nebraska, the community had to be evacuated because of a benzene spill.

Ask any proponent of this proposed upgrade where the 800 residents of senior housing adjacent to the railroad in Rochester will be evacuated to in a similar spill. Ask the proponents of this proposed upgrade if they would like to be on hand to tell one of their family members at Methodist that there is not a hospital within a hundred miles that they can be evacuated to.

An expansion would also pose a financial threat to Rochester. We have worked hard to build a great community and this would be a major blow. It would be a major blow to our jobs as well. For example, the significant traffic obstructions resulting from at least eight rail crossings being shut down simultaneously every 40 minutes will drive customers and eventually businesses away from the areas of that track.

I understand and I respect the tremendous responsibility facing the Surface Transportation Board. Those of us in Rochester have a responsibility, too, a responsibility to speak out against this coal train proposal and its negative impact on our health, public safety and economic future. I thank you very much for your time and consideration. Thank you.

DR. SMITH: Thank you for the opportunity to present Mayo Clinic's concerns about the impact of the proposed DM&E expansion on our human environment. We believe the DM&E expansion poses a health risk and safety threat. There are no restrictions on what the railroad will haul at higher speeds through our city. They can haul hazardous material, including propane and anhydrous ammonia. Of the thousand acutely ill patients in Mayo hospitals every day, 150 of them are in intensive care units; many on respirators or other support devices. It would be impossible to safely evacuate them, because there are more intensive care unit beds in Rochester than all intensive care unit beds in all hospitals in all cities and towns along the DM&E line from Wyoming to Winona. If we have a derailment and hazardous chemical spill there is no hospital within a hundred miles that could handle even one-sixth of our patients if they survive the trip.

To our knowledge the largest number of highly sensitive magnetic resonance imaging, or

MRI, scanners in the world, 12 of them are located less than a thousand feet from the DM&E line. MR scanners are sensitive to vibrations as small as one millionth that of gravity. Vibration from a loaded coal train at 45 miles per hour can measurably impact on the images for more than 26,000 patients that we scan each year.

Unfortunately, the newer magnetic resonance scanners are U-shaped rather than tubular. This eases patient claustrophobia and allows medical access to the patient during procedures and the scan. Unfortunately, if you think about it, the U-shape of these next generation scanners gives them the characteristic of a giant tuning fork; and with their lower mass, make them even more vulnerable to vibration.

Mayo Clinic is an economic engine for Rochester and the entire region. Our payroll contribution to the region is greater than billion dollars annually. One-third of our employees live outside of Rochester. Our patients and visitors who travel with them, this is one million people a year, generate 1.6 billion in health care and an additional 180 million to other nonmedical businesses such as hotels and restaurants in the region each year. More than half of all this revenue comes from outside our state.

The success of Mayo Clinic and of Rochester are interdependent. In Rochester there are 5,000 hotels rooms to 80,000 people. One hotel room for every 16 citizens. In Minneapolis there are the same number, 5,000 hotels rooms or one room for every 70 people. Any decline in patient and visitor volume profoundly affects our economy. This is a difficult situation. But we must identify a solution that harms the fewest number of people. We appreciate the opportunity to present our concerns.

MR. PODULKE: My name is Mike Podulke. I am a member of the Olmsted County Board which has passed unanimously a resolution in favor of the no build option. I am here to tell you something that you already know and an unintended consequence that I hope you guys thought about. That is, the 37 train business plan doesn't fly financially. It just won't work.

It was marginal when first proposed. The STB like another famous government Pontius Pilate tried to wash its hand of the problem by letting the market decide. But as Pontius Pilate and Lady Macbeth found out, it isn't that easy to wash their hands. Since the incredibly optimistic 37 train scenario with its assumption of rising rates and full cooperation from other railroads and hand-off and right-of-way issues and the borrowing of 1.4 billion dollars was conceived many things have happened. Coal economists have been telling all railroads to hold level if not reduce coal hauling rates to defend the dominance of coal against emergent alternative fuels. Other railroads have been making enormous investments in their own coal infrastructure. A rate war is very foreseeable.

The DM&E has promised most trains will turn off before Rochester. For the business plan, when those trains turn off, the revenue does, too. A different railroad gets them. Important railroads have shown no indication of special cooperation with DM&E's need to solve their right-of-way gaps or hand off problems. Inflation continues.

New construction and operational costs have surfaced. The real cost of construction is probably closer to 2.5 than 1.4 billion. Because of these factors and others, the 37 train scenario just doesn't work financially. However, because of the hand washing decision of the STB, the process has been decoupled from what actually gets built. The process is decoupled from what will actually get built.

Now the market will decide how to build and operate this railroad. Once given approval, there will be no further effective oversight on what the railroad does or the new owners do.

Something that won't work financially will never get built. Clearly, since the easiest way to make this plan actually work is to add more and more coal trains. The EIS should be about a hundred trains and not about 37.

This is a fairy tale EIS done on an imaginary project. Like the decision of that other government official Pontius Pilate, we will all suffer for it.

MR. QUIRK: I am Michael Quirk. I represent the largest neighborhood association in Rochester, Kutzky Park, located south of the DM&E tracks west of downtown. Our association formed five years ago in response to a rapid increase in crime, deteriorated housing and slum landlords. Since that time my neighborhood has made a dramatic turn-around. Our crime rate is now among the lowest. Where condemned houses once drove property values, the turn-of-century charm of our renovated housing and our proximity to downtown make Kutzky Park a desirable location for new home buyers.

The DM&E project is the latest threat to the vitality of my neighborhood. Our concerns are many. Including the daily disruptions, noise, vibrations, safety, degradation of our quality of life and loss of our property values. The DEIS is required to identify the issues and provide solutions. Instead it has only delivered inaccuracies, incomplete and out-of-date data and assumptions that can only be based on wishful thinking.

The impact of an increase of 34 coal trains rumbling through Rochester on a daily basis has been ignored. In the residential mitigation Section, mitigation measures only respond to reconstruction activities. Activities that the DEIS states should be short-term, only few days or weeks. I am dismayed that the DEIS provided absolutely no mitigation to homeowners, businesses and other landowners who will be forced to endure this injustice.

My primary concern is the loss of property values to homes near the DM&E tracks. Many residence along the DM&E corridor are low income, minorities, single parent and at risk families who live in these areas for economic reasons. For many families their home is their only asset. The only savings they have.

There is no place in the United States where the residential property values have increased after unit coal trains started operations. The economic benefit to the DM&E railroad does not justify the financial loss that many of the area families will be dealt.

The DEIS has assumed that the increase in jobs will result in an increase in individuals relocating to our area. But at the same time your data shows few jobs created by the DM&E in Olmsted County. These few jobs will have a negligible effect on the housing market in Rochester. In fact, your own statement that increased rail traffic will likely make residential areas even less desirable, reducing real estate values implies that increased coal train traffic depresses housing values.

Why will homes along the DM&E corridor be less desirable, because no one wants to live next to a railroad with 34 blaring, clattering, dusty, squealing mile-long coal trains every day. Their employees will be able to afford to build new homes or purchase better homes in better neighborhoods, away from the coal trains. Further depressing the area's housing values and further concentrating families most at risk, low income, minority, elderly and single parent families into the rail corridor.

In conclusion, I believe that a new Draft EIS needs to be written that corrects all inaccuracies and assumptions, references more current and relevant data, address mitigations concerns and requires explicit mitigation solutions from the DM&E. Thank you.

MR. MILLER: I am Jerry Miller. I am the mayor of City of Winona. The citizens of our

Winona community insist that our environmental issues and concerns, which include health, safety, traffic, vibration, noise, property values and quality of life be addressed in the same manner as communities which are located on the DM&E railroad line. The reason for this insistence is that even though we are not on the DM&E line, we are affected in the same manner, perhaps even more so because of the cumulative effect of the 25 to 35 trains going through our city at the present time.

Any additional DM&E coal trains coming through our city will only be adding to the existing impacts. The DEIS states that the SEA determined that the proposed project could result in significant impacts from increased vibration. The city of Winona has 121 structures located within 100 feet of the track which can be potentially impacted by vibration. Compared to 30 structures, according to the DEIS, structures located within a hundred feet of the track in all of Olmsted County.

The City of Winona has a greater number of structures potentially impacted by vibration than all other environmental concerns than any whole county located on the DM&E line in the State of Minnesota. Chapter 7 of the DEIS states, and I quote, "The board's practice consistently has been to mitigate only those impacts that result from the proposed actions." Any DM&E coal trains traveling through Winona on the CP line will impact our community and will result from the proposed action.

In chapter 3 it states, operational impacts for the existing rail line would include those anticipated along the portion of the CP rail line within Winona, Minnesota. Despite these two Draft Environmental Impact Statements quotes, we cannot find where or how the Surface Transportation Board includes the cities of Goodhue and Winona in the mitigation process.

It is our hope and desire that if the Surface Transportation Board approves the proposed project it will define a definite process by which the cities of Goodhue and Winona will be involved in the negotiations and mitigations with all involved parties, including all railway companies, power plants and all others benefiting from the coal trains passing through our city.

If the federal government can provide 3.5 billion through the Federal Railroad Rehabilitation Improvement Financing Program to help to maintain the health and interest of the railroads, I would hope that the federal government would have funds available to help cities that are impacted by the increased rail traffic.

We feel that those who benefit from the coal should pay. It is our hope and desire to mitigate rather than having to litigate. We hope this is also the desire of the Surface Transportation Board and all those who would benefit from the expansion project. Thank you.

MR. BARBER: Ron Barber, private citizen. For environmental reasons the DM&E project should be approved. One item missed by the DEIS is that any projected exhaust emission impacts calculated for coal train service on the DM&E should not be considered as new impacts, but as distributed and reduced impacts.

Without the DM&E project approved, the trains will end up running on an already congested BNS&F or UP corridor. So regionally or nationally, exhaust emission impacts will be reduced by having trains running on the shorter DM&E route. The impacts will be distributed to another area causing less harm in an already congested existing BNS&F or UP corridor. I have witnessed congestion on the UP Iowa and Nebraska main line.

Another item not stressed is that lower costs DM&E hauled PRB coal will be able to reduce fugitive dust impacts by having utilities switched from using low moisture Eastern mined coal to the higher moisture PRB mined coal. I have witnessed dusty eastern coal shipments on

the Norfolk Southern through Indiana.

Approving the DM&E project may also negate any need for West Virginia mountain top mining of low sulfur coal. This is one of the few areas in the east that mines low sulfur coal. This would solve many environmental issues the region is now facing. I believe there is a moratorium right now with this type of mining, but that could change.

I have also witnessed mountain top mining from an airplane flight going to Raleigh, North Carolina. It wasn't very pretty.

Another point to reconsider is that an upgrade of the existing line will allow DM&E to capture more non-coal freight traffic from the trucks that haul it now. This will reduce fuel consumption and exhaust emission impacts due to the higher efficiencies of train operation. BNS&F has, depending on the season, doubled and in some cases tripled non-coal freight train service on their Lincoln, Nebraska, to Gillette, Wyoming line since the line was rebuilt for coal service. I have seen double stacked container trains on this line this summer.

The last point to reconsider is that an upgraded line will allow grain and other commodities to be loaded into cars at maximum capacity, thus creating more efficient train operations and in turn reducing exhaust emission impacts and fuel consumption.

In closing, many of the people in opposition to the project applauded the STB for including the existing line reconstruction into the DEIS. Yet I am disheartened that the same people were first to condemn both the content and the length of this report. All of here today that are testifying should be thankful that we live in a country that allows us such a process that the federal government affords us to speak out on issues that concern us. Thank you.

MS. ALLEN: My name is Colleen Allen. I am here to speak on behalf of my family in opposition of the railroad bypass proposed by the City of Rochester. The route of this proposed bypass is through my parents' farm which has been home and business to five generations. In the 1960s my father lost 35 acres of prime crop land to the construction of Interstate 90. The small amount he received did little to compensate him for the lost income those acres would have provided to him during his lifetime and in his retirement.

Farmers are dependent upon the land for their livelihood. Any reduction in crop acres would seriously hamper the ability of a farmer to stay in business. A railroad bypass through a farm not only reduces the amount of income-producing acres but reduces the farm's efficiency by creating fields that are inaccessible or too small or oddly shaped to accommodate the size of today's farm equipment. This in turn reduces the farm's property value.

Since a farmer does not receive a pension, the amount of acres he has available to rent or sell is vital to provide him a retirement income. This bypass proposal will destroy 55 crop acres of my father's farm, thereby reducing his retirement income.

In addition to the loss of revenue and the devaluation of property there is a safety issue of many at-grade crossings along the bypass route. This will result in many low volume roads being closed. As a result of these road closings farmers will have to use roads having a higher traffic volume in order to access fields and pastures cut off by the bypass.

Slow moving farm equipment mixed with high traffic volume and motorists traveling at speeds of 65 miles an hour increases the likelihood of accidents. Road closings will also lengthen the response times for emergency vehicles in rural areas, which are already at critical levels.

Figures from the National Highway Traffic Safety Administration put response time from the instance of a collision until a victim reaches the nearest trauma center at 48.2 minutes in rural

Minnesota compared to 29.4 minutes in the urban setting. The lack of alternative routes due to road closings will result in longer emergency response times and further jeopardize rural residents.

In conclusion, Rochester's bypass proposal is simply a matter of shifting the concerns of the DM&E upgrade onto a population lacking the financial and political resources available to the Mayo Clinic and the City of Rochester. Therefore, I am asking Surface Transportation Board to reject Rochester's proposal for a costly and unnecessary bypass at taxpayer dollars and urge the city to begin negotiations with DM&E on in-city mitigation on the current rail corridor.

DR. FERGUSON: I am Frances Ferguson. I am chair of the Mayo Foundation Board of Trustees. I believe very strongly that this train threatens the Mayo Clinic, recognized world treasure. As Chair of the Board of Trustees of the Mayo Foundation and a member of that Board for 13 years, I recognize the Mayo Clinic's many, many contributions to society. For more than 100 years patients from throughout the world have benefited from the Mayo Clinic. The Mayo Clinic and this community have been home to pioneering open heart surgery, the surgical process of hip replacement, nonsurgical treatment of gallstones and a Nobel prize for the discovery of cortisone.

More recently, Mayo has pioneered new treatment for patients with acute multiple sclerosis. It has conducted cutting edge research in the areas of xenotransplantation, human genomics (?) and imaging. Even late last month there was an announcement of an exciting new research finding in the area of colorectal cancer detection that would make screening much more convenient and effective for patients and potentially save thousands of lives.

I travel the nation and the world both for Mayo and also as president of Vassar College and I recognize the unique attractiveness and the characteristics of this community, that brings to it patients but also brings to it physicians and scientists that are interested in conducting world class research that benefits mankind.

The largest railroad project in the history of the United States therefore threatens Mayo Clinic's ability to attract those patients, and even more so to attract the world class physicians and scientists who would want to live in this community. I think it's imperative to identify a solution that harms the fewest number of people. Simply put, it would be unconscionable to allow 37 or more mile plus long coal trains to barrel through the heart of this community and next to a world class treasure that benefits millions of people in this country and throughout the world. Thank you very much.

MS. SPRAGUE: Good afternoon. My name is Charlotte Sprague. I am representing the residents of the senior high-rise on 11th Avenue Northwest, one-and-a-half blocks from DM&E railroad tracks. We have many concerns about the DM&E project and what it will mean to Rochester. However, I am going to address just two of our concerns.

Our high-rise has 172 residents. The average age is 84.5 years. About 80 percent of the residents have health problems, and the majority of these problems are very serious. The availability of an ambulance and the speed in which our calls and needs are met is crucial to our health. The clinics, hospitals and yes, the ambulance service is all located on the south side of the tracks. Our high-rise is located on the north side. Therefore, the increased rail traffic suggested by DM&E, 35 plus trains a day, puts our health in jeopardy. At the times of our needs of an emergency vehicle, delays due to railroad traffic could delay an ambulance to answer our calls and again to transfer us to our hospitals.

Another concern of the residents is the noise factor. Of 35 plus speeding trains and their

whistle blasts at each rail and street crossing, we would have to endure this noise day and night. Presently there are nights when two, possibly three trains pass through, and we are disturbed by their several whistle blasts. What will it be like with 35 plus speeding trains?

I plead with the STB to listen to our needs and our concerns as well as the whole picture of what the DM&E project will do to this most unique and beautiful city and the world renowned medical center located just a few hundred feet from the tracks of speeding trains. I have lived in Rochester for many years and have enjoyed the growth and development. It is devastating to think what could happen to such a great place to live. Thank you.

MR. PETERSON: My name is Doug Peterson. I am director of procurement for Dairyland Power Cooperative, La Crosse, Wisconsin. My job responsibilities include purchasing coal transportation services for Dairyland's electric generating stations. Dairyland Power is a nonprofit electric generation and transmission cooperative, which provides wholesale electric power to 25 rural distribution cooperatives, 18 municipal utilities and a number of other wholesale customers.

These cooperatives and municipals serve over a half million people, most of which live on farms and in small communities throughout our five-state service territory. Dairyland operates three coal-fired power plants in western Wisconsin, which burn just under two million tons of Powder River Basin coal per year. The low sulfur content of Powder River Basin coal has played a crucial role in enabling Dairyland to meet increasingly stringent state and federal emission standards, while at the same time helping us to keep our rates at reasonable levels.

Dairyland is not offering any comments at this time on the merits of the various routes discussed in the Draft EIS. We would, however, like to take exception to the assertions of U.S. Forestry Service that there is sufficient capacity on existing rail lines serving the PRB. This perception apparently formed the basis for the Forestry Service's conclusion that the no action alternative was preferred.

Recurring service reliability problems which have been caused by congestion on rail lines in and out of the basin contradict these assertions. These problems have been occurring with regularity, typically during periods of high demand when utilities can least afford to have deliveries of coal disrupted. The DM&E extension will help relieve these disruptions, if not eliminate them altogether.

Having another carrier of entering the basin by a separate route will do more than simply relieve congestion and enhance service reliability. It will give shippers a choice. The no action scenario ignores the potential benefits of having a third rail carrier stimulate competition out of this area.

The STB itself is on record as advocating enhanced competition among railroads. I will cite here the proposed rules governing railroad mergers recently issued by the STB. The DM&E project is consistent with this policy goal and another reason why the no action alternative should be rejected.

Among the potential benefits to Dairyland is the fact that the more direct DM&E routes from the PRB to the Mississippi River terminals and gateways east are about 300 miles shorter than existing routes. This translates directly into lower transportation costs. Being a nonprofit cooperative, any savings Dairyland can achieve are passed directly through to the people we serve in the form of lower rates for electricity. We submit that it is appropriate that these economic benefits be given due consideration when deliberating the environmental impacts of the project.

Finally, I would like to note that over half of Dairyland's coal fire power plant capacity is over 30 years old. When this capacity is eventually replaced, low sulfur coal, PRB coal utilizing state of the art emission control technologies will be given primary consideration as a possible fuel for these plants.

Dairyland Power appreciate the opportunity to express its views here today and we would like to urge the Board to complete this review process in a timely manner and proceed expeditiously with issuing a decision which will enable this project to go forward. Thank you.

MS. KOLLMAN: My name is Karen Kollman. I am the Director of Fossil Fuel Services with Wisconsin Public Service Corporation out of Green Bay, Wisconsin. In my position I have the primary responsibility for the arrangements, for the procurement and transportation of coal to our power plants. A verified statement of this proceeding was previously submitted, and in that statement we strongly supported the DM&E's application.

As explained in our previous testimony, WPS is an integrated electric and gas utility that serves over 35,000 residential, commercial and industrial customers in an 11,000 square mile area. While WPS relies upon a mix of resources for the generation of electricity, PRB coal accounts for 64 percent of our total power production.

Wisconsin Public Service strongly supports the approval of the DM&E project for construction of a rail line into the Powder River Basin. We believe that the approval of a third rail carrier entering into the market for the transportation of coal will increase the competitive pressures on the current rail system, which will offer benefits to the public through lower rates for coal transportation. If approved and implemented, the DM&E construction plan -- the various existing. I got mixed up.

If approved and implemented, the DM&E construction plan can open up new and more efficient routings for the transportation of PRB coal from origin mines to various existing and feasible interchanges with the lines of the other rail carriers that serve other generation stations.

The proposed DM&E spurs at the individual PRB mines should help reduce congestion and improve mine flexibility in the loading of the trains. The DM&E west end traffic and efficient operating plan and the movement of trains into and out of the Powder River Basin should lead to fewer route miles, less locomotive emissions and less congestion.

The entry of the DM&E into the basin will provide an alternate route for coal out of the basin, allowing the orderly and continuous flow of coal to the electric customers in the event of unanticipated interruptions of service occurs on other rail carriers. The DM&E route has a pronounced geographic advantage for service to a number of markets in the upper midwest, upper Mississippi River basin and the Greater Lakes region. This could be of great value to our utility and other coal burning utilities in these regions because of improved unit train efficiencies and the resulting competitive rate making pressures on all carriers.

The resulting competitive transportation rates will increase use of cleaner Powder River Basin coal in existing coal fired generating units as well as the conversion of higher sulfur coal units to units capable of burning the lower sulfur Powder River Basin coal. This would mean less sulfur dioxide emitted into the atmosphere.

In consideration of the above arguments we urge the STB to speedily approve the DM&E project. Thank you.

MR. SCANLON: My name is Paul Scanlon. I am speaking on behalf of Rochester School Board and Rochester Public Schools. I am also a physician on the faculty of Mayo Clinic and the Mayo Medical School, but I do not represent Mayo in this issue. I am here to speak

against the expansion and upgrade project proposed by the Dakota and Minnesota and Eastern Railroad.

On September 22nd, 1998, the Rochester School Board adopted a resolution in opposition of the project. The reasons for this resolution are several. The most important reason for opposing the project is student safety during transportation. Rochester Public Schools provides transportation for 14,000 public and private school students each day. School buses cross the east/west rail corridor an average of 373 times daily. If rail traffic is increased with nearly 40 high speed trains per day, the at-grade crossings will become substantially more hazardous for our students. A large number of other students will be exposed to rail crossing hazard while walking and in private vehicles traveling to and from school.

A second concern relates to the potential for hazardous gas release resulting from a derailment. John Marshall High School, Washington Elementary School, Holmes Elementary School, Riverside Central Elementary School and several private and charter schools are all located within one mile of the tracks. In the event of a derailment with release of chlorine, propane, anhydrous ammonia or other toxic gas, students in these schools will be exposed to environmental conditions that are immediately hazardous to life and health. That is, they are potentially fatal conditions.

Evacuation of these schools may not be achievable in a timely manner. Although these gases are not the primary cargo intended for the upgraded rail line, they are currently transported by the DM&E. This company has one of the worst safety records in the industry and has had numerous derailments within 30 miles of Rochester in the past three years.

A third concern is noise and vibration. Schools lying close to the tracks will have additional noise and vibration burden with the addition of high speed trains. This is not conducive to our educational objectives.

A fourth concern is air quality, which will be adversely impacted by particulates released from the transported coal, as well as carbon monoxide and other products of combustion released by trains as well as automobiles stopped at crossings. All of these will adversely affect air quality.

A fifth concern is overall impact on quality of life and health in Rochester. This project will adversely affect all of our students and their families. For those reasons Independent School District Number 535, the Rochester Public Schools, stand in opposition to the proposed rail upgrade project and request that you reject the proposal.

MS. HENNEN: Good afternoon. My name is Amy Hennen. I am here representing on behalf of the Izaak Walton League of America's midwest office in St. Paul, Minnesota. We work with conservation groups across the midwest and the nation on a campaign to educate the public about the adverse health and environmental impacts of coal fire power plants and the benefits of cleaning up these plants. We will submit more extensive written comments, but I am here today to address the lack of attention in the DEIS to the important issue of power plant air pollution.

Despite the fact that DM&E acknowledges that the primary purpose of the proposed is to ship cheaper coal to midwest power plants, thereby aggravating the problem of the pollution, the DEIS does not address this issue.

The proposed Powder River Basin expansion project would adversely impact national energy policy. In Minnesota coal fired power plants provide two-thirds of our state's electricity and over one-half of the nation's. The root of the problem is this. When the Clean Air Act was amended in the 1970s, Congress exempted power plants from meeting the same air pollution

regulations that a new plant must meet. Today these grandfather plants make up 77 percent of our nation's coal fired fleet and have air emissions five to ten times greater than emissions from new, more efficient plants. Having lower pollution standards applied to them, they invest in less emission control equipment and measures and have lower operating costs, all the while producing far more emissions.

Turning more specifically to the pollution from coal fired power plants. There are five primary air pollutants that should concern this Board. The first, sulfur dioxide, the primary component of acid rain, which acidifies lakes and streams to the point that fish cannot survive in them and causes other environmental degradation. The electric utility industry collectively emits over two-thirds of both Minnesota's and the U.S.'s sulfur dioxide pollution.

Next, the Board should be concerned about nitrogen oxide emissions, a precursor to ground level ozone or smog. Coal fired power plants emit 40 percent of the state's nitrogen oxide pollution and national utilities emit over a third of these emissions.

Third, carbon dioxide, a climate change gas. About 38 percent of the carbon dioxide pollution in Minnesota comes from the state's utilities. There are a number of predictions about how global climate change will alter natural systems, and Minnesota is particularly vulnerable.

Fourth, this Board should be concerned about mercury and other air toxic emissions that are deposited from the air and poisons our health and environment. Coal fired power plants are the largest source of man-made mercury emissions, responsible for over 30 percent of the nation's inventory.

Finally, particulate pollution also known as soot. I will skip the health report. You can read about that in the written comments. For all of these reasons, and regulatory reasons, the Board needs to seriously consider the economic feasibility. Power plants are meeting a whole host of federal regulations that are bearing down on them. We need to stop burning so much coal. We need to change our fuel mix, to burn cleaner fuels.

Finally, on a personal level, as an energy professional and public health advocate, as an environmentalist, as an outdoor athlete, as a resident of Rochester physician who is one of those radiologists who has to deal with those MRI machines that Dr. Smith talked about, and most importantly as a mother of a ten-month-old baby boy who has asthma I urge you to seriously consider the long-term and larger impacts of this project. Thank you.

MR. MOLLOY: Good afternoon. My name is Kevin Molloy. I have been a resident of this community for the past 25 years. I am vice-president of operations for Sunstone Hotels, the largest operator of hotel rooms in the community. We have a total of 1332 hotel rooms in four hotels. We are 28 percent of the marketplace. All of our hotels are within a four to six block distance from the railroad. We are a city of 83,000 people.

We are all highly dependent upon one industry: Medical care. This industry employs over 20,000 people in Rochester and attracts over one half million people to our city on an annual basis. In addition to this the city attracts about 80,000 people who attend conferences and conventions, as well as many corporate and leisure travelers.

All other industries in the city exist directly or indirectly because of that one world famous entity. Effectively the entire city, county and the immediate surrounding region owe their financial well-being to the one driving force of medical care. On an average night we can have 1400 guests staying at our Sunstone hotels. On peak weeknight occupancy we can have over 2000 people staying in our hotels, all four blocks from the railroad.

The clientele who come to our city are generally older and somewhat infirmed. It is

essential that the community provide a safe, secure environment for these visitors. The bulk of the remaining industries after Mayo and IBM, which employs 6,000 people, are primarily services to the two primary employers. Sunstone, the company which I represent, is the third largest private employer in the community. We have 850 employees. So you go from very large to very small service industries very fast. We have a fragile economy.

The city has over 5,000 hotel rooms, an inordinate amount for a city our size, justified by the number of medical and corporate visitors who come to our community annually. We are a thriving destination for international, regional and state conventions. Nothing should be done to endanger this industry whose infrastructure is in place in the city. It is our belief that 30 to 40 trains a day passing through the city will do this.

There are obvious dangers to the local residential population and to the transient population if the DM&E upgrade through the heart of the city is constructed. The upgrade will split the city in half and make access to the south side of the city a lot more difficult. Simply to keep the local economy running automobile access cannot be hindered in its flow through and around the community.

Emergency access, which is something that we have regular demand for at our facilities, is absolutely crucial at all times of the day and night. The DM&E upgrade could considerably hamper this as it relates to the number of trains passing through our city. Noise is a very real concern.

Another concern is the danger of derailment. Imagine, if you will, the need to evacuate four high-rise downtown hotels occupied by a market that is primarily 65 and over and, generally speaking, of hampered mobility. There aren't enough resources to organize an evacuation if it is necessitated because of derailment.

When one considers other hotels adjacent to the railroad, there are an additional 1700 rooms for a total of 3,000 hotel rooms within eight blocks of the railroad, and by the way, approximately 1800 hospital beds. What an awesome responsibility to make a decision such as this. I strongly urge the Surface Transportation Board to deny the DM&E request. Thank you.

MS. CAUCUTT: I am Amy Caucutt, the legislative policy analyst for Olmsted County. My education includes an MBA as well as a master's degree in industrial relations. At one time I was an economics and business management instructor at Winona State University. I have followed this issue for two-and-a-half years.

Sirs and madam, you simply must add to your resource staff people who are skilled in the discipline of economics if you are going to rely on economic assumptions to build a case for this project. In the short Section, 3.2-1, the no action alternative in the Minnesota volume you make a number of statements which I suggest you research more closely.

The first step in reaching an appropriate business solution is in asking and then solving the right questions. Where is your research? Where are your models? Where is a complete regional cost benefit analysis?

You assume in this Section that service and reliability are issues to the DM&E shippers. What shippers? How many and what percent of the economy are they? What and how big are the issues. Are they big enough to require a 1.4 billion dollar solution?

You assume if this project fails, "hundreds of trucks being added to the roadways." How did you reach this conclusion? A 1989 study in North Dakota found that large unit trains which no longer stopped at every local grain elevator led to more truck traffic, not less, as trucks drove greater distances to fewer access points.

You assume "the existing conditions of the rail line will continue to deteriorate." Why? If you think that competition leads to better service, and you must or you wouldn't be countenancing a third railroad for Wyoming coal given all the environmental problems that you listed. The fact that shippers can turn to trucks or that no farm in southern Minnesota is further than 40 miles from another grain hauling railroad should help the DM&E improve or rightly go out of business.

You make dire predictions. Almost up to a general prolonged recession in the region if this application is denied. Get a grip. Look at the economy of the entire region. The projected job increase for the entire state from this project is one quarter the projected job relocations of one employer, Pemstar, in Rochester if this project is approved.

In fact, if the question is DM&E's viability, there are many other solutions than in project. Find a buyer, as the DM&E itself was for the Chicago Northwestern. Sell to a government entity, as was done in Wisconsin or in the Duluth area. Seek funding from government loan or grant programs.

This coal train proposal is just the solution for the biggest profit for DM&E. Please don't try to use economic assumptions to sell it as the best or only answer for farmers, shippers or southeast Minnesota's economy. Learn to ask the right economic questions before you jump to the wrong solutions. The biggest problem in business management is solving the wrong question correctly.

MR. RICE: Robert Rice, citizen. One year ago my wife and I made the decision to move here because of the fine characteristics of the area and the great people. If we had known that this coal train project could have gone through, we would not have come here. As it is now, I would not plan a convention here. I would not start a business here.

Also, I resent the wedge that the DM&E, STB has put between the citizens of the Olmsted County community. We have been forced to consider options of how this could be done, instead of the primary issue of whether or not it should be denied. The economic feasibility conclusion from the STB is questionable at best. The stated project costs of 1.5 billion, what has ever come in less than double an estimate. I believe that it will be three billion dollars, plus interest, you will probably have -- they would probably have a four or five billion payoff.

If the DM&E should gain approval, I don't believe that they would succeed. We have heard several reasons why. The long range future of coal in this country is something like that of buggy whips a hundred years ago. It's a little extreme, but it is not a growing situation.

We have no specific evidence that there is a secure customer base for the business that DM&E would try to get. I don't believe that there is a confirmed approval environmentally of the coal barge hauling from Winona down the river. If the DM&E did get operational, I believe that they could easily be taken over after they go bankrupt or near to it by a large company who could double track the route and put hundreds of trains through here.

We must stop the coal train project in order to save the quality of life and the future progress economically in the Olmsted County community.

MS. LIPSAY: My name is Beverly Lipsay. I realized that when I heard about this particular program, that most people would be speaking from institutions or from various organizations. I decided I would like to speak to you personally if I may. The issue of safety will be my main focus.

In 1958 I moved here from a small North Dakota town where the railroad was a Godsend.

Not only did it offer a livelihood to the neighboring farmers and to townspeople like my brother and nephew, but also its passenger trains offered us a connection to the rest of the world and the possibility of future adventures in travel to young people like myself.

As in many cities, the tracks divided the town, north and south. It, however, unlike Rochester, had medical facilities in each division. Here on the south side lie three hospitals, the Mayo complex, and the only ambulance service, all within a few blocks of the tracks. On the north side lies only one medical facility, a small branch of Mayo. The north side, it is presently our largest growth area. Thus if there were a blockage of the tracks caused by a derailment, by a spill as mentioned, or simply by a large number of cars delaying traffic, lives could be in peril.

The only recourse would be to drive to Highway 52, cross the bridge on Second Street, and then proceed to Saint Marys emergency room. The delay could be life threatening. As a result of the projected increase in the number of trains passing through Rochester, many of us are fearful, and with reason. Already I have lost a friend to the 11th Avenue Northwest crossing. At Northgate Health Club I fainted in the pool and had to be taken to Saint Marys by ambulance. A delay could have meant my life.

Another time, while driving to Rochester Methodist Hospital where I work as a volunteer, I began to have severe chest pains. Ahead of me was a procession of cars which suddenly stopped. A train was passing by on the tracks ahead. I sat there terrified for 10 minutes thinking I was going to die. It was an angina attack, but again, it could have been life threatening.

Within recent months a spill occurred in the nearby town of Byron. Businesses had to be evacuated. If that were to happen here, not only the medical facilities could be endangered but also four nearby senior high-rises, as well as the residents of that area. Imagine the chaos that could result.

These proposed coal trains would not provide any of those things that the trains of my childhood did. Instead, they would offer at least nine times more noise, nine times more pollution, and also an additional heavy tax burden. Finally, it would additionally add nine times of fears. How are you going to resolve this problem? I sincerely hope that you will decide that the expansion of DM&E will not be feasible here. Thank you so much for listening.

MR. WILKINSON: Hello, my name is Forest Wilkinson. I am director of marketing for Wilkinson Hardwoods. The rail line now owned by Dakota Minnesota and Eastern first provided valuable services over 100 years ago. It provided transportation of goods to the farming communities located along this nearly straight east/west line. For over 100 years the family of communities have grown with the efficient and safe rail line providing reliable service over the decades. Towns like Lake Benton, Tracy, Lamberton, Sleepy Eye, New Ulm and Mankato have made use of this rail to move corn and soybeans, the life blood of these agricultural towns. Not only farm commodities but bulk items like -- and cement production are safely moved on this rail line for the benefit of these rail towns.

In recent years the DM&E provided services to grain elevators during bumper harvests throughout southern Minnesota when larger and more prestigious rail lines were effectively paralyzed. Towns like Winona, Lewiston and Rochester enjoy inexpensive and reliable electricity due to coal deliveries to municipal power plants. The homes in these towns are warm on February nights. Computer monitors glow in school rooms, heart monitors guard one's health, Mayo clinic partly due to electricity generated from coal transported on the Dakota Minnesota and Eastern rail line.

We have been told by the president of DM&E that a major overhaul is required so the

little engine that could can continue to offer the most efficient, ecological and safe transportation of bulk commodities over land available. Some have feared the project along the private rail line with private dollars would generate widespread job loss. On the contrary, many long-term jobs will not be lost, as we can expect if the DM&E were to fade away.

We must keep in mind the jobs generated for hundreds of families' bread winners in upgrading of this rail line. Also reliable transportation is a major factor when new businesses locate facilities, the improved DM&E would be attractive to new job creating businesses.

Recent derailments are causing irrational fears of greater rail traffic. We must keep in mind that this is evidence of a very real need of upgrading of this arterial rail line. With improved facilities -- and other upgraded rail lines we can then expect impressive tons per mile safety record as seen on other modern rail lines. There is also a misconception that hazardous materials such as propane and ammonia will soon be transported on the rail line, that this is unacceptable. However, these materials are currently handled on the DM&E now. The alternative is to load these trucks and drive them on the presently overtaxed and dangerous Highway 14. If this were to happen we could see a dramatic increase in heavy truck loads on local roads, which in turn increases road maintenance costs on local city and county boards. Rail has a proven safety record over truck travel for such hazardous materials.

Some have implied that open top coal cars will cause coal dust and hence it will deter people from visiting this town. My father used to live in Sartell and the Mississippi River, and I traveled Burlington Northern and they have many rail cars, many coal trains and there is no dust in Sartell, Sauk Rapids. Also the local hospital in St. Cloud is not complaining of noise and vibration due to its proximity to this large rail line, Burlington Northern and its heavy track.

So I think going forward with this is a proper thing. It's allowing DM&E to provide safe, vital, ecological and inexpensive rail service. It's in the best interest of Minnesota and all of us. I think that's the way to go. Thank you.

MR. ROBERTS: Good afternoon. My name is Steve Roberts. I am a citizen here. I have grown up and lived in this community since 1960. I have a family and my property butts up to the DM&E rail line. My home is about a few hundred feet from the rail line. The DM&E rail line currently goes over Silver Creek and the Zumbro River, which is a direct feed into the underground aquifer that provides drinking water to my well. In addition to all the other reasons you have been informed about, my concerns are the drinking water; how will my water supply be protected; who is going to test and monitor all the private wells along the DM&E tracks. The projected coal dust pollution will affect the quality of water that my family and many other families drink. What happens in the event of a derailment or a chemical spill? With the awful safety record of the DM&E, this is a real possibility of serious health and environmental consequences.

In addition, I live less than one mile from the FMC, federal prison here in town. That facility is only a few yards from the rail line. In the event of a hazardous spill or derailment there is no way the inmates or workers could be evacuated from that site.

Property values. I make my living selling real estate here in this community. We have already experienced properties close to the tracks that have either not sold at all or have sold for less than the same home further away from the tracks. My property backs up to the tracks. If this upgrade were to be approved I project a 25 to 30 percent decrease in property values. I would urge you to deny the upgrade for the DM&E railroad. Thank you.

MS. SKOW: Ms. Rutson and other members of the panel, thank you for being here. I

am Roberta Skow, a farmer's wife, Salem Township. I am against the bypass. When I purchased my farm, the first time I saw it 45 years ago, the first thing I did was determine will it be flooded. No. Are there any trains close by, no. Or I wouldn't have bought it.

I am going to tell you a little bit more about the farmer's viewpoint. Many farmers, in fact I think you can find statistics that mention, that you really need about 1200 acres for an average family farm. Many of these are located in different areas. They have a farm headquarter and then they have rented land all over a 25 or 35 square mile area.

This is true of our farms. We have our headquarters on one side of the proposed bypass. We have another farm on the other side, and we rent other areas. Can you imagine trying to farm if most of your township roads are closed in the event of a bypass for safety reasons. Therefore, you would be moving slow moving machinery, very large machinery, several miles to find a county road that's open, and go around, and you are going 20 miles an hour.

The farm to market concept is a federal concept and would be decimated. The average 1200 acre farm provides 150,000 bushels of grain per year. The average semi, the grain semi holds 900 bushels. That would mean if we didn't have a decent railroad, we would have 150 semis from each average farm traipsing down Highway 14. Right now it takes you minutes, literally, and sometimes more than five minutes, to get a semi onto Highway 14, just to get it to your farm headquarters.

I also feel that many of the things that are mentioned, panic attacks by citizens, are because of the wrong or exaggerated viewpoints that are handed out by their leaders of their organizations. I feel that this must be proved. If they think they are going to get a bypass for 100 million, I'm sorry, there are many of us that feel it will be 200 million. All they need to do is look at the chasm behind my house. So I think they should be notified, the citizens, of what really are the facts.

MR. RICCIOLI: Hello. My name is Vincent Riccioli. I have been a private citizen of Rochester for the past almost 27 years. Just in the last week I completed a seven-week period of 36 radiation treatments at the Charlton Building of the Mayo Clinic. Since hundreds of patients share the treatment rooms and it is important to be on time for their treatments, you must allow yourself time to get to the treatments. If you take a chance on going the shortest route, the way I normally do to Fourth Avenue, and meet up with a train, you are going to miss that treatment. Missing a treatment is a serious thing.

The other thing that really scared me during these treatments, laying on the table receiving the radiation is a precise thing. You lay on the table, they just move you -- they tell you don't move. They move you an inch here, a little finger pushing on the other side. They want you to be exactly on a small dot to the table, compared to a small dot that they tattoo on your body.

Can you imagine the fear that you have when you hear a train going by. Is that table going to move. Is the radiation going to hit an organ like the bladder or the rectum. This is the fear of many patients now.

When you increase it to 36 trains, with a heavier load, I fear that I will be afraid to go back to the Mayo Clinic to do this treatment if I ever had to do it again. I am sure this will be in the minds of many other people.

The other issue I bring up which is similar, is the noise. I live in the northwest side of Elton Hills Drive, and just last Saturday night I was awakened by the train whistle and it took me two hours to get back to sleep. In the condition I was because of the radiation, which they stress

a lot of rest, this is not a good thing. It's bad for the health.

So I implore you to stop the train. We do not need it. It's just the thing where people are looking for more money. We can get coal from other people. Thank you.

MR. SHEPS: I'm Sheldon Sheps. I am an emeritus professor of medicine and a physician specializing in diseases of the heart and blood vessels. I am now a consultant to the National Heart, Lung and Blood Institute of the National Institutes of Health, to the Pan-American Health Organization and to the Association for the Advancement of Medical Instrumentation. All headquartered at Washington, D.C.

I have lived in Rochester for over 40 years and have raised my family here. I cross the tracks four to five times daily. Perhaps once a week now I wait for a train to pass. However, the proposal to bring 34 more one-and-a-half mile long trains each day are proposed. Up to eight rail crossings could be closed simultaneously.

The accompanying environmental pollution and the interference with community life with people must be considered thoroughly. The DEIS fails to take into account many of the issues in a scientifically satisfactory fashion. I will try to make four points.

One, while there are fire stations on both sides of the track, multiple stations have to respond to a call to save lives and property. The DEIS assumes that the trucks can swing around long lines of waiting cars and cut across when the gate is open. That's not feasible on Broadway where there are traffic medians. Emergency, police and medical response times would rise dramatically. Situations where seconds and minutes count. Lives would be lost and survivors would have a reduced quality of life because they would remain brain damaged.

Two, the trains will haul hazardous chemicals in addition to coal. A derailment could result in the loss of many lives. It is impossible to move the hundreds of high level prisoners from the federal prison 60 yards from the track. The 150 patients or more on life support in intensive care units at the hospitals and the many elderly citizens living in high-rise apartments. These places are all close to the tracks.

Third, the impact on neighbor life is woefully underestimated. I cross the tracks to volunteer in an elementary school. There are almost 400 school bus crossings daily. What about the impact of the dust and pollution on lung and heart health? We didn't see that.

Four, the noise and vibration impact of these heavy rail cars was adequately addressed. For example, the dozen very sensitive MRI scanners at the clinic which are located very close to the tracks, and the sensitive instruments at the many computer-related installation in Rochester; they could not function properly.

Rochester has been the number one city in America a number of times in Money magazine's annual survey. We would be last with all these trains going through the middle of town many times each day. The impact on the life, on business would turn away patients traveling to Mayo, markedly reduce commerce, close hotels, shops and restaurants and turn Rochester into a wasteland. Thank you.

DR. GIBBONS: My name is Ray Gibbons. I am Mayo Clinic cardiologist. I am here to talk about the impacts on the emergency cardiac care. The EIS barely mentions total daily blocked bussing time, which is the most important thing for emergency vehicles. Using the methodology in the document one can compute that this will increase 58 to 80 percent. Those are using assumptions favorable to the railroad. More realistically it will more than double.

This is not just about ambulances. It is not about our large hospital. It is not about the fact that we have more ambulances than anybody else. We have two unique features. One is

this. This is an automatic external defibrillator. In September the FAA mandated that they must be on every airplane within one year.

In October Congress passed legislation that they must be in every large federal building within one year. Why is that? They save lives. If you keel over in New York or Chicago your chances of survival are two percent. If you keel over anywhere else along this train route your chances are about five percent. In Rochester your chances are 40 to 50 percent, eight to 10-fold higher because we have these gadgets on every police car. Time is critical. The data here shows that the difference between dying and surviving is 36 seconds.

The second thing that's different here are these gadgets. This is a balloon angioplasty catheter. It is used to treat heart attacks. It is better than the clot busting drugs you have heard about. It is only available in 20 percent of U.S. hospitals. We pioneered its use in heart attacks here.

Time is critical. A team of four people must respond on an emergent basis as fast as possible. They are responding not just for the citizens of Rochester but for the citizens of this entire region who are sent here emergently for that kind of care. We have the best responsive time in the world. They are the envy of every other institution. They will decrease if the trains go through.

In summary, we have the finest emergency cardiac care system of any city along this route. It is indeed one of the best in the world. If you put the trains through, it will cost lives. There is no uncertainty about that. The only uncertainty is exactly when the trains will get in the way. Whoever approves this bears responsibility for those lives. As a physician, I would not want that responsibility. Thank you.

MR. GERMAN: My name is Don German. I am a concerned citizen. Although I have many concerns about the DM&E, I would like to speak to one issue. That's human environmental impact. More specifically, for the East Side Pioneers Neighborhood, which is the neighborhood that I am from.

The railroad literally splits our neighborhood in half and literally runs through the back yards of our neighborhood. This plan will affect our neighborhood more than probably any neighborhood along the route. I have heard people argue that the railroads were here first. The other one I have heard is that's what you get for moving next to the railroad. These are both poor arguments.

First of all, our neighborhood is one of the oldest in Rochester. There were people living in that area long before the railroad ever came through Rochester.

The second part of the argument is just as poor. This isn't like building next to an airport and complaining about the noise of the airplanes. There has been a long history of the railroad in Rochester. Never before has there been any evidence to suggest that there would be any increase in the traffic of the railroad, and certainly no evidence that would suggest the scale of increase.

Many of us bought our homes in this area because it gave us the quality of life of being close to town, a nice neighborhood and affordable. The affordability becomes very important for some of us because family is what is important to us rather than working a large number of hours to pay for a beautiful home with a humongous lot. In my case, I wanted an inexpensive home that was a good quality of living for my children that I wouldn't have to spend all my time working to pay for.

To have the railroad come through our neighborhood without the full consideration of the profound effect it will have on the way we have chosen to live is just wrong. I don't think that

the corporate profits -- I don't think the corporate profits is important as family. It really isn't the national need but a corporate profit issue. If there aren't enough profits in it for the corporation to compensate the people that it is hurting, maybe it's a project that they shouldn't be doing. Thank you.

MS. THEDE: My name is Connie Thede. I am the manager of purchasing at Muscatine Power and Water, Muscatine, Iowa. MPW is a municipal utility offering electric and water telecommunication services for approximately 30,000 residents of Muscatine, Iowa; as well as some surrounding communities for the water, utility and telecommunication services.

MPW has three coal fired generating units at our generating station located in Muscatine, Iowa. Our current projections include a need to receive approximately one million one hundred thousand tons of coal from the Powder River Basin annually. I represent MPW here today to express our support of the DM&E railroad efforts to expand the railroad and build into the Powder River Basin.

MPW believes that this effort will enhance the competition in the basin, and that is a vital element in maintaining low cost rates from that area and resultant low cost electricity. As a small utility it is imperative that we are able to obtain the lowest cost available for rail transportation in order to compete with the larger utilities which surround us.

Fuel and transportation are the largest expenditures for generating electricity, and we currently compete for wholesale power sales. Having another source from that area will enhance the competition and presumably result in more competitive rates in the future with savings passed on to the electrical consumer.

Muscatine, Iowa is located on the eastern boundary of Iowa and our current delivery carrier would interchange with the DM&E at Owatonna. The routing to MPW is comparable to our current alternative. DM&E delivery carrier at Owatonna versus our existing Ottumwa, Iowa alternative should result in improved cycle times due to operating parameters of the two interchanges alone.

With the current movement to merge railroads which limit competitive capabilities this project provides the opportunity to develop a third Class I railroad into the basin to help offset these mergers. With only two railroads serving the basin, history has shown that seldom are both sources operating at efficient levels. There appears to be cycles of having to subsidize one another during those periods. This creates a monopolistic type of environment for the shippers, which could be resolved by a third carrier to assist in the balance.

Another point that would be beneficial to MPW and other utilities is improvement to the utilization of rail car investment. Due to the inability of the two major carriers to achieve service standards in past years, we, like other utilities, were forced to acquire additional rail cars to our requirement at substantial financial investments. This leaves us with excess capacity when the current railroads are operating at optimum levels as they have this year. This excess capacity continues to cost utilities when the railroad's performance turns around.

In conclusion, the MPW believes that additional competition will benefit all shippers. It strongly support the DM&E's efforts and hopes that they will receive final authority and permits to construct the project. Thank you for providing me the opportunity to speak today.

MR. EDWARDS: Good afternoon. I am Richard Edwards, administrator of Charter House, a continuing care retirement community located on the campus of the Mayo Medical Center in downtown Rochester, one of five high-rise elderly housing structures within 50 to 100 yards of the DM&E tracks.

Charter House is home to over 400 older persons, average age of 85, who come to Rochester from 25 states and Canada to enjoy their last with of piece of mind. They are drawn by our proximity to world class health care offered by the nearby Mayo Clinic, the safety, cleanliness and convenience of our neighborhood, and the reputation for excellence our 280 employees have evolved over the past 15 years. There are 190 households on our waiting list.

The DM&E proposal is a real and immediate threat to the safety, health and welfare of Charter House residents and all elderly people who live in downtown Rochester, access its commerce or even travel through. The DM&E proposal is a real and immediate threat to the continued success of Charter House as a recognized center for excellence in service to the needs of older persons. A preferred place to live, a preferred place to work.

How can that be. It's obvious. Each of us is someone's child. Many here have living parents or grandparents. All of us should have or do have an older person in our life we care about. Think about it.

So if you love your mother or your aging grandmother, would you want her to live in a neighborhood where within 50 to 100 yards of her home 12, 28 or 32 coal trains, each a mile long, blaring through daily around the clock. Trains routinely increasing noise levels to ear shattering decibels. Trains disrupting her need for precious sleep. Trains generating vibrations that might shatter her beloved Hummel collection from the shelf. Trains blocking up to eight crossings simultaneously on streets she needs to drive for access to shopping, church and visiting friends. God forbid, trains owned and operated by a company whose safety records is documented to be among one of the worst in the United States.

As I have said, it is obvious, trains and the health, safety and welfare of older persons we love simply do not mix. They are a certain formula for ruin. I do appreciate that each of you is here today just doing your job. Please appreciate that how well you do your job will affect our community forever. With your power comes tremendous responsibility.

Having said that, I do question if the 5,000 page, 600 pound report of findings is an example of your best work. A reliable basis for critical decision making. For me it's bureaucratic boiler plate. The art of the vague, the noncommittal. It lacks believability.

I reference chapter 3 beginning on page 3.292 when you talk about the increased frequency of trains coming through. It's hard to believe that even increasing them from the current three or four a day to 11, we will have only one accident in every 12 to 18 years or that if it's increased to 37 trains per day we would have only one additional accident in 11 to 13 years.

The point is that if the report is to be a credible tool for understanding in critical responsible decision making it's a tool that needs repair, sharpening and most certainly more time for study and analysis. The future of our community is at risk. We will not let the DM&E divide us literally or figuratively and destroy our future. Thank you.

MR. CAMPBELL: My name is Malcolm Campbell. I am speaking as a citizen. I am a retired physician who has lived in Rochester since 1957. I have lived south of the DM&E rail line since 1965. So my access to clinics and hospitals and government and commercial operations is not affected by the present DM&E route. I could say that the projected increased railroad traffic won't matter to me. But I am a citizen of the entire city of Rochester and can plainly see that my fellow north side citizens will have their life adversely affected by having their free access to the services I just mentioned frequently blocked, sometimes to their great peril.

I am asking, what provisions will be made for safely reconnecting the two halves of our

city if this upgrade is approved and who will pay for it.

DR. PETERSON: Good afternoon. I appreciate the Surface Transportation Board having come to Rochester to hold these hearings. I am Dr. Noel Peterson. I am the president of Olmsted Medical Center. Olmsted Medical Center is a multi-specialty medical group and hospital with branch offices in 10 of the communities that surround Rochester. We employ approximately 110 physicians and mid-level clinicians and 550 additional staff. We provide primary and selected secondary medical care to patients in southeastern Minnesota.

OMC strongly opposes any increase in the number of trains through Rochester. OMC also opposes the use of a bypass around our community. Many of the concerns that apply to impact of health care delivery at Mayo apply to OMC as well. Our main clinic office and hospital is south of the tracks and the majority of Rochester's population is north.

Although the majority of trauma and cardiac emergencies are initially managed in Mayo facilities, a small percentage are initially managed at OMC's. More of a problem for OMC, however, are concerns of the speed at which professional and support staff can reach our hospital. Since we are a smaller medical organization, we do not have residents working for us. We depend on our staff being able to promptly arrive and to manage emergency medical situations. We have time requirements for them to arrive at the hospital, and time delays caused by these trains may seriously impact the response time.

OMC does not believe that a bypass around Rochester is a viable option for our employees and patients. This bypass will destroy hundreds of acres of prime agricultural land and make medical, commercial and personal transportation much more difficult and less safe. Doing the wrong thing in a different location does not make it less wrong.

We believe that the addition of coal trains through Rochester is not needed. There is currently ample capacity to transport coal from the Powder River Basin eastward by using existing lines. We have serious concerns about the thoroughness of the EIS. We believe the impact of noise, vibration and air pollution in the Rochester community has been significantly underestimated.

On a personal and perhaps a more emotional note, the Rochester community has worked very hard to make this one of the most desirable American cities in which to live. These efforts have resulted in larger, more diverse population that is fully employed. This expansion would seriously erode that environment and the community's success.

Concerns have been already been raised about DM&E's safety record, making a major disaster in Rochester a big concern for us. The medical centers are close to these tracks, literally making it impossible to evacuate patients in the time of an emergency. Some are critically ill.

The DM&E expansion is not needed. It is not wanted. We strongly urge the Surface Transportation Board to reject this expansion proposal. Thank you.

MR. LUSK: I am Steve Lusk, business manager at International Brotherhood of Electrical Workers, Local 343. I am also the president of the southeast Minnesota construction and building trade schools. I am here speaking on the issue of the coal trains.

I believe the STB should take several issues into consideration before making any decision. These issues are: Safety, infrastructure and long-term effects. Safety is, in my opinion, the number one issue to be considered. For example, what is one life worth. If knowing the expansion of the trains through Rochester is going to markedly increase the risk of harm, is this the thing to do. The answer is no. When should government or any Board put people's safety behind private interests. That answer should be never.

Who is to benefit? People should always benefit from change. No one should be put at risk because of change. An infrastructure, the same holds true here. When creating anything new we need to hold safety as the number one concern. For example, a bypass. What are the safety concerns. A tunnel. What are the safety concerns.

There seems to be an awful lot of concerns for costs. Very little concern for safety. At every level of discussion I have heard cost concerns. At no level have I heard the word safety. Infrastructure is not just associated with cost. Or better yet, should not be just associated with cost. Safety for all must be the overriding concern for these types of projects.

Long-term effects. Progress, the key to progress is positively affecting the majority. How can this project go on with the least negative and most positive for long-term for all. What are the options.

In closing, these are the ideas I believe the Surface Transportation Board has to deal with. The issue should not be jobs, costs or profit. The issue should be quality of life, safety for the community, safety for family. We are here to make this world a safer place to live. Please consider all these issues when making your decision. Thank you.

MS. BATEMAN: I am Sue Bateman. I am a private citizen. I have three primary concerns to talk about. First is air pollution. As a Rochester resident for 57 years, I have enjoyed clean, clear, and -- except for the wealth of calls of geese and ducks -- relatively quiet air.

The proposed 37 coal trains rushing through our city would spread enormous amounts of coal dust throughout our environment, fouling our air, our homes our downtown, our parks and our breathing. Coal dust is not only gritty, it is downright oily. It smears everything it touches, requiring diligent and constant scrubbing. Our snow would never again be white. Our clothes would need constant cleaning. Our very breathing is threatened.

Second, is noise pollution. Those 37 trains speeding through town would traverse 15 consecutive grade crossings. We will have train whistles probably lasting five or 10 minutes 37 times day and night. Figure for yourself how constant those trains whistle will become. Could we ever open our windows, even during pleasant weather.

Third, of the DEIS's 5,000 page report, exactly 28 pages are devoted to proposed mitigation suggestions that's dealing with the targeted communities and rural landowners to reduce the obvious nuisances this project will inflict upon us. Their suggestions are that the applicant, that's the DM&E, accede to the victims', that is my term, concerns in the following manners. I quote, "To the extent possible, shall make reasonable attempts to notify, shall insure whenever possible to the extent practical, shall attempt to." Does this sound like we in Rochester or any of the others being targeted would have much to say for this project and approval. I strongly urge denial.

MS. MARCOUX: Thank you. I am Marcia Marcoux, a city council member here in Rochester, Minnesota. First of all, I would like to welcome you to our city and thank all of you for taking this time to hear from many of our citizens and business people about their concerns and questions on this proposed expansion. We also appreciate the time spent by your staff and consultants over the past two years in preparing this Draft Environmental Impact Statement. To me that shows that you were really concerned about trying to research the many potential impacts.

It is very important to be sure that the data used from our community in its final decision is as accurate as possible and reflects quality evaluation of the true impacts. I do realize that you

have gone beyond your normal minimum of 45 days. But I would respectfully request that you allow a total of 180 days for our responses.

For example, I would raise the issue of the base line existing train traffic numbers used in much of your technical analysis. Your Draft EIS uses 12 full trains per day. We only have at most an average of three. We also do not believe that there are nine wave rate or switching movements each day. Since wave rate and switching movements involve much shorter lengths with much less noise and vibration than through trains we cannot understand why these should be added to the existing base line.

The issue of this number is important because it affects all of the technical analysis. If the route through the city is approved, several grade separations will be needed and a cost for these should belong to the railroad, not the local taxpayers. I would ask that you give some direction as to the mitigation of impacts. By this I mean looking at true costs involved and who pays. This financial cost is not addressed but is real.

Please do not leave these issues hanging out there and unresolved. Mitigation and impact costs from railroads are a major concern for cities, as we are left absorbing that cost. Since the STB controls the rail industry growth you need to direct that cost to the railroad or else federal dollars need to be directed without affecting other transportation programs' needs.

It is my understanding that neither the Federal Railroad Administration nor the STB addresses train length. This proposed DM&E project suggests unit coal trains of 115 to 135 cars or one-and-a-half miles long. At that length eight crossings within Rochester would be closed at one time.

Currently one of the lines already carrying coal from the west is starting to experiment with 230 car unit coal trains. There is nothing that will keep DM&E from using the same number. Please consider the true dollar cost, not only to DM&E but to Rochester when you make your final decision.

If you decide this project should proceed, then you should order an alternative route since the impacts on this community are so great. Again, I would request that you order a definite alternative and give direction as to responsibility for financial cost. Thank you.

MR. ORWOLL: My name is Greg Orwoll. I happen to reside on the north side of the town, therefore will be individually affected by this proposal. I am an attorney admitted to practice in Minnesota, the Minnesota Federal Courts, and the United States Supreme Court. I have eliminated many of the comments I was going to make because of in the interest of time and because many other people have already made them.

But I do want to comment on the fact that for 32 years I was associated with the Mayo Legal Department, 25 of them as general counsel, and subsequent to that as senior legal counsel and senior counsel. I currently serve as chairman of Mayo's emeritus staff. I, therefore, am pretty well acquainted with Mayo. I am very concerned about this proposal.

Rochester is a town devoted to service in an area previously devoid of the problems these coal trains unquestionably will visit on this community and this area and Mayo. Mayo is a nonprofit charitable corporation. It's the largest and best known medical institution in the world. It means too much to this area, this state, this nation and the world to permit this damage to occur.

Mayo last year had 22,000 employees. It served over 300,000 individual patients. It had a huge education and research budget in excess of 368 million dollars. This was a tremendous benefit not only to this area but to the whole country and to the world.

I think I will not comment further along those lines, but I do want to comment on the proposal that these trains go right through Rochester. While I support the no-build, should the Board not adopt it, however, I favor the next best option, the bypass. I realize some of the people in this room do not want to hear that. But I think in view of the tremendous damage this would cause by going through Rochester, if the proposal is not totally rejected I think you have to look at the bypass.

The loss to the citizens of the Rochester area, its businesses and other institutions would go uncompensated if these coal trains go through Rochester. Whereas any property involved in the bypass would require full compensation to those few affected by it, persons thousands in Rochester.

Despite what is said in the Draft Environmental Impact Statement, the additional cost of a bypass should be paid by the railroad, which will be creating the entire problem and which stands to gain the benefits, i.e., money. It would be an unheard of proposition of law to require payments from those potentially harmed to avoid harm deliberately created by another and for profit. Please don't let money for a few decide this issue.

MS. DUKART: My name is Debi Dukart. I live in Rochester. Less than a hundred feet from the existing line. My husband and I bought our home in 1974 when the previous railroad was attempting to abandon the line. There are many, many reasons for not wanting the coal train, but those of us living close to the tracks have many concerns that don't affect the rest as much.

The noise from the horns has increased significantly over the last two years. I know it's for safety, but it's very upsetting when your son, who is in the army and in the field calls and only has a couple -- I'm sorry -- and he only has a couple minutes to talk and a train goes by. We can't hear what the other is saying and we may not get to talk again for weeks. You can't hear any conversation with the person sitting next to you or hear the TV.

The DEIS said it is a nuisance, but it is really much more than that when it startles you awake during the middle of the night and you can't get back to sleep. According to the DEIS, buildings located within 100 feet of the rail line would experience vibration at levels likely to cause disturbance to the daily life. Structures would experience damage such as cracking of the walls, the foundation, plus breakage of items falling from tables, walls or shelves due to rattling as a result of increased operating, weight, length and speed of coal trains. Ground vibration is expected to extend outward for several hundred feet, affecting hundreds of homes in our area.

Our neighborhood near the tracks is home to many elderly, retired people; single-parent families; multiple-job working class families; minorities and the disabled. The homes are mostly older affordable homes, some dating back to the mid 1800s, of which many of us homeowners have invested heavily in.

My husband, children and I have put our hearts and souls into remodeling our home. Most of our spare time and money, along with the help of many family members and friends over the years. It is now almost unrecognizable from the house we bought 26 years ago. It is the home we had hoped to spend the rest of our lives in. It breaks my heart to know we have to leave it if the -- if the coal trains come through here.

Living by the tracks as they were for many years were a nuisance at times, other times they are entertaining with at most a couple of trains a day going by. But even an increase up to eight trains a day would be hard to live with. More would be unbearable, impossible to live with. Coal trains and neighborhoods don't mix.

MR. DIDIER: I am Paul Didier, a retired Mayo Clinic physician. I live three miles from the railroad track, whether it's bypassed or existing. I do have the experience of having lived within a hundred yards of the Peabody Coal Company track in Freeburg, Illinois, during my service at Scott Air Force Base. I lived there for 10 months, and I can tell you from firsthand experience that coal trains are noisy, and they do -- we went to melmac dishes because the dishes kept falling off our shelves and breaking. Melmac is a plastic dish and it doesn't break.

It's even worse when the coal trains, the empty coal cars come back. They are a lot noisier than the full ones and they are a lot dirtier. Now, I presume if we are talking about 37 coal trains a day through Rochester, there is going to be 37 non-coal trains, empty cars coming back. Otherwise there is going to be a lot of coal cars in Winona. I think that's something that we should be apprised of, the fact that it is two-way trip, east and west.

Lastly, I would like to remind you, late in the 19th Century great efforts were devoted toward completing the transcontinental railway. The government did some bad things. The promoters did bad things. Ultimately they have completed the railroad. But they generated a term for the type of people that resulted, robber barons. I hope that we don't have to face the robber barons again. Thank you.

MR. ZIMMERMAN: My name is Warren Zimmerman. Many of my concerns have already been expressed, such as what this will do to our city, the environment and the pollution and the safety and the quality of life in our city. Personally I just want to make this comment. As a person who has had a TIA, which is a small stroke, I am very concerned about the trains blocking the route to the hospital. As has already been expressed by many people, I live on the north side of the tracks. When I went to the hospital, was taken to the hospital, luckily the tracks were not blocked.

But I do cross the tracks many times during the week and I wait from eight to 13 minutes at the tracks. Several times this has happened to me. I have often thought how traumatizing it would be to be there if one were having an emergency like a heart attack or a stroke. I would request that you deny the request. Thank you.

MR. MACK: Good afternoon. My name is Dan Mack. I am here today representing CENEX Harvest States Cooperative. CENEX Harvest States is a regional cooperative serving the agricultural needs of producers and shippers throughout the United States, including the geographic area served by the DM&E Railroad.

My objective is to lend CENEX Harvest States' support to the efforts of rural Minnesota and DM&E Railroad. CENEX Harvest States supports DM&E's objective of expanding, rebuilding their railroad structure. CENEX Harvest States, in their capacity as a commercial grain processing company, ships in excess of 10,000 carloads on the DM&E annually. Served by the DM&E, CENEX Harvest States owns several grain export facilities as well as the Mississippi River terminal at Winona and soybean processing plant at Mankato, Minnesota.

In addition to the assets owned directly, several Harvest States affiliated local co-ops are also served by the DM&E. Harvest States works closely with those local cooperatives in terms of grain marketing and transportation services. Harvest States encourages the Surface Transportation Board and those applicable regulatory agencies to approve the DM&E expansion plan. Doing so has significant and potential economic benefits to the agricultural customers of both Harvest States and DM&E.

Should the DM&E expansion and rebuilding project not occur, CENEX Harvest States has concern about the future transportation services, facility asset valuation and related

transportation costs to those shippers served by the DM&E. Some of those concerns are, one, future viability of the DM&E. Expansion and rebuilding will provide for future cost effective transportation securities for a significant number of grain producers and grain companies throughout South Dakota and Minnesota. Particularly in western and central South Dakota, shippers have few alternatives to efficiently transport grain to market besides DM&E. Many producers of grain come from -- areas of the DM&E, would have to transport grain significant distances just to get to the next rail carrier.

Secondly, market access. The DM&E plan allows for potential expanded market access for their customers. Proposed interchanges would present a number of opportunities for grain shippers to keep grain market that was previously physically unavailable, perhaps priced so such economically unavailable. This translates into better prices for producers who are ultimately the owners of the cooperative.

Current railroad transport -- affects the overall economics of both shippers and railroads alike. DM&E shippers must remain competitive to compete with their competitors that are located currently in class I railroads. In addition to country elevator terminals, grain elevators CENEX Harvest States owns and operates soybean processing and oil refining facilities served by the DM&E railroad in Mankato, Minnesota. Not only are soybeans originating on DM&E presently, DM&E also provides transportation services for a significant amount of its crude and refined vegetable oil and meals produced at that plant.

Harvest States urges the Surface Transportation Board and applicable federal regulatory agencies to approve the proposed plan as stated by the DM&E. Thus to allow them to move forward on the project. Conversely, Harvest States discourages the no action alternative.

MS. KLEIBERG: My name is Marianne Kleiberg. I am a licensed realtor. I am here in place of Marilyn Stewart, manager of Edina Realty who was called away. I am also a railroader's daughter and I love everything about trains, every bell, every whistle, shaking walls and trembling ground underfoot.

But as a realtor I am here to tell you that the coal trains would have a devastating effect upon our community. Everyone who has spoken before me has spoken far more articulately than I can as to the effects on our quality of life, our community dynamics, the health and safety of our community and to the effects on property values around the rail lines itself, and the effect on property values from the point of view of people living in one side of town and trying to live, trying to work in the other.

Part of my job, of course, is to assist people in buying and selling houses; but another large part of my job is to assist companies and institutions in attracting employees to our city. That has become an increasingly important part of my job. I believe that unless this coal train is stopped, my job will be very difficult and our community will suffer drastically from being unable to attract the people we so desperately need. Thank you.

MR. SIPPEL: Good afternoon. My name is Dave Sippel. I am an executive vice-president and the chief technical officer of Pemstar, Inc. Pemstar is a Minnesota based, publically held, hi-tech contract manufacturing and engineering consulting company with 14 facilities worldwide and an employment base of over 4,000 people and annual revenues exceeding 500 million dollars.

Company headquarters are in Rochester, Minnesota, with facilities on Highway 14 West and Technology Drive Northwest. Pemstar employs over 700 people in Rochester and has consistently expanded operations in Rochester since its incorporation in 1994.

Recently Pemstar was ranked number 4 in the Minnesota fast 50 competition who recognizes the fastest growing technology companies in Minnesota. Pemstar has had a positive impact on economic diversification of southeast Minnesota and serves numerous important constituencies in the state, including Fortune 500 companies, a growing supplier base, shareholders and employees.

On April 7th, 1999, Pemstar's CEO, Al Berning, wrote a letter to the Surface Transportation Board expressing concern about the DM&E coal train proposal. Part of this letter reads as follows. Our company operates a major lab and plant on 2535 Highway 14 West in Rochester, Minnesota. The facility property is adjacent to the DM&E tracks. In addition to the health and safety concerns of nearby at-grade crossings we have several significant economic concerns with the DM&E proposal. Our 2535 Highway 14 West facility adjacent to the tracks designs and builds complex electronic instruments and equipment, which is affected by vibration of passing trains. We invested approximately five million dollars in facility enhancements to the building. If the DM&E proposal proceeds, with constant train traffic, we will not be able to continue operations in this facility and will incur a significant loss on our investment.

Since these expressions of concern about Mr. Berning, Pemstar has continued to win new precision automation business of a highly technical and vibration sensitive nature that will fill the Highway 14 West facility and necessitate expanding into adjacent facilities now being constructed. The investment in facilities has increased significantly. The effect of coal trains in close proximity to these facilities would likely cause Pemstar to move the facilities at great cost and with very significant economic impact to the company, the city of Rochester and the State of Minnesota. So we, therefore, request that you not support the DM&E proposal. Thank you.

MR. KUHLMAN: My name is Lou Kuhlman. I am a grain marketing advisor for farmers in southeastern Minnesota. I grew up in a family-owned grain elevator business in Byron, Minnesota. I have been a grain merchandiser for 25 years and I represent rural interests.

Today's DM&E railroad is deteriorating. Slow train speeds and derailments caused by track problems add to shipping costs for DM&E customers which are passed on to farmers in the form of lower grain prices. In the early 90s our elevator business shipped up to 1500 cars annually on the railroad. It takes 6,000 semi trucks to replace those 1500 cars from our business alone. Since then rail service has declined due to increased freight costs because of the outdated railroad.

The best rail service in these modern business is provided hundred car unit trains moving across the country and back in 11 to 12 days or less. It takes the DM&E nine days to move from one end of its line to the other in comparison. The DM&E does not have competitive access to other large rail carriers. This does not allow farmers along the DM&E competitive bids for grain during the winter months due to the closure of the Mississippi River. The DM&E connects directly only to the export market at Winona.

Upgrade of the line to handle more efficient larger trains will open markets for farmers in Minnesota along the DM&E to more export and domestic markets. The USDA estimates 10 to 20 cents a bushel in direct benefit to farmers from these proposed improvements in the rail line. Their estimate at 10 cents a bushel amounts to 90 million dollars annually in additional income to farmers along the railroad. The share for Olmsted and Dodge County farmers would be in the range of one to two million dollars annually.

Today a client of our firm in western Minnesota can sell to a hundred car train on the Union Pacific Railroad for 20 cents a bushel more than the elevator can at Byron. Value added

processing is very important to Minnesota agriculture. I am a member of the Board of directors at Alcorn, the ethanol plant in Clairmont located on the DM&E. This industry relies on competitive transportation availability. Further industrial development will occur along the new DM&E rail line in the rural towns across southern Minnesota. This means more good jobs in outstate Minnesota, and healthy small cities currently where we see decline particularly in western Minnesota.

The DM&E may not survive without the ability to upgrade its existing line. The DM&E deserves the opportunity to invest in its own business. The investment into transportation infrastructure will be paid for by clean burning western coal needed by our eastern cities to provide economical, environmentally friendly electric power.

Farmers receive better prices for their grain. Everybody knows where farmers spend an additional dollar of income. It goes right straight to Main Street Minnesota. This project must be allowed to proceed for all the right reasons. The benefits are broad economically, geographically and encompass a large population. The reasons for blocking a better railroad are small and supported by few in comparison. I urge the STB to approve the DM&E's application for upgrading and expansion of the railroad that serves our communities and farmers.

MS. RILEY: Thank you. My name is Annie Riley. I live four blocks from the tracks in the Kutzky Park neighborhood. I have been a member of the Southeast Minnesota Coal Train Coalition for over two years. I would like to address my remarks to Chapter 7, the Section of Environmental Analysis, proposed environmental mitigation.

This project is described as the largest and most challenging construction proposal ever before the STB. The impact caused by construction and operation would have significant environmental consequences, some of which, such as noise, would be difficult to mitigate. Are we simply to endure the tornado-like roar of 37 trains a day and the train whistles day and night.

Out of 5,000 pages, only 28 have been devoted to environmental mitigation. If, as stated, the environment analysis has taken the hard look required of the environmental consequences, these mere 28 pages with 104 mitigation measures are sorely lacking in specific standards or accountability.

How do we comment on plans yet to be developed or consultations that have not happened yet and where are the teeth for any enforcement. The document uses weasel words such as to some extent, to the extent possible, where appropriate, with the applicant deciding, make reasonable attempts, shall attempt to minimize, shall attempt to reclaim. We want to see words like protect and correct, solve, repair, reimburse and resolve.

Examples of proposed mitigation which are far from adequate. Number one, regarding emergency response. The applicant only has to consult with communities to coordinate train movements and emergency response and to discuss possible installation of a train monitoring system connected to traffic signals. This does not address the concern of delay and response time for emergency vehicles.

Number two, the one specific safety measure mentioned is the installation of reflective material on the back side of warning devices. Reflective tape is what we are given to help insure our safety. There is no discussion about addressing the disaster caused by a derailment. There is more protection for threatened or endangered species and for restoring and revegetating disturbed areas than for human beings.

Regarding noise concerns. There are seven mitigation measures which talk about developing a plan to address construction noise and vibration control. Where is the real

mitigation. Because of the significant environmental consequences and their impact, and because of the serious deficiencies in addressing the identified significant environmental impacts, the only reasonable action is the no build option. Thank you.

MR. FLOTT: I am Don Flott, a resident of Rochester. I agree with most of the speakers who are opposed to this project. Most of my objections have already been stated, so I won't take the time to repeat all of those. I do want to follow up on a couple of comments that were made.

There was one lady who thought that the emphasis on panic and medical problems were exaggerated, as I recall. Then we had Dr. Gibbons over here who held up the defibrillator and showed you the emergency equipment. Well, in 1994 I suffered from a sudden death, cardiac arrest while I was living in another city. If it had not been for my wife, a patrolman and an ambulance, which just happened to be on the right side of the tracks, I wouldn't be here today.

So I am living in Rochester now, and the emergency response question is not exaggerated at all. So I would hope that the Board would deny this request for approval.

MR. GARRISON: My name is Tom Garrison. I am a conductor with the DM&E railroad out of Waseca, Minnesota. I am speaking on behalf of myself and some fellow employees. The DM&E at this time is kind of like running an interstate transportation company on gravel roads. We have a worn-out infrastructure here. One in which -- fatigue, we have fatigued rail. Rail that is worn out, things that are worn out. It's kind of like trying to put a band-aid on things.

Without this upgrade this railroad can't improve itself. We haul LPG gas through Rochester, through other cities. We haul anhydrous ammonia through other cities. We do have derailment problems. Without this upgrade, we will continue to see other problems affected by this.

The improvements of safety going from the current system that we are on now to the new railroad will make transportation of dangerous commodities a much safer transport system. With the upgrade will come new signalling and control systems that will transport the DM&E from an outdated railroad to one in which will be the most technologically freight railroad in the U.S. and Canada. A system that runs without signals today, one which will operate with computers and communication back-up protection. One that be dangerous to train crews in which a switch can be thrown, train crews not knowing about it, which could lead to major accidents, serious injuries to crews and the general public itself.

The upgrade will vastly improve grade crossings with installations. Blanket gates with gates and lights and systems in places that don't exist at this time today at many intersections. The improvements in grade crossings will lead to fewer grade crossing accidents with new gates, new lights and blanketed gates.

Improvements in faster trains will make for crossings being blocked for shorter amounts of time, from 15 minutes to two minutes, making for better emergency vehicle access. We will go from a railroad that has derailment problems to one that will be in the same category as most major class I railroads, with very few derailment problems.

The DM&E will go from railroad to rail now that's a hundred pounds, that weighs 100 pounds. We are going to 136 pound rail. One in which will cut down on vibration problems. We are going to build the road beds up. We go from a less problematic railroad to one in which we can haul grain from Tracy, Minnesota, down to the port at Winona. One that we can haul coal in a energy crisis as we have now. We can't depend upon foreign crude continually. We have to use our own resources, like these resources available throughout all parts of the United

States, in which we can and should be less dependent on other energy sources using our own energy and which in turn will make the DM&E a vastly more improved railroad.

Without this, the viability of this railroad will be lost, and could be lost. So we are looking at out in the west no rail service at all for a lot of these farmers in a situation in which they depend on rail service. Thank you.

MR. RECKINGER: My name is Art Reckinger. I am an engineer by training. I am speaking as an individual. The right to do business is nearly an unalienable right in the United States of America. Thus, it is presumed the right of DM&E to do business in the United States, the State of Minnesota, and the City of Rochester, assuming that the proposed business is not illegal.

DM&E's right does not appear to me to be any different than that of the Mayo Clinic, IBM or any other corporation. The Rochester city fathers refuse to negotiate a mitigation plan and have simply said no trains. This makes it impossible for citizens of Rochester and Olmsted County to judge the true impact of either the trains going through the city or via a bypass around the city. Without a mitigation plan for the city it is literally impossible to judge what problems are solvable, what problems have a residual impact and finally, to judge the relative merit of problems of either route through the city or via bypass.

There appear to be technical solutions for many of the asserted insurmountable problems. A couple of examples. The Mayo Clinic asserts that train vibration will render their MRI systems inoperative during train transit. If this is truly a problem after the track is upgraded, then the mitigation is simply to place the scanning portion of the system on a vibration isolation platform, which in its simplest form is a slab of dense material such as concrete supported on air springs with motion dampers. This is an old technology and it is extremely effective.

Train noise. The upgrade of the track with 12-inch drain ballasts and continuous welded rail is expected to significantly reduce the noise levels versus present track construction. Reduction estimates range anywhere from 25 to 75 percent. Further reductions might be achieved with noise absorbing panels adjacent to the track. This technology has been successfully pioneered and implemented in Europe with faceted barrier panels that would cause generated noise to be directed upwards. In Europe -- track isolators have been developed and are in use to help further reduce noise and vibration.

Presuming the DM&E has a right to do business in the United States, Minnesota and Rochester, it is imperative that a mitigation plan be developed for Rochester and presented to the people. Without mitigation plan one cannot understand the true and actual impacts of the proposal, nor can one judge the relative merits of either a city route or a bypass route. True cost and true impacts after mitigation cannot be assessed without that plan. Thank you.

MS. VENNERS: Good afternoon. I am Camille Venners. My husband Ed and I own a computer education and data base management business which we started seven years ago. We have three adult children who grew up in Rochester. I am against approval of the DM&E expansion proposal and urge you to decide in favor of the no build option.

I am also urging the Surface Transportation Board to extend the deadline for response beyond January 5th, 2001. Although I have been a resident of Rochester, Minnesota, for 24 years, Detroit, Michigan was my home until adulthood. Prior to moving to Rochester I lived in the Washington, D.C., suburbs of Arlington, Alexandria, Sterling and Falls Church for approximately nine years.

Rochester is a unique city and I treasure many aspects of this community. The downtown

area of Rochester is vibrant due to Mayo Clinic and support businesses. Currently there is no -- there are some known significant impediments to crossing safety for emergency response vehicles with our three to five slow moving trains. I am concerned that crossing safety, as well as the timely passage of emergency vehicles through the city will be adversely affected by an increased number of fast moving trains.

Currently there are no bad areas in the City of Rochester that you need to avoid. I am concerned about the potential for bad areas of the town to develop where the quality of life, the character and vitality and ultimately the property values in neighborhoods near or adjacent to the railroad track are adversely affected by train noise and vibrations that would be associated with that heavy, high speed traffic.

Currently there are no air quality index problems to consider before going out of doors as there are no heavy industries or excessive vehicle traffic adding pollutants to the environment of the city. I am concerned that excessive pollutants will be added to our air as automobiles wait for the increased number of trains to clear the streets. Currently there is no major automobile traffic delay beyond what we wait for for the current trains. I am concerned that automobile traffic will become more congested as more cars wait more often for the increased number of trains to pass.

Safety, noise, vibration and potential auto exhaust problems are mentioned in the DEIS but are considered as separate issues rather than parts of a whole. Each should be considered not by themselves independently because as a whole they have a much greater negative impact than the individual parts. I find the DEIS to be woefully vague and it needs to be more specific regarding mitigation.

Years ago, the beltway in Washington had a big sign that proclaimed at a juncture where they were doing some work on the road, prepare yourself for instant aggravation. Rochester residents might adapt that slogan to prepare yourself for permanent aggravation if the DM&E expansion is approved. Please consider the no build option.

MR. PETERS: Thank you. My name is Gene Peters. Thank you for allowing me to speak. I am going to be speaking on the impacts of the bypass south of Rochester and how it will affect myself and other landowners with regards to agriculture, investment and the Olmsted County land use plan.

In 1990, because of urban encroachment on my farming operation I looked at other areas in the county to consider relocating and investing in the updates that were needed to continue with my business of farming. In the process of evaluating land, I also looked at the county land use plan which guides future urban expansion as well as ag land preservation.

Olmsted County adopted a comprehensive land use plan for all of Olmsted County in 1978. This plan has been in effect since then with an update done in 1995. Because the county's land use plan indicated continue ag preservation I chose to buy a farm in Section 16 and 21 in Rock Dell Township, and it's being pointed out up there, and to make the needed investments to allow me to continue to farm. This farm is located adjacent to Highway 30, which is a 10-ton all-weather road that allows me needed access to my grain facility.

Since 1990 I have invested over a half a million dollars in grain drying facilities, storage, land and improvements in this land that allows me to continue to farm. This facility has become the hub of my farming operation, for which my family and I operate a large cash grain operation.

The proposed bypass cuts directly through this farm one quarter mile north of the grain handling facilities, cutting off access to Highway 30. There has been to date no change to

Olmsted County's land use plan which would allow this bypass. Nor has the county or City of Rochester initiated such a change. The proposed bypass makes a mockery of those of us who use this land use plan as a basis for investing in agriculture.

To add insult to injury, I also purchased a farm located in Section 17 of High Forest township in 1997 that also has a bypass option through it. This farm is also once again shown as long-term agricultural use. If this rail line is constructed through my properties it will effectively cut me off from my facilities for drying and handling the grain and my best markets which are located in Winona. This will effectively destroy my business.

I am but one example of the impacts this proposed bypass will have on southern Olmsted County. There are farms and ag producers all along this proposed bypass which will be forever changed and/or destroyed. The bypass will have a very long impact, long-term impact and will speed up the fragmentation in urbanization of rural Olmsted County. The issue has divided our community like none other before us. I urge you not to recommend the bypass option. Thank you.

MR. GRISM: Hi. My name is Kirk Grism. I am a school bus contractor in the city of Stewartville, district 534. I also work in the Byron School District, Number 531. I have been a school bus contractor for 16 years. As you know, school buses at railroad crossings is very dangerous and a great concern of mine. School buses at railroad crossings and new stops or bypass is a very safety exposure I do not want to come by. According to the bypass proposal, 31 of the crossings would have no signals at all. Those new stops for Byron would be 96 a day, no crossings. Hayfield would have 32 a day. My city of Stewartville has 168 a day. That is mainly on 63. So it's a very big concern of mine.

Rochester would also have, if there is a bypass, they would have an additional 96 stops a day. We need to recognize that. Eyota would have 32 a day. So the total is over 400 new stops we would have for a bypass for our school buses. That's a great concern of mine. I have insurance on the buses and the kids, and I am really worried about that. Okay.

The new bus drivers that I have coming on and old ones, we have to teach them how to make new crossings for the kids at the crossings. Please.

I do respect the concern that Rochester has with regard to school bus stops in their city. Any time a school bus has to stop at a crossing, the children are exposed to additional risks. However, I do not feel that adding new exposure to the county and the community is safe, let alone reasonable and feasible.

There are thousands of school children in Olmsted County traveling the rural highways, on roads to schools with parents and driving themselves. A casual look at the rural landscape, especially south of Byron there, the safety of rural children is important safety in the city of Stewartville, Byron, Hayfield, Rochester and Eyota. Thank you.

MR. ROUND: My name is George Round. I am a co-owner of Rochester Hospitality Company. I have lived here in Rochester my whole life. My partner and I operate 10 small motels in Rochester. I am here to speak to the effect of this project on the visitors to our motels and our medical community.

Who are these people. Senior citizens from Iowa. Farmers from the Dakotas. Middle agers taking their parents to Mayo because their local doctor can't fix what's wrong. Or parents with their ill children. They have all come to our town for help, maybe for a last chance for help.

One of our motels is a small inn located across the street from Methodist Hospital. The reason people stay there is that it is directly across the street from the hospital. This location

means everything to these people. They need to be able to get back to the hospital to see their loved ones in a moment's notice. If it's two o'clock in the morning and a nurse calls and says you need to come now, these guests literally run across the street. Many times it's for good news. But unfortunately, sometimes the news is not good. Sometimes the person is running across to say a final good-bye.

What is the impact of additional trains in Rochester? What do we say to someone in a car waiting at a crossing, waiting to say their last good-bye. When you folks arrived here in town you saw a lot of people rushing around as you do in every city you go to. The difference is that in Rochester people rush around for things more important than errands. Sometimes we rush around for matters of life and death. Thank you.

MR. SENJEM: Good afternoon. Thank you for the opportunity to provide brief testimony. I am David Senjem, a 36-year resident, an eight-year council member of the City of Rochester. I appreciate the fact that you chose Rochester as a site to hear comments.

Let me start by offering that 90 days is not adequate to fully understand the implications of the mammoth DEIS that we have presented here today. Simply stated, we minimally need another 90 days. That would give us time to adequately comment on the complex environmental issues presented by this proposal. It also would align with the time line set in state statute for the State of Minnesota's assessment of the proposal.

More specifically, the City of Rochester has grave concerns for the fact that the STB has used a figure of 12 trains per day moving through the city as a base line for assessing significant environmental impacts. We know the proper number to be no more than three trains per day. DM&E's web site confirms the number to be approximately three. Clearly it is not 12. But to base all of your assumptions and conclusions on this number seriously flaws the entire Draft Environmental Impact Statement.

Even with this flawed assumption, however, the report shows numerous examples of serious noise, vibration, environmental justice, emergency service, and reduced property value impacts on the citizens and businesses of our city. The city has many other concerns known and yet likely not known that will be addressed in writing.

On a more positive note, the City of Rochester applauds and seriously thanks the Surface Transportation Board for its willingness to consider a bypass as a mitigation option. We pledge our full cooperation in working with the Board to keep this option open and viable.

Let me close on a more passionate note. Rochester is a great city. It is by general consensus the home of the finest medical institution on the face of the Earth. Rochester has endured many challenges through its history, including serious tornados and floods. Each time we have dealt with the issue and the city rose to new heights.

This one, however, is one that we can't solve by ourselves. This one is in your hands. Ladies and gentlemen, the long-term fate of one of the finest cities and the finest medical centers in the world rests in your hands and in the hands of the Board that you represent. We need your help. We are asking for your help. We pledge our full support in working with the STB in resolving this horrific threat to the long-term future of City of Rochester.

MR. GARDINER: That concludes the list of people that preregistered. I want to go back through the people that may have been out of the room. I want to double check that. Then I have a list of about seven people who came today and signed up. I want to go through those. But we will need to take a break before our six o'clock meeting and get something to eat. So we aren't going to be able to get to the people who have spoken at previous meetings, unfortunately,

so we can have our break. But I would like people. Let me quickly go through folks who have signed up, who registered who we may have missed.

Kim Moccia. Loran Dedrick. Coreen Bernatz. Sarah or Benjamin Scott. Mark Baker. Russell Hird. Nellie Doyle. Niles Hysell. Carol Breen.

So I have seven names, I believe, of people who haven't spoken before. The first is Larry Nelson.

MR. NELSON: I am Larry Nelson, regional director for the Minnesota Department of Natural Resources here in Rochester. The Minnesota DNR has been involved with the DM&E railroad expansion project for more than two years, providing information about natural resources on state lands along the proposed route and providing preliminary review of information being developed to apply for Minnesota DNR public waters permits and Corps of Engineers water resources permits.

The Minnesota DNR has also participated in two surveys of railroad rights of way and adjacent lands along nearly the entire rail line in Minnesota. The DNR's involvement has provided us with the opportunity to assess the natural resources that will be affected by the DM&E railroad project. These preliminary comments will be followed by detailed written comments prior to the deadline on January 5th, 2001.

The general reaction, DNR's general reaction is that the proposed project would have negative impacts on wetland, streams, native prairie, forests, fisheries, wildlife and recreation areas along the DM&E corridor in Minnesota. The Minnesota DNR permitting process will help avoid or minimize impacts on the wetlands, streams and other protected water bodies over which the DNR has permitting authority.

Where use of state lands is planned, required easements could dictate the impact on natural resources be minimized. Likewise, the Corps of Engineers' permitting process will help reduce impacts to water resources under its jurisdiction. However, a project of this scope would bring unavoidable negative impacts on natural resources that could not be entirely mitigated. The DNR favors project alternatives that minimize impacts on natural resources and that suitably address cumulative impacts.

Some of the specific DNR concerns include in vicinity of Lewiston, proposed east staging and marshalling area is located in an area of karst geology with a high sinkhole density. Heavy railroad loads and vibrations from rail yard activities may exacerbate sinkhole problems. In addition, any liquids spills on thin soil cover over karsted bedrock will quickly enter and contaminate the groundwater aquifer system.

A second area, is while increased rail traffic on the existing rail line through Rochester would have significant impacts on the city and residents, the proposal bypass alternative would have substantial impacts on natural resources. The bypass would eliminate 53 acres of wetlands, 62 areas of woodlands and 727 acres of agricultural land and the rail line would cross eight permanent streams, 28 intermittent streams.

The transfer of coal from the DM&E to barges at Winona should have been addressed in the EIS. Also, the EIS does not address impacts on Winona from increased Canadian Pacific railroad traffic of up to 20 trains per day carrying coal transferred from the DM&E.

The final point is the cumulative impacts and mitigation chapters and the biological assessment appendix are poorly written, repetitive and not very detailed. In addition, the DEIS contains many inaccuracies and inconsistencies and omissions, making review of the document more difficult. Thank you for allowing me to present it. Thank you.

MS. BARTELS: Thank you. I am Susan Bartels. I live on a farm seven miles southwest of Rochester. We have a half mile dead end road and then we have a three-quarter mile driveway. I imagine very sincerely that if I were in danger of having a heart attack that most likely at that distance from our fine city resources, I would maybe not make it. I mean this in sincerity, when I say that I can think of no finer place to die than on the family farm, just as my mother and grandfather passed away on the farm.

So I am going to address a few key points about our rural economy. In the proposed bypassed option, a conservative estimate of 888 acres of agricultural land would be taken out of production. It's important to note that the soil in Olmsted County includes some of the most productive land in the world, giving us a unique resource. There is no way to replace lost land resources.

Our vision of the future needs to include the ability to provide basic food services and associated agricultural products for future generations. One farmer feeds over 130 people. In Olmsted County the market value of products sold by farm was 94,390,000 in 1995. Agricultural business is a significant stimulus to retail and service sectors in our area. Forty percent of Olmsted County economy is agriculturally based. The State of Minnesota exports three billion dollars of agricultural products annually, which ranks seventh in the United States.

Agricultural land also provides flood absorption, cleansing of air, water infiltration into the ground water, plant and animal habitat, wetlands and hunting areas as well as the beauty of open space. Our county water quality must be preserved for all county residents. Bypass construction through karst geology, bays, wetlands would be detrimental to our quality.

Rochester businesses and the Mayo Clinic have a choice to build near the tracks. The bypass would deny rural landowners our choice. The word unique has been used over and over to describe Rochester and Mayo Clinic. I believe every community in the world is unique. Every person is unique. The rural sector of Olmsted County is unique. The only equitable solution to be reached is to consult on the issue with sincere respect and for concerns of all affected parties. Thank you.

MR. BROBERG: Thanks for the opportunity to have the hearing here in Rochester today. My name is Jeff Broberg. I am speaking on behalf of the citizens against the bypass. I am a Minnesota licensed professional geologist and a registered environmental manager with the National Registry of Environmental Professionals. I own a firm that does environmental evaluations.

I want to speak real briefly from a geologist's perspective about the evaluation of the bypass alternative compared to the Rochester upgrade. From a geologist's perspective there are few human activities that have permanent environmental impact. Massive earth grading and water works are one of them. The proposed bypass is a massive grading project with over eight million cubic yards of earth moved. The result of it will be a line that you will be able to see from outer space. All you would need to do is look at air photos of historic rail grades and lines and see the impact on water resources, see the impact on the land, and see the permanence of these rail lines even years after they have been abandoned.

From a geologist's perspective, rail traffic is probably a temporary thing. It may not be here in 150 years. But creating a grade like the bypass proposed will be here for cons or millennium. I have presented on the screen behind you a butterfly ballot that helps you evaluate the impact of the proposed upgrade. I hope that the Board will use this in their evaluation of the permanence of the environmental impacts that would occur with the bypass.

As you go down through the list and you identify the upgrade alternative and the mitigation measures that will occur, everyone will agree that there are going to be temporary and perhaps even long-term impacts of the upgrade. But as you go through the list of the impacts on land and soil resources, surface water, ground water, you will have to agree that the upgrade alternative for the City of Rochester has few of those impacts, and yet the impacts of the bypass will be permanent.

I think it's incumbent upon your Board to consider this in terms of NEPA and the environmental regulations and the responsibilities we have to future generations. Thank you.

MR. YECKMAN: I want to take this occasion to applaud the presence of the STB and the Corps of Engineers. They are here as a team as far as I am concerned, facing this problem we have in this community. Ranging from Winona, Minnesota, to the western range of Minnesota, through North Dakota -- South Dakota, and into the Wyoming area.

We have a problem here that is unique in itself. I want to tell the group here that they did a wonderful job in presenting their side of the picture. But we have a uniqueness here that requires an indepth observation of just what this problem is all about.

Webster defines the sovereignty of the act of eminent domain as an act wherein certain privileges sought by a minority or maintained by a minority are overridden by the proponents of the public that's affected by what that minority is doing. This is a consideration that is of upmost importance.

As I listen to the presentations today, it constantly came to my mind that what you people are saying is that you have no objection to a corporation looking for profit, improved operations, contributing to the welfare of our industrial barons, but you do object to a society of people being upset, being deterred from the normal way of life to accommodate this situation.

I have one more thing that I am going to bring up, from the financial side of the picture. You have 222 minutes based on a three-minute delay for each train going through, 222 minutes of lost normal productive time that is impeccably on this particular area. Thank you very much.

MR. PATTON: I am Bob Patton. I am with the Minnesota Department of Agriculture. I too want to thank the STB for being here and hearing testimony. I will try to keep my comments very short. We do intend to submit written comments.

We are very supportive of this project as a whole in terms of its potential benefits to agricultural producers as have been described already. We are very interested, though, that impacts of this project, alternatives and mitigations are adequately described. Our focus and our comments will be on operational impacts, impacts to agricultural operations.

The document currently describes impacts in terms of merely loss of prime agricultural land and really doesn't talk about the impacts to farm operations as the track is expanded through new areas as described in the bypass discussion today. One example that you will hear about tonight, I believe, is the impact of the east staging and marshalling area in Winona County near Lewiston. The farming couple that is there is severely impacted, all the crossings from one side of their operation to the other are lost. So they will have a three mile round trip -- or three mile one way trip to be able to haul manure and grain on Highway 14, which is a very busy highway, with slow farm equipment. So it's going to very severely impact their operation.

You will undoubtedly, as you go through this, hear about a lot of other impacts. Those impacts need to be described and alternatives proposed. There is no alternative that I am aware of that's been proposed for the staging and marshalling yard or mitigation measures for those impacts. Thank you very much.

MR. FOGARTY: I promise to stay brief here. My name is Dan Fogarty. Thank you for stopping in and allowing us to talk for a second. I speak strictly as an individual. I represent no business or no city today. What I am wondering, I have really heard nothing today about what happens when and if the trains get beyond the City of Rochester or Eyota, as the case may be, it gets to Winona. Is that the end of the line?

I can't help but wonder about the impact on Winona. There is nothing in place down there now that can handle this type of traffic. I assume there is something to be built and not at the taxpayer's expense. I don't know that for a fact.

The other thing I am wondering about is the Mississippi River. The Mississippi is probably one of the greatest national treasures that we have. The barges floating on down the Mississippi through the lock and dam system that was built in the 1920s, that system is inadequate to handle the traffic that's passing through it today. There is a plan that's coming to the surface now for rebuilding that lock and dam system. That's very controversial as well. That may or may not ever happen. I don't know. But anyways, that's my concern. I am wondering about the Mississippi.

When you think about the Mississippi, I think most people would prefer to think about the Mississippi Queen or the American Queen or the Delta Queen or people that are fishing on it or the pleasure boaters on there. Coal barges do not come to the front of anybody's mind when they are thinking about that.

So that being said, the other thing I want to say is all of the lock and dams below the city of Winona undoubtedly will have bottleneck traffic above it just for the barges. That's going to make it increasingly difficult to get pleasure craft through, to get today's traffic through. Thank you.

(Whereupon, at 4:40 p.m., an afternoon recess was taken.)

EVENING SESSION

(6 p.m.)

MR. GARDINER: Okay. Why don't we get started. Good evening. Thanks very much for coming. We are here to talk about the proposed DM&E expansion project. So if you are here for the banquet that appears to be going on next door, you are in the wrong room.

Just a quick show of hands, how many people came this afternoon? Okay. Great. Thank you. Just bear with us a little bit; we are going to do the same format we did this afternoon.

My name is Charles Gardiner. I am going to be the facilitator this evening. My role is to help make this meeting as productive as possible for all of you who have come to provide comments and also for the folks here on the project team who come to hear those comments.

I am going to cover a few logistical items, some ground rules and so forth for the meeting, then we have a short presentation. But overall, our purpose for the meeting today is the team wants to describe to you a little bit the roles of the different federal agencies that are involved in the environmental review of the proposed DM&E expansion. Also provide an overview of the project itself and the results of the environmental review that are captured in the Draft Environmental Impact Statement. But most importantly, our purpose here tonight is to hear your comments on that draft statement.

So I am going to cover some of the team introductions and some ground rules in a moment. Then the team is going to describe the Surface Transportation Board role. The Surface Transportation Board is the lead agency in the environmental review. There are other federal agencies that are cooperating with the Surface Transportation Board, so we will describe the role

of those agencies as well. Then the overview of the project and the environmental results and then the public comments.

The team that's here to present to you and listen to comments is Vicki Rutson with the Surface Transportation Board. She is the project manager for the environmental review. Steve Thornhill of Burns and McDonnell Engineering. He is the project manager for the consulting team that is working under the direction of the Surface Transportation Board in preparing the Draft Environmental Impact Statement. Also here is Tim Fell from the U.S. Army Corps of Engineers. He is going to describe their role in reviewing potential impacts to wetlands and waterways. I am Charles Gardiner, I am the facilitator.

Before I cover the ground rules I want to cover a couple other things that you probably picked up at the front door. The first looks like this. It should have a blue sheet on the front. It has our agenda. Inside on the second page is a description of our process for taking comments. First, on signing up to speak, and then the ground rules which I am going to cover in a minute, then also how to provide written comments.

Most importantly, on the back are the addresses to which you can provide written comments. The most important one being the address of the Surface Transportation Board. Comments are due by January 5th of 2001.

You also have a white sheet, looks like this. It's a comment sheet. You can use that during the meeting if you want to provide written comments. If in your time providing oral comments you can't cover everything and you want to provide something else in writing, you can fill that out and leave it with us. Or you can take it home and fill it out. It folds up as a self mailer. You can use that to provide written comments.

You can also provide written comments in other forms. If you want to write something on your computer or whatever, you can send those in as well. But this might be useful tonight if you want to provide any written comments.

There is also a blue card. We are going to try to cover in the presentation the procedural aspects of the process, when the comments are due, things like that. But you might have a procedural question that we didn't quite cover in the presentation; the best way to ask that question is to fill out one of these, take it back to the folks in the back, they will get it up here and we will see if we can answer it.

It is not our goal tonight to answer questions about the Draft EIS. We prefer that you reshape those into comments on the Draft EIS. If there was something that wasn't clear to you as you were reading it, please tell us that. It is a draft. The intent of these comments is to fix those kinds of things. So if something isn't clear or there wasn't adequate information, those kinds of specific comments are best provided as comments rather than questions.

Lastly, you may have an orange sheet that's up at the front. This is a listing of libraries in Minnesota that have copies of Draft Environmental Impact Statement. So if you have not seen it yet and you want to go look at it, it should be available in these libraries.

The ground rules for this evening. First, it's very important that we just have one speaker at a time. These microphones are all on. This is a large room. So we are trying to be sure that we capture the comments that are being made. We have a court reporter who is recording those comments, and it's confusing to him if there are several people talking at once. So I would ask you to stay focused up front and one person talking at a time.

We are setting a time limit. We have about 80 people signed up to speak. We set a time limit of three minutes. You can do the math; we will be here for quite a while, even with just

three minutes to speak. So a couple of guidelines about the time limits. Three minutes gives you about a page-and-a-half of double space, maybe a page of single space. So if you come with a statement that's longer, you should start thinking now about the key points of it and make those key points as oral comments and then leave us with the written statement as the written comments. Please don't feel obligated that you have to go through all of your statement if it's longer than about a page-and-a-half, because you are cutting in the time available to people at the end of the list. I am sure those folks would really appreciate not being here at midnight to provide their comments.

The last ground rule is to respect others opinions. We recognize that this is a controversial project. There are many diverse opinions about it, support and opposition, to components of it, or to the whole project.

The team is here to listen to all of those comments. I ask your help in insuring that they can hear all of those comments. So you can certainly support other speakers. Applause during their time will cut into their time to be heard.

If you have rebuttal comments, or you have comments or grumblings in opposition to something who is speaking, I encourage you to keep those to yourself. Please keep your comments directed up here to the team and be constructive with those comments.

So what I would like to do is have everybody nod in agreement. Okay. That is a good set of ground rules. We are going to live by them, because those are the ones I am going to work with.

Now let me introduce Vicki Rutson, who is going to start a short presentation about the project.

MS. RUTSON: Thank you, Charles. Good evening, everyone. Again, I am Vicki Rutson. I am an attorney with the Surface Transportation Board's Section of Environmental Analysis. I appreciate the opportunity to be here with you this evening and I am looking forward to hearing your comments tonight on the Draft Environmental Impact Statement.

First, I would like to tell you about the Surface Transportation Board. The Board is an independent adjudicatory federal agency located in Washington, D.C. The Board itself is composed of three members. A chairman, a vice-chairman and one Board member. Linda Morgan is the chairman. The other members are William Clyburn and Wayne Burkes.

Congress has given the Surface Transportation Board the responsibility of licensing certain railroad actions. Those include railroad mergers, railroad abandonments and the kind of action that we are looking at here, rail line construction proposals. The Surface Transportation Board's involvement in the Dakota Minnesota and Eastern rail line proposal began in February of 1998. That's when DM&E submitted an application to the Surface Transportation Board seeking the board's authority to construct a new rail line from DM&E's existing line westward into Wyoming's Powder River Basin. DM&E's application also proposed two rail line constructions around the communities of Owatonna and Mankato, Minnesota.

This application triggered two review processes at the Board. The first kind of review that the Board did with this application was called the Transportation Merits Review. That review required the Board to ask three questions. First, is this applicant financially fit. Second, is this proposal in the public interest. Third, is there a public need for this proposal.

Based on the information that was in DM&E's application in February of '98, the Board issued a decision. The decision was issued December 10th, 1998. There the Board found that DM&E's application met those three criteria. In making that decision, though, the Board made it

very clear that the decision was not final. The Board said that because all the information was not before it at that time, there could be no final decision then. This is because the second process at the Board under the National Environmental Policy Act had just started.

The NEPA review, National Environmental Policy Act. NEPA review, in this case has been a step involving many processes. We started about two-and-a-half years ago with scoping. We came out to the project areas starting in Wyoming, Minnesota and South Dakota and held meetings on the scope of the Draft Environmental Impact Statement. We got public comments on the scope, and continued working on the Draft Environmental Impact Statement.

All that work culminated on September 27th, 2000, when we issued the Draft Environmental Impact Statement. The Draft Environmental Impact Statement is intended to accomplish a number of purposes. The first is to disclose potential environmental impacts that would potentially happen if DM&E's proposal went forward. The Draft EIS also discloses impacts from alternatives to DM&E's proposal. This includes the no action alternative.

The Draft EIS also informs federal, state and local agencies, affected communities, interested landowners, ranchers, farmers, tribes and all interested members of the public on the potential environmental impacts; and most importantly, seeks comment, public comment on the information in the draft. Also in the Draft Environmental Impact Statement are potential -- excuse me -- preliminary recommended mitigation measures; and in some cases, identification of preferable alternatives.

What happens next. Tonight we are here to hear your public comments. When the public comment period ends, which right now is due to end on January 5th, 2001, the team will then take all public comments, that includes oral and written comments, all are treated with equal importance, and we must respond to those comments; and, if appropriate, do additional environment analysis.

All this is done in a document called the Final Environmental Impact Statement. We will issue the Final Environmental Impact Statement to the public, and at that point the environmental review process is complete. Then all the information is in front of the Board, the decision maker. The decision maker then will be required to issue a final decision on DM&E's proposal. All the information will be before the Board at that point.

Now, the Board, when it makes its final decision, will have three choices, and it must make one of these three choices. The Board can either approve DM&E's proposal as it was originally submitted. It can approve DM&E's proposal but only if certain mitigation measures occur first. Or third, it could deny DM&E's proposal. Those are the three options.

Now, in issuing the Draft Environmental Impact Statement the Board did not work alone. We were working cooperatively with five other federal agencies. These other federal agencies also have licensing roles in this process. The other federal agencies involved are the Forest Service, the Bureau of Land Management, the U.S. Army Corps of Engineers, the Bureau of Reclamation, and the Coast Guard. There is another federal agency involved as well, the U.S. Environmental Protection Agency has a role rating and reviewing the Draft Environmental Impact Statement. We have two members of the EPA with us in the audience this evening, Jim Berkley and Mazin Enwiya.

The EPA will also be reviewing DM&E's 404 application. Tim Fell from the Army Corps of Engineers will explain to you a little bit more about exactly what that means. With that, I will introduce Tim and let him explain about the Army Corps of Engineers' role in this process. Again, thank you for coming this evening. I am looking forward to hearing your comments on

the Draft Environmental Impact Statement.

MR. FELL: Thank you, Vicki. As she said, my name is Tim Fell. I work in the permit Section or the regulatory branch of St. Paul district of the Army Corps of Engineers. The St. Paul district will be responsible for reviewing the project impacts that would occur in Minnesota. Because the project extends into South Dakota and Wyoming, the Omaha district of the Army Corps of Engineers will be responsible for reviewing projects in that area.

The Corps of Engineers permit responsibility is based on two laws. One is Section 10 of the Rivers and Harbors Act. That refers to work that would occur in navigable waters. The other law is called Section 404 of the Clean Water Act. That involves the projects that involve the placement or the discharge of dredged or fill material into other waters of the United States such as rivers, lakes, ponds, and wetlands.

When the Corps is reviewing a project, we must determine whether the project is not contrary to the public interest. But we also look at whether the plans represent the least environmentally damaging alternative. During that review process there are many factors that are considered. Some of these include wetlands, wildlife habitat, economics, cultural resources, land use and other factors relating to the general overall environmental concerns.

Before the Corps is going to make a permit decision we are going to be looking at things that were included in the 404 permit application, information in the Draft EIS, information in the Final EIS, and we are also going to be looking for the comments that are made at public hearings like this. So please provide your comments to us as well as to the Surface Transportation Board so they can all be considered before the Corps makes a decision on whether to issue a permit for this project.

So with that, I would like to turn it over to Steve Thornhill from Burns and McDonnell. Thank you very much.

MR. THORNHILL: Thank you. Good evening, everyone. My name is Steve Thornhill. I am with Burns and McDonnell Engineering. We are the firm that worked under the direction and supervision of the Surface Transportation Board for preparation of the Draft Environmental Impact Statement. What I am going to do this evening is just take a few minutes to kind of hit some of the high points of what's in the DEIS and some of the information that it contains, some of the conclusions that were presented.

I am going to start off just by kind of going over some of the things that were in the DEIS. One of those is a description of the existing environment. One of the things that the Draft Environmental Impact Statement attempts to do is paint a picture of what the environmental, natural, human resources that are found in the project area are, so the people have an understanding of what's there, what's important, what's valuable, what the resources that are out there are.

The next thing that it does is it discusses the various alternatives for the proposed project. One of those alternatives, as required under the National Environmental Policy Act is the no action alternative. The no action alternative and a number of other alternatives for a number of different components of this project were evaluated. After discussing the different alternatives, the impacts of those alternatives on the natural and environmental resources of the project area are presented and discussed.

Now, as has been mentioned, the Draft EIS was released on September of 27th of 2000. There is a 90 day comment period, which will conclude on January the 5th.

Just real briefly, to hit on a couple other things in the draft. The purpose and need for the

project has been defined as kind of two things. One is to provide DM&E the financial resources necessary to rehabilitate its existing system, thereby improving the efficiency and safety of its existing rail traffic. The second purpose would be by extending the existing system into the coal fields of Wyoming it would provide a third access to those coal mines which would increase competition for transport of the region's coal resources.

There were four alternatives evaluated in relation to extending the existing system into the Powder River Basin. The first alternative, alternative A, is the no action alternative. The second alternative was alternative B, which involved construction of new rail line generally following the Cheyenne River through southwestern South Dakota and into Wyoming. The third alternative, alternative C, was similar to alternative B but involved rail construction in areas away from the Cheyenne River to avoid sensitive areas in those regions. The fourth alternative, alternative D, involved reconstruction of additional portions of DM&E's existing line, combined with new construction along existing rail corridors in the region in order to extend DM&E's system into the coal regions.

Just to kind of highlight some of the things that were presented in the DEIS for the various states affected by the project. In Minnesota, the project was proposed to include the potential reconstruction of DM&E's existing line across the state. Also evaluated in the DEIS were new construction projects or potential new construction projects in communities of Mankato, Owatonna and Rochester. There were potentially three new rail yards that would be constructed in association with the project.

Some of the unique things that were presented through the project area in Minnesota included the many communities along the line, both along the existing rail line and in those areas proposed for reconstruction, farms throughout the area, the Mayo Clinic and its health care services, sensitive riparian areas, primarily those in this case along both the new construction areas and the existing rail line, and flood control projects present in the communities of Mankato and Rochester.

In South Dakota, the project would include the proposed new construction of rail line westward into southwestern South Dakota to reach the coal lines. It would also include the rebuilding or the potential rebuilding of DM&E's existing rail line. There were two new rail yards proposed for construction in South Dakota. Alternatives for construction that were evaluated in addition to those for extending new existing system included alternatives in the Hay Canyon area, the Spring Creek area and around the community of Brookings.

Some of the unique characteristics and concerns that were identified in the South Dakota portion included impacts to the Buffalo Gap National Grasslands in western South Dakota, the many communities located along the line, both existing line and in areas of new construction. Impacts to farms and ranches throughout the state. Impacts again to sensitive riparian areas, in this case particularly those along the Cheyenne River. Impacts to the Angostura irrigation project and impacts associated with either the reconstruction of DM&E's existing bridge across the Missouri River or construction of a new bridge at that location near Pierre, South Dakota.

In Wyoming, the proposed project included the potential construction of new rail line to access the coal mines. Would include the proposed construction of one new rail yard. There were alternative constructions evaluated to access the Black Thunder coal mine and the North Antelope coal mine. Some of the unique things that were identified included impacts to Thunder Basin National Grassland and also to the numerous ranches and ranchers located throughout the area.

In conducting the analysis it was determined that a number of environmental resources would be significantly impacted by this project. Not all of these resources would be significantly impacted by all components of the project, but some portion of the project would have a significant impact on these resources.

Those resources that would be significantly impacted included safety. That pertains primarily to safety at grade crossings, highway rail grade crossings, geology and soils, paleontological resources or fossil resources, water resources, wetlands, archeological and historic resources or cultural resources, threatened and endangered species, land use, noise, air quality, esthetics, socioeconomics and cumulative impacts associated with this project as well as other proposed projects in the area. In addition, environmental justice impacts.

The final thing that the Draft Environmental Impact Statement did was discussed proposed mitigation or potential mitigation that could be imposed by the Board in order to minimize the impacts of the project should it receive favorable approval. In general these mitigation measures were applicable to all of the alternatives that were evaluated or discussed in the DEIS. Therefore, because they were somewhat general in nature they could probably best be described as best management practices. Those are the kinds of things that would be similar to use of silt fences or straw bales to control erosion.

Also discussed were a number of mitigation measures that require coordination between DM&E and various state, local and federal agencies in order for those entities to negotiate or develop plans or mitigation measures that would address the concerns of those agencies as well as address local and other jurisdictional issues. However, in proposing these mitigation measures and recognizing the impacts of the project it was determined that a number of impacts would be difficult to effectively mitigate. So an important component of the process that we are in right now of receiving comments on the project is that we would like to hear your comments on what mitigation measures you feel could be effectively used to reduce or minimize the impacts of the potential alternatives.

Also included in the mitigation measures was a discussion of negotiated agreement. Those would be similar to coordination but would involve the development of plans or agreement between interested parties or groups, other agencies, communities with the DM&E to address the concerns of those parties and communities. The mitigation discussed and laid out how these agreements needed to be submitted to the STB so that they could be considered, and as appropriate, imposed as conditions of any approval of the project.

So with that I will close. I thank you for your attendance and thank you for your comments.

MR. GARDINER: Okay. Just a quick review. Three ways to provide comment. Oral comments today. Your written comments today, either by submitting a prepared statement that you have or by filling out the sheet that you received. Or written comments in the mail. As Vicki and Steve described, the team will be taking all of those comments, reviewing them carefully and responding to the substantive comments as part of the Final EIS. So the Final EIS will include the final conclusions of public comments and responses to those public comments and all of that will go before the Board as they make their decision.

Specifically the things we are seeking comments on, the Draft EIS, which includes a couple of other elements we have not mentioned. Programmatic agreement deals with Native American issues and the biological assessment deals with threatened and endangered species issues.

The Section 404 permit applications that Tim talked about, we are seeking your comments on those, specifically on impacts to waterways and wetlands. Third element is the proposed forest plan amendments. Those deal with potential impacts to Forest Service lands.

This is the way we are going to operate this evening. We are first going to take federal and state elected officials. We have a list of people who preregistered to speak; as I said, it's about 80 people. There are some of you who have signed up as you came in the door to speak. There are others who have already provided comments at other meetings such as this who have expressed an interest in speaking.

To the extent we have time available we will get to those lists. Our most important objective is to hear from people who have not had a chance yet to provide comments. The ground rules again for those who came in late. First, is honoring a time limitation. We set a time limit of three minutes. We have done that primarily in fairness for people who are down on the list. I will be enforcing that time limit.

Provide your name and affiliation, please, for the court reporter, if you are representing a group. That's quite helpful. It's very important that you be concise. Three minutes is not very much time; we recognize that. Really think about your key points; make sure that you make those key points and submit the remainder in writing.

With that, I will begin on the list. There are several elected officials that are here. State Senator Scheevel could not be here for personal reasons. However, State Representative Kuisle is here and State Representative Bishop is here. Both of them have asked me to allow Walter Mondale to provide the initial comments. So if Walter Mondale is here, if he can come up and provide some comments.

MR. MONDALE: Thank you for allowing me to say a few words here and thank you for coming to Rochester to personally hear from the citizens and to look at this situation firsthand. I am from this region. I grew up in several large metropolitan areas like Ceylon, Aron Lake and Elmore. As I grew up I came to be astonished by the magnificence of the Mayo medical complex.

Then during my years in the senate, when I served on both health subcommittees, I became increasingly impressed by the national reputation that Mayo has maybe the best center of its kind in the world. Then when I was Ambassador to Japan, again, I heard from leading doctors in that region. So what we have here is an extraordinary, special, unique and I believe the best medical center in the world. There are many reasons for that. But one is that Rochester and this region is a wonderful place to live. It has repeatedly been rated as the most livable or one of the most livable communities in the United States.

When you come here, you can sit down, you can think, you can teach, you can practice medicine, you can do research and that's what they have done until now. They are the best there is. I am afraid that if this unit train as designed comes through this city as planned, it could disrupt and endanger the magnificence of what we have created here. The reason it is so good is the best doctors and health professionals in the world decide upon many, many great options that they really want to be in Rochester. It's because of the quality of medicine and the quality of life and it's because they can raise their children here and feel good about it.

This Board that has kindly come here to hear about this proposal has the power to ameliorate, to pick and work on alternatives. I am here to personally say, I am a public member of the Mayo Board, but I have been in love with Mayo since I have been a young boy. I have come here today to say please take a hard look at this, because if we damage this magnificent

health center, we will have hurt ourselves, we will have hurt the state and we have done damage to something very precious to all of us. Thank you very much.

MR. KUISLE: Good evening. My name is Bill Kuisle, and I represent district 31A in the Minnesota House of Representatives. I stand here tonight wondering what I can say after a long day that would make a difference here tonight. I can say at least I am somewhat confused in representing this district. We have community leaders that say no to increased freight trains traveling through the area, yet they openly seek freight to come into the airport, that eventually ends up in trucks and then the noise that goes with it on the roads.

They openly seek high speed rail to go through the countryside at 180 miles per hour, yet they complain about the freight train that will travel at 45 miles per hour. They talk about linking the Rochester airport with the Minneapolis airport with high speed rail, to bring more flights down here that will increase the noise over Rochester, yet they complain about the noise and vibration that a freight train will create.

One only has to sit at my house and feel the windows shake as jets go overhead to feel the noise and vibration from a jet is no different than to the residents of Olmsted County than that of a freight train. All I can say is go figure.

So when I can't find out what the leaders want I talk to the residents. The residents want answers. They deserve answers. They have a right to know what the effect of the freight train will have on their lives. They deserve better than the half truths that they are receiving from the city and the railroad. They deserve to have their concerns addressed.

Now, for the bypass. We talk of social justice issues in Rochester along the present alignment, yet trample the rights of the citizens who live outside the city boundaries. We ignore those of German, Norwegian and Irish descent that have settled in the area along the proposed bypass. These are the same ones who have made the area what it is. Now because of politically correctness we forget that they too should fit into the protected class.

The incomes of these people who live along the proposed bypass is not much different than those who live along the proposed alignment -- excuse me -- the current alignment. Social justice? I don't see any with the proposed bypass. I presently represent both citizens along the present route and those along the proposed bypass. If you cannot address the concerns of the citizens along the present route, you have no business thinking you can address the same issues along the proposed bypass route. The bypass is simply a desperate measure by desperate leaders that is a bad idea. Thank you.

MR. BISHOP: I also want to thank you for the opportunity to speak to you. I will follow up my comments with a written comment and ask that you consider it later.

I am David Bishop. I moved here 46 years ago, out of law school to began practicing law. I have raised my family here until now. I, currently, and for the last 18 years have represented part of Rochester in the House of Representatives in St. Paul.

What I have to say to you is that you have heard and are hearing a compelling testimony from many sides. But, in my judgment, as a practicing lawyer, when we have cases there are always two sides. It wouldn't be tried to the courts unless there were both sides. The jury and the judge have to assess which is the more persuasive.

What I suggest to you is that anyone reading, and I believe that your people reading and listening to the tape, will find a compelling record reaching the conclusion that this is truly a unique community. I listened to Steve Thornhill and showed him, pointing up on the Board the unique characteristics of the South Dakota communities. Uniqueness is something that you will

be looking at; to what extent is this community unique.

Mayo Clinic has been described to you as the CEO, Dr. Hugh Smith, and by others on the Board of trustees. I don't need to repeat any of it. But I have been in the hospital myself in the last year, and I know how desperately the patients that are in the hospital need sleep and they do not need disturbances. They do not need 15 horns going through 15 intersections three or four times a night.

You must consider the proximity of the development of the Mayo buildings. If you can, before you leave just drive down through the Mayo complex and see the extent of what's going on. My next point is not only is it unique, but the total environmental impact when you are looking at environmental impact, you must include all human impacts. What about the schools, how many times will there be jeopardy. One of my earliest cases was the death of a school teacher killed at the crossing at 11th Avenue Northwest when Chicago Northwestern didn't have any gates. Now they have gates, but that teacher has never been back.

The schools are important. The elderly are important in their high-rises. The economic injustice was just mentioned. Economic injustice to the people who have developed here, billions of dollars in the Mayo investment, and growing all time. The sociological interference with all these things.

I would finally say to you that railroads in the 19th Century were a priority for our culture. We have desperately needed them, we have used them for two centuries. We are now in the 21st Century. Truly what we have advanced is to recognize the environment, the total environment, the human environment. It is also air and water and the forests and the use of our lands. Those are all part of the environment.

But basically if you prioritize it, human safety and human economic justice and human rights and feelings are the kinds of things of people that are going to be impacted really make up the dominant force of the environment. I know you will attend to that and consider it.

Finally, we have, Mr. Kuisle I believe will join, I can't remember, but I know that Senator Kiscaden, Representative Bradley, all asked formally for an extension of 90 days for us to give -- to take into account and write comments out and to just respond to the incredible breadth of your draft statement. The incredible breadth that you have already put together requires us to have the same kind of depth and reply. So we ask for another 90 days.

Finally, I will tell Vicki Rutson in particular that the standards that we were asked, is this railroad financially fit for the project. I seriously doubt it. I have had a lot of experience with my own finances. I am chair of the Ways and Means Committee for this whole state in the House of Representatives. I expect to continue. I have tried repeatedly asking member representatives of this railroad before my own committees and asking the president of the railroad to respond and to discuss matters with me, and they would not.

I have been advised by members of the administration, Ventura Administration, that they have also asked the same kinds of questions and we can't get the information we need. I think that's a shortfall to this railroad. They haven't proven that they are financially fit to handle this kind of project. Is there a public interest, is there a public need for it. Not at all in comparison to the need for quiet so patients can have their sleep they need and for continuance of this unique medical complex.

Deny this application. Let them find a way to get the coal from Powder River Basin on the existing lines. There is no compelling public interest and public need for it. They are not financially fit. Do the right thing for total environmental impacts and deny it and recognize that

this community will be totally bisected. We will have two Twin Cities in the State of Minnesota if you grant this petition.

MR. GARDINER: That concludes the state and federal elected officials that I have on my list.

MS. ENTRIKIN: My name is Gail Entrikin. I am coordinator for the Southeastern Minnesota Coal Train Coalition. This is a group of various groups from neighborhoods and from environmental groups and other interested citizens. Tonight we are going to barely finish what time there is on two concerns that we have about the Draft Environmental Impact Statement.

The first is its adequacy. The members of our group worked really hard to understand the NEPA process. But as we began to understand it we expected that the Draft EIS was to be specific and it was to accurately describe the environmental impacts and the preferred alternatives. Instead, we have found a lot of omissions. Just one example, in discussing the east terminal at Lewiston we find no mention of the precautions which must be taken in a yard of this size and weight related to karst geology which is there.

We can't be sure that this is discussed somewhere in the document because it is unindexed and we haven't been able to find every reference to Lewiston I am sure. But in reading about the yard we don't find any place any mention of the fact of the troubles that Lewiston has had with karst geology, such as the loss of seven million gallons of partially treated sewage in February of 1991.

Another instance, this summer we read in a number of newspapers stories about the PRB mines announcing production cutbacks. We don't find any comments about the impact of these announcements. How that will affect DM&E's competition with two large carriers that are already there.

Another instance, in volume one, 3.2, page 110 to 113, which is entitled Further National Policies, half of the cites which are given related to the information there come from Edison Electric Institute. That's a utility advocacy group. We want to know where some of the other groups that are informed about energy and about national energy policy are in this discussion. They are not cited and their positions are not given.

In the same Section regarding coal pollutants, only sulphur is mentioned. What will be the impacts of PRB coal on nitrous oxides, mercury and carbon dioxide levels. In discussing scrubbers, which is again in that same Section about -- they are noted that they are very expensive alternatives. However, you neglect to mention that the cost of the alternative to the scrubber, while not as expensive to the utility, is very expensive to those of us who are along the line and will have various mitigation impacts to pay for.

Another omission in the Draft is Mississippi River impacts. Obviously you deliberately eliminated that earlier. But an Edison Utilities executive recently commented that he was looking forward to barge traffic to the Mississippi utilities.

Finally, instead of stating a preferred route in Olmsted County you have decided regarding the proposed bypass to continue the scoping process. You are accurately describing the impacts and we don't like them at either place. We support a no build option and wish that you would pursue the alternatives listed through the Federal Rehabilitation and Financing Act and other private and public possibilities of replacing the needed -- or continuing the needed agriculture and small business services. Thank you very much.

MR. SCHMITZ: Good evening. My name is Raymond Schmitz. I am the Olmsted County Attorney. I have a few comments which will later be supplemented by later written

submissions. The applicant has supported their position by the need to fund an upgrade of the existing line. In the record I can find no evidence, and you have not explored any other options for such funding.

For example, the 3.5 billion dollars that are available in subsidized loans under the Railroad Rehabilitation and Improvement Financing Program. Secondly, in the DEIS you provided no monitoring authority to supervise the multiple construction projects involved, and no other agency can exert such control because of your pre-emption. Even with the best of intentions major damage to the environment could occur without close control of this project.

Third, the applicant asserts the addition of a third competitor into the Powder River basin is in the nation's interest. A study by North Dakota State University, Upper Great Plains Transportation Institute done for the Federal Railroad Administration, a part of the U.S. Department of Transportation, concludes that class I railroads are a natural monopoly and that one line serving a market is better than duplicate lines. The author states, and I quote, "all of these findings suggest that it may be more beneficial to address rate and service problems in the rail industry through policy that strengthen regulatory oversight rather than through policies of introducing or maintaining competition."

Fourth, the DEIS suggests that many issues be resolved through conformance with state or local laws. Your pre-emption of state laws has been interpreted to preclude a permit process in the states. Minnesota is a permit state. We do not have specific laws covering many of the issues that you suggest be resolved by that process. You need to examine state controls if this is the process that you are requiring.

Fifth, the comment period is entirely too short. The DEIS does not propose alternatives for most of the major problems, leaving to the affected communities the development of mitigation and solutions. This by itself is sufficient reason for an extended delay, but the DEIS is also woefully inadequate.

Sixth, you have declined to make available comments on the DEIS during the process. I would urge you to reconsider this and use the docket system to allow us to see the comments without going to your offices. The DM&E will see them. The public will not. This I would suggest is entirely inequitable and unfair.

MR. HUGHES: Hello. My name is John Hughes. I am here as a concerned citizen from Rochester. I am going to speak specifically about the proposed bypass route. There are many impediments to the construction of a railroad line as concerns this bypass route.

First, the general topography. The Rochester consultant's report outlines several cuts of 20 feet, one at 32 feet and fill heights up to 43 feet. There would be very significant soil disruption from the cut and fill, leaving open wounds on the land. There would be an immediate need to mitigate wetland impacts. Wetlands are our nature's filtering system and we rely upon this natural process for our drinking water.

There is a bird called the loggerhead shrike that is on the threatened species list, and it has been observed in Section 6 of Salem Township, and this proposed bypass bisects that Section. Then in Section 19 of Salem Township we have very many features. The most important of which is the Salem Creek ravine, which is about 90 feet deep. The ravine exposed rock walls. Extensive amounts of fill would be required before an actual bridge and trellis could be constructed. In fact, the consultant's report states the Salem Creek bridge is about 250 feet in length and yet the ravine over 1200 feet across. So that would require almost 1,000 linear feet of towering fill.

The side slopes alone would fill a significant amount of the ravine and change its character forever. Holding so much fill in place would be a challenge, and erosion would likely occur. The otherwise clean waters of Salem Creek would be muddied and silt deposit would fill in and alter habitats for miles downstream.

Other numbers from the Rochester engineering report simply don't make sense. There is a distance of 94 feet between existing elevation and design elevation for the Salem Creek bridge, yet the bridge runs only 28 feet above the creek bed, according to the numbers in the report.

The coal trains approaching the bridge will be braking upon the approach and will put tremendous strain on the tracks and structures supporting the bridge. This comment is aimed at, this bridge will not be something that is cookie cutter. It's going to require detailed site specific engineering. You cannot apply general material cost estimates to the situation and expect a reasonable figure. The TKDA consultant report fails to provide a reasonable estimate for this cost. So this cost is just a huge question mark.

Section 19 is also home to rare species and plant communities. Construction and fill would alter and adversely impact these natural areas. Also Section 19 contains a concentration of sinkholes and karst topography. Sinkholes can open up anywhere in Olmsted County. However, evidence of their formation is high in the Section 19 area. In contrast, the existing rail corridor passes over areas of low or low to moderate probabilities of sinkholes over the entire length in Olmsted County.

If I may, one more sentence. As a Rochester and Olmsted County taxpayer I cannot endorse the use of public funds to inflict damage upon the few remaining natural areas in the county. Thank you very much.

MR. LaPLANTE: My name is Michael LaPlante. I am president of the East Side Pioneers Neighborhood Association. We are located on Rochester's east side next to downtown. We represent approximately 1600 residents. We are in an economically diverse neighborhood whose older affordable homes are ideal for first time home buyers and those with lower income levels.

Our neighborhood is home to a number of elderly retired people as well as beginning families, single-parent families, minorities, multiple-job working class families and the disabled. Current school enrollment statistics on students and their families within 400 feet of the track in our neighborhood reveals a significant environmental justice area with a number at or below poverty level. Just one area along the south corridor, along south of the DM&E Railroad corridor, and since it's track 2, reveals 53 percent of the students in block 2 were eligible for free and reduced price lunch. Twice the poverty level.

We have invested a great deal of time, money, hopes and dreams in homes and property. Recent crime and overdevelopment negatively impacting these investments were met with a collaborative effort between determined neighbors and churches, as well as local government service agencies to make our neighborhood safe and attractive place to live once again.

Now, after all our efforts, the DM&E's dream of a coal pipeline from Wyoming to Minnesota will rip a gaping hole through the heart of our neighborhood association, torpedoing our hopes and dreams as well as all that we have struggled physically and financially to accomplish.

Moreover, neighbors' hopes have turned to anger and resentment as it becomes evident that a number of impacts in the DEIS seem to be rationalized away by a distant governmental agency hellbent on promoting the DM&E coal train. The STB's acknowledgement in the DEIS

of impacts on neighborhoods including property devaluation fade to inane suggestions. Neighbors were insulted by the STB's cavalier suggestion that construction workers may buy housing or seek temporary lodging in neighborhoods close to the new DM&E corridor as a possible solution to depressed property values.

Mitigated solutions in this document are minimal and feeble at best. It is the profound hope of this neighborhood association that the Surface Transportation Board rewrite the DEIS, transforming it from just another economic impact statement to an Environmental Impact Statement with real considerations and solutions to all alternatives, including the no build.

MS. KING: Kathy King, farmer in Rock Dell Township. President of Citizens Against the Rochester Bypass. City officials of Rochester and representatives of Mayo Clinic and the hotel industry expressed their concerns no one will choose Rochester for medical care if the DM&E upgrade is approved. However, in the words of the Mayo Foundation Department of Development's own letter, what brings you to the Mayo Clinic, "a young man in need of medical care," quote, "look for a doctor who had expertise." This search brought him to Mayo Clinic. Nowhere in Mayo's own letter did the young man ask if the city had a railroad that hauled coal. In fact, in Lake City, Minnesota, Mayo Clinic built a new clinic and nursing home approximately 500 feet from a busy rail track. Are Lake City patients and elderly less important?

Rochester city officials and Mayo representatives are justly proud of their city's expansion. However, Rochester city officials and Mayo Clinic also loudly decry the country's use of coal energy. Growth requires energy. Rochester gobbles up approximately 84 percent of the energy used in Olmsted County. Rochester city is powered nearly one hundred percent by coal energy. Coal energy fuels 56 percent of U.S. energy needs. Internet has increased energy needs 10 percent. When the City of Rochester puts solar panels on the roof of the government center and Mayo Clinic builds a wind farm, then we in the rural area will believe they care about alternatives to coal energy and less about their bottom line.

The proposed bypass routes put forward by Rochester and Mayo Clinic have impacted people's lives and decisions over the last few years, and if successful will have serious future impacts. Parishioners of Holy Redeemer Church in Eyota face desecration of their turn-of-the-century cemetery because the bypass route cuts into the cemetery.

What happens to graves of family members of Holy Redeemer Church parishioners. At the same time graves are being disturbed in Holy Redeemer cemetery, Rochester mourners may have to wait two minutes to enter the gate at Oakwood cemetery.

Rochester gets its water from aquifers along the bypass route, which are highly sensitive to surface water pollution. We have a map that explains that. Yet its bypass cuts 30 or more feet deep through the soil and into the bedrock over these aquifers. These are open wounds which will infect your water supply.

Then Cindy and Loren and Loren's dad John had planned to drill a well for their new home on pristine prairie land in the Salem Township the day after Rochester proposed the TKDA bypass. Loren's family chose to wait to build. However, Mayo Clinic and Rochester builders kept trucking along. Mayo added to Charter House and continued its expansion north directly towards the current DM&E tracks. Rochester built Riverview Plaza and now complains that more people live along the rail line. Both Mayo and Rochester continue to build after the fact of the DM&E expansion request was known.

People make choices. Cities make choices. Businesses make choices. We need a decision based on law, not politics. We need a decision based on truth and fact. We need a

decision with no extensions beyond January 5th, 2001.

MR. HAZELTON: Okay. My name is Ted Hazelton, and I live in Minnesota City. That's about 40 miles down the track at DM&E mile marker 4.9. DM&E is in my back yard. Personally I really don't see any problem with them in my back yard. The DM&E started out as the Winona and St. Peter Railroad. It's been around since the 1870s.

Rochester chose to build next to the tracks. Rochester was not there before the railroad. In fact, here's an excerpt from an article. The City of Rochester was eager to have the road pushed through their town and offered a bonus of \$30,000. For a while the company seemed likely to build to Rochester. In fact the Rochester Post, in an article dated February 7th, 1890, said there is very little opposition to Winona, or in Winona, to the building of the road to Rochester.

Now, \$30,000 in 1890 is an equivalent of over 300,000 today. Why is it that Rochester a hundred years ago wanted the railroad to come into town, offered them bonuses to come to town, but now they want them out of the town. This Rochester bypass is just a big -- for lack of a better expression, a waste of time, energy and money. The railroad was there first. The railroad should prevail. Also in here, I believe the EIS statement makes up several recommendations. I believe they have studied the area and made definite attempts to work it out.

Then as far as safety goes, you always hear about people complaining oh, we are going to have to wait for the train, there are going to be 34 trains a day and all this. It seems funny that the train count keeps going up and up and up. At 100 million tons a year, which the DM&E won't be hauling until 10 years from now, equates to 25 trains, not thirty some odd trains.

Look at it this way, if the tracks are upgraded through Rochester, the average wait would be about two minutes. Any stoplight in Rochester holds up traffic for 12 hours, by a red light. So I don't see what the big complaint is. I support the DM&E. I hope that the STB allows it to proceed. Thank you.

MR. OUILLETTE. Good evening. My name is Peter Ouillette. I am a resident of Rochester. Locally employed. I come here as a concerned citizen. The purpose of the Environmental Impact Statement is to inform you or the STB of what impacts this decision may have. As a citizen of Rochester, I have been encouraged in countless instances through the media to help stop the coal trains. I have been bombarded with negative statements from concerned groups and local government officials warning me that Rochester faces something that will, I am told, devastate our community.

But tonight I wish to tell you that I will not encourage the STB to stop the coal trains. First, in my opinion the negative statements are often overblown and underinformed rather than factual. I very firmly tell you that I do not believe them.

Second, the fact is that the DEIS discusses plausible means of mitigating DM&E's impact on Rochester without requiring the use of an expensive and detrimental bypass around the city.

Third, the positive economic impacts clearly identifiable for many of the communities served by DM&E place the project in the public need.

Fourth, it is in the public interest that rail freight transportation remain viable, vibrant and useful. It saves our highways from unnecessary wear from increased truck traffic, and saves our environment for the same reason. Balanced against this in the City of Rochester's case are citizens who face possible devaluing of their property. Their legitimate needs should be addressed, but not, I repeat, not at the cost of stopping this project, which hurts a large number of farmers, railroad workers and communities.

In an informal and unofficial way I represent the silent segment of Rochester's citizens. I represent the people of Rochester who are not kept awake at night by trains, whose property values are in no way threatened and who do not have to cross main line train tracks at grade to get to work.

However, if a bypass around Rochester is required to be built, and if the city is required to pay for a portion of it, then I and the many other people of Rochester like me will have to help pay for it with our tax dollars. I also remind the STB that only one action alternative in the DEIS for Rochester keeps trains completely out of the city. Even if the bypass is built and no coal trains come through town, Rochester citizens will still have to contend with slow local freight trains on unsafe, beat up track that are just as likely to block an ambulance as a coal train.

I am very angry at being told ad nauseam what a disaster this railroad project will be to our town. I do not believe this at all. We need coal for energy. We need railroads for transportation. The midwest needs DM&E. Thank you.

MR. ERICKSON: Good evening. My name is Norm Erickson. I live here in Rochester. I come as a private citizen. I have three brief comments. About 35 percent additional new rail will be added to the existing bypass sidings bringing the real new construction something closer to 500 miles. I have been unable to find a location of any of the bypass sidings in the book of map, volume 5. You can be certain that DM&E knows where they will be added and where there will be double tracks.

This is a great example of the DM&E nondisclosure practices that have been confronting us. A DEIS absent the full disclosure of projects details needed by reviewers to informed comments is an incomplete DEIS. It makes a mockery of the review process. It's a betrayal of the public trust.

Secondly, it's a stretch I think to suggest that the primary potential environmental benefit of this project is that DM&E's existing system in Minnesota and South Dakota which currently is in generally poor condition would be totally upgraded to allow the operation of unit coal trains, thus enhancing the safety of DM&E's existing rail operations.

This project is about money. Not the environment. Increasing rail traffic by over 12 times and the tonnage by far more entails an enormous increase in energy use with an attendant increase in harmful diesel particulates and other emissions, excessive noise, psychological stress, vibration, property devaluations and increased traffic hazards all along the lines. There are no net environmental benefits from the new line into the PRB. I am sure many other readers also resent the STB cheerleading for DM&E in this document.

Third, the chair of the intergovernmental panel in climate change announced that global warming is accelerating and mitigation is becoming more urgent. We can see the climate change in Minnesota. Four or five decades ago you could grow up here and never see an opossum unless it was in a book or in a zoo. Now there are more dead opossums and dead cats on the road.

Is it in our national or global long-term interest to haul more coal to what will certainly be our dirtiest and least efficient generating plants. Why approve the spending of billions of dollars to enable the hauling of a mercury and carbon dioxide spewing product that's very likely to be taxed heavily to reduce usage within a decade. The DM&E can choose to upgrade their line without extending it into Wyoming. Thanks.

MR. SIMON: Thank you. I am Ellsworth Simon, a farmer in Lewiston, about 30 miles east of here. My dad bought a farm one mile west of Lewiston, and it's right on the Highway 14. The DM&E Railroad is right next to it. So I have had a lifetime of dealing with both, Highway

14 as a major highway and the DM&E Railroad, all my life.

I go across the DM&E every single day several times. Or my son who lives on the place now. They talk about the noise and holler. All these years we never had any trouble sleeping, and my bedroom window is about 50 feet from the highway and the DM&E is right across it.

As a kid, the 400 railroad train went 60 miles an hour through this area, and there were no accidents from that. The factor is now we consider the traffic and the coal trains, my main concern is the grain which is being carried, and we have got to get this grain out of this area. I am 15 miles from Winona, at the end of this line, and this is the number one concern to our area.

The Environmental Protection Agency has required these power plants to change to the low sulphur coal. That we use a great deal of electricity in our business. All my neighbors use a great deal of electricity.

They talk about the traffic. I know the traffic that is going by the DM&E with this railroad, but my main concern is safety because there are thousands of trucks go by my place every single day. It's not unusual for me to wait for four, six, eight of these trucks to go by so I can get on Highway 14. These are not going at 30 miles an hour. The sign says 55 right next to my driveway, and most of them are doing that or better.

That we have got to move this grain. We have got to have the energy. I know that bypasses do not work because Winona put Highway 61 as a bypass around Winona, and this is a state and federal supported highway. Today most of Winona's commercial business is most right along the bypass. So Rochester will go right -- build right around this. They have got the infrastructure set. So let's leave the railroad right where it is. Upgrade it so that we can have good faith transportation for our area. Thank you.

MR. ROBERTS: I am not Sol Simon, but I am standing in for him. He is not here this evening. He had to be with his family. My name is Thad Roberts. I am representing the Mississippi River Revival, which Sol Simon is the executive director. Sol asked me here tonight to fill in for him, as I said. I want to say I'm not against the rail. But I would like it to be done well, if -- I'm sorry, I am not very prepared here tonight. I have just been called in.

I just want to say I was born in another country. I was born in Wales. The train, everything in our town, in our little town came in on the train. When you crossed the area where the train went by there was a gate, and that stopped people from crossing. There was no way of getting around that gate.

This is my concern. I live in Winona, next to where this man that just spoke next to me. My greatest concern is safety of humans. I have lived in Winona for 10 years, and there has been one traffic accident per year. Now, in this report they predict that there will be one accident I believe every three years, if this train goes through, it's another 32 trains come through.

Well, if there are 32 more trains going through I think there's going to be more than one accident in the next three years. You can't do this kind of thing right unless you put a barrier across that road to stop people from driving. Students, nurses, factory workers, farmers, whoever they might be, they need to get to work. In Winona right now we have I believe 20 trains going through. To put another possible 25 to 32 trains, people will try and get around them.

What about dividing the town in two. Most of the -- trains will go down the whole length of Winona. Most of the houses next to the tracks are unprotected by fencing. There are families that live in those houses and they are totally unprotected.

So I guess my greatest feeling about this thing is the safety of people. If you want to do this and do it well, you have to put a barrier across that road or people will try to get around it.

Thank you.

MR. PETERSON: I am Roger Peterson. I am the chief of police for the City of Rochester. I will be addressing the Draft Environmental Impact Statement specifically as it relates to emergency vehicle response and public safety issues. Time is brief. I am going to be a little blunt. The impact statement in this regard is based on series of false assumptions and disregards the reality of the public safety issues in our community. While the report acknowledges that where, when and what the emergency is cannot be predicted, it utilizes only studies of medical emergencies to determine the impact of the proposed rail line to emergency services.

Medical emergencies are only a small part of the calls we respond to. Assaults in progress, domestics, robberies and other crimes that have a high potential of personal harm make up a very substantial part of our emergency vehicle response. We like to get to these calls before they become medical emergencies. Therefore the assumption that only "five to 10 percent" of emergency calls as quoted in this statement are actually life threatening is based on a false assumption. I can assure you the need for immediate police service extends far beyond medical emergencies.

However, even if we accept the medical emergency definition supplied by the report, it is extremely disappointing to find that the conclusions reached are based on reports that are 25 years old. To suggest that police response and technology has remained static for that 25 years isn't just a false assumption, that's a ludicrous assumption. Advances in technology have made us extremely effective in responding to medical emergencies. You have already heard from Dr. Gibbons of the Mayo Clinic in that regard.

Suffice it to say, an immediate medical emergency response is critical to saving the victims, especially of heart attacks in our community, utilizing defibrillator technology available in emergency response vehicles. Immediate does not mean 15 minutes or the 30 minutes indicated in the impact statement. We have four. If we get there within that time we provide citizens of this community with the highest survival rate for heart attack victims in the country. If we don't, they don't survive. It's that simple. If we spend that time waiting for trains, they don't survive.

The statement indicates that the problem with emergency response can be mitigated by utilizing such methods as using the oncoming traffic lane while waiting for a train to clear a crossing, then crossing ahead of other vehicles after the train passes. The suggestion that emergency vehicles ignore state laws and proceed in such a dangerous manner is something the federal agency just shouldn't be suggesting.

Other suggestions that faster trains will require emergency vehicles to arrive at open crossings quickly is pretty obvious, but it suggests that we as emergency responders race trains to crossings, the very behavior we try to discourage in motorists because it is so dangerous. That's just not acceptable.

The impact statement goes on to suggest that the issue of public safety response is mitigated by the proposed speed of the trains. While the trains will be much more frequent, they will be moving much faster so they will block the streets for a shorter period of time.

The fact is, we are told that the train safety issue is not an issue. It is below the criteria for significance. I would suggest to you that with quadrupling the number of trains and quadrupling their speed through the downtown of the city is not below the criteria of significance. It is far above that.

You have already heard about the Mayo Clinic. You have already heard about our inability to evacuate people from there in the event of a train incident. In that regard trains are not like trucks. I would ask you to consider public safety in your response to that proposal. Thank you.

MR. WILSON: Thank you and good evening and welcome to Olmsted County. The county which has by consensus unanimously opposed the project and has asked by resolution for an extension of time. I hope that my brief remarks and my written comments that I will give to you partially will help support that position.

After nearly two-and-a-half years of being involved in this process it has become increasingly clear to me that this process which is going on has not had the leadership from the federal folks and has been abdication on many issues and it would be very justifiable for you to deny this application.

Communities through appeasement and getting the best deal you can are left on their own by indications that the STB does not wish to impose mitigation and prefers negotiated solutions. It is nearly impossible for anyone to negotiate when there is no bottom line, or the bottom line is so minimal so as to be hardly worth it.

As the appropriately designated authority, it is your responsibility to determine what is expected and by coming out and saying what is expected and stating what mitigation measures are essential to insure the applicant's commitment rather than reliance on consultation or the goodwill of the applicant to consider.

The contrast between economic costs and benefits are essential to the validity of this project that interplay with the environmental impacts. Consider the following observations for Olmsted County. There are two kinds of jobs that will be created potentially about this project, the railroad jobs and the spinoff into the communities. These folks will pay income taxes, buy homes and pay property taxes and sales taxes. The DEIS also points to additional property taxes the county or city will receive resulting from railroad reconstruction. Approximately 1.2 million.

The STB claims that increased tax revenue should easily offset any financial burden the project may cause counties. If these assumptions are correct, then what are we talking about. The idea that income taxes accrue to the county is extremely speculative, since that is determined by the legislators' willingness to return those tax dollars to local governments. The same applies to state sales taxes.

In terms of property taxes, the projected 1.2 million, if it is realized, represents only about a one percent increase in property tax revenues. The conclusion that increased tax revenues will offset financial burdens should also be challenged. There are appropriate studies that suggest property value loss will occur on five to 10 percent of the properties within 500 to 1,000 feet of the newly built line. In addition, past successful challenges by property owners to receive five to 10 percent in additional valuations.

In evaluating alternatives, without looking at all the economic impacts and to make a final decision on the financial feasibility of the project without looking at all the costs would appear to be an abdication of responsibility and is inconsistent with a 1994 executive order of the President calling for an assessment of costs and benefits of projects authorized by federal agencies.

In addition, a quick comment on the environmental justice issues. Olmsted County has experienced a 10-fold increase in the black student enrollment population, a doubling of total non-white student enrollment and a tripling of students eligible for free and reduced lunch

programs. These folks need your support. The extended time would be necessary so that those folks who don't have a voice have an opportunity to speak. Thank you.

MR. CHRISTOPHERSON: Hi. My name is Al Christopherson. I am a farmer, also president of the Minnesota Farm Bureau Federation and Board member of the American Farm Bureau Federation.

The testimony today is on behalf of American Farm Bureau and the Minnesota Farm Bureau Federations. Our organization supports the proposed upgrade and expansion of the DM&E because it is an important test of whether regional and shortline railroads will be able to provide rail service for underserved rural areas and provide at least limited competition between a limited number of origin destined payers for class I railroads.

The project will also allow DM&E to offer improved service to agricultural shippers. According to the USDA testimony in the matter I quote, "DM&E shippers cannot compete effectively for Pacific Northwest traffic because the traffic is too slow. It takes nine days to move across the DM&E from end to end. Rebuilding the railroad will promise to cut this travel time from days to hours."

Some estimates suggest as high as 20 cents per bushel for both corn and wheat. If prices for wheat and corn and soybeans increased just 10 percent per bushel, then farm income in the DM&E service region could increase by more than 90 million dollars in a typical crop year.

It is important to note that the Draft Environmental Impact Statement finds the no action alternative unacceptable because the failure to upgrade DM&E line will not only endanger the economic health of Minnesota and South Dakota farmers but would deny DM&E the opportunity to improve its safety record.

While Farm Bureau has no official policy on the proposed bypasses, we would like to point out some key points within the Draft EIS. On page 59 it states, generally use of existing rail corridors is environmentally preferable to construction of new rail line on undisturbed land. We all need to examine and weight the impacts of building on the existing line, which has more impact on human environment versus impacts of building a bypass on previously undisturbed land, which will have more negative, affecting soils, farm land, geology, wetlands, vegetation and wildlife.

We must also remember the rural landowners who live on the land where the bypasses are proposed. If a bypass is ordered, these individuals will be required to sacrifice a great deal for the greater good of communities through southern Minnesota and South Dakota. This point should not be forgotten by anyone in this community, especially those forces demanding the bypass. We feel it is important to point out that if a bypass is ordered by a community, the requesting community will most likely have to shoulder a significant financial responsibility.

In conclusion, it is Farm Bureau's overall view that the economic and environmental impact benefits that will be realized by the proposed expansion and modernization of the DM&E clearly outweighs its costs. We therefore urge the STB to speedily complete its EIS process and expeditiously approve DM&E's request to begin this process. Thank you.

MR. MORSE: Good evening. My name is Joe Morse. I am from Winona County. I've lived there most of my life. I am here to comment on the Draft Environmental Impact Statement. First of all, I think it's ludicrous to think that citizens can comment on this document within 90 days. We need 180 days minimum. The comment period falls, the 90 day comment period falls between -- with five holidays in that period, between when it started and January 5th. It's long, as we know. It's huge. We really need more time to document what's in it and to review it and

thoroughly comment on it.

The other thing I want to mention is that there are really many gaps in the EIS. It's poorly drafted. It looked like it was done in a hurry. I represent a small local environmental organization in Winona called the Bluffland Environment Watch, and we have gone through parts of it and reviewed segments.

First of all, somebody mentioned a little earlier there are plans to build a marshalling yard east of Utica, Minnesota, in Winona County, which is on karst geology. Now, karst geology is fractured limestone, sometimes with as little as a foot or two of dirt or earth over the limestone. Surface liquids can quickly move within an hour from the surface into the ground water, which people use for their drinking water. Fuel spills, product spills in that marshalling yard could reach ground water.

There is no mention whatsoever that we can find of karst geology in the DEIS. The ludicrous thing is that the Kettle Marine area is mentioned in the DEIS, which is in the borderland area between Minnesota and Canada. It's beyond us as to why that's even mentioned. It's a little ways away.

The other area that we want to comment on is that Garvin Brook is a stream just outside of Winona that is an impaired waterway. Millions of dollars of federal, state, county, as well as private money went in to upgrade that stream to make it a useful trout stream.

The STB rules require that the STB address the conflicts with state and local standards. There would be extreme problems trying to get approval to build track and bridges over that stream. At this point the plan calls for a double track along that, at least five miles of Garvin Brook.

There are other items which I would mention, one of which the DNR in Minnesota identifies more than a hundred acres more of wetlands delineated that would be affected by DM&E than the EIS identifies. So that the numbers between Minnesota Department of Natural Resources and this EIS are way off as far as wetland mitigation that's going to be required. Thank you.

MR. OWEN: Thank you for a well run hearing and endless patience on your part. My name is David Owen. I am president of the South Dakota Chamber of the Commerce and Industry. I am here to reinforce that this project is important to South Dakota in terms of carrying grain and some of our manufactured goods. I know you have heard a lot, especially in our state. So I would like to spend my time talking about the dilemma in all of these processes.

That is, to ask you to respond directly when you finish the report, what I consider a request for mitigation suggested by those whose real desire is to kill the project outright. I have come to Rochester because I have no desire to kill the project outright. I want to get the best sense of this case in a productive time.

There are a number of ways you can use to kill a project like this. They use most of them. You can give money directly to the opposition. It's well organized and it's been funded by the citizens.

The second method to kill a project is by taking so long that no one will invest in it. You can't cover the cost of review. I would ask you not to extend the review period. It's already double a 45 day review period. Quite honestly, this didn't sneak up on anybody. It's been two years in the making. I cannot think of no one except the railroad that has to go through the whole document. People have their own areas.

Third is to request unreasonable conditions. This is the third way to kill a project, which

is parallel to Mr. Thornhill's invitation. The bypass, the proposed bypass here is 50 percent longer than the route we have got. We have worked real hard in Brookings on the railroad proposal to keep the bypass reasonable. You also issued an invitation to look at communities. We expect to be part of that answer. Brookings certainly said they will participate in funding. It's time for Rochester do that.

I think of it this way, this is a design for mitigation for the project. It's a worthwhile project. A lot of projects face review, even homes for the disabled. We hear opposition. We hear it similar to this, don't build it here, we put a lot of conditions on those.

Let the opponents be directed, and they have been, they are well organized, they are doing a good job. What I would ask you is if you want to rule that the project shouldn't be built, do it directly. Don't allow these same voices to give a whole bunch of conditions. It just makes it impossible to build. South Dakota will lose too much in that case.

MS. RIEDER: Members of the STB Board, I am Mary Rieder, Professor of Economics at Winona State University, and a recent unsuccessful candidate for U.S. Congress in this district. We live in Eyota, Minnesota.

I am here to encourage your adoption of the no action alternative. I am aware that among your concerns of not choosing the no action alternative is that the DM&E would go out of business. I do not believe that this is true. Prior to its submission of the request to expand to the Powder River Basin the railroad was profitable, although most of the profit were invested in upgrading the current track. Over a period of time once the tracks are fully upgraded the railroad will even be more profitable. Were it not profitable it could not have received encouragement by the STB nor the financial community to consider the expansion.

I would now like to address the three criteria in which the initial proposal was tentatively approved subject to the EIS and its finding. Is there a negative impact on competition. Is it financially feasible. Is it in the public interest.

First, I believe there will be a negative effect on the competition as there are currently two railroads that serve the region and have excess capacity. Second, this excess capacity is a great concern in addressing the question of financial feasibility. First, I believe that the cost of the project has been greatly understated and they need to be recalculated, adding in the appropriate cost for mitigation and overpasses.

Second, because of the excess capacity of the two other railroads, which I believe puts them on the down sloping portion of the marginal cost curve. Economic theory suggests that should the railroad expansion be approved and built, a price war will ensue until the DM&E went under. Thus this railroad needed by farmers and shippers currently could be lost.

Finally, I would like to address the issue of public interest. I would hope that the STB would use a cost benefit analysis to determine if this project is in fact in the public interest. Here the benefits are easily defined and quantified, the gain to the railroad and to the electric utilities and other benefits attested to in these hearings. The costs are less easy to quantify but they are huge. Some can be measured in loss in property values, but others, like potential loss of life, problems from derailment, time loss in traffic are harder to evaluate.

Costs to the environment, health and the loss of a trout stream are even most elusive. However, in my opinion, when the costs to the public are properly evaluated they far outweigh the benefits to society as a whole. Thank you.

MS. GOLDBERG: My report will show what type of impact the bypass will pose to the rural community. In summary, we stand to lose our farm and that has been in the family for over

150 years. This opposition is in the interest of the rural America and about trying to keep the occupation of farming and the lifestyle of the rural community in existence.

For many, farming is also a source of retirement. With only two percent of America's population today engaged in farming we must try and preserve agriculture. Agriculture is the foundation of this country. Olmsted County soil is among the most productive in the world and accounts for over 40 percent of the overall economy in the County.

Over 800 acres of prime farm land will go permanently out of production, along with other farm land divided. So farmers will lose their efficiency to operate. A bypass will threaten to close down township roads, which will increase time and distance of travel for commuters, emergency response units and add extra school bus exposure to areas where it's never existed.

Rochester claims noise, pollution and emergency vehicle response will negatively affect the Mayo Clinic and is therefore a reason for a bypass. Each year U.S. News and World Report lists the best hospitals in the United States based on how each facility ranked in the number of specialties. Along with Mayo, some of these includes Johns Hopkins out of Baltimore, Maryland; Massachusetts General, Cleveland Clinic. Other top medical institutions in the top five are located in Chicago, Philadelphia and San Francisco. As you can see, many of the finest medical institutions are in cities a great deal larger than Rochester. These cities not only have considerable more traffic congestion but many also have railroads and commuter trains as well.

Apparently these cities have found ways to mitigate noise, traffic delays and vibration without forcing the relocation of the railroad. Indeed, Rochester is luckier than most in that Mayo's emergency trauma center is at Saint Marys Hospital, located two blocks from Highway 52, which is unaffected by the railroad. I have included maps in my statement showing these top 15 hospitals and where they are located in reference to railroads and subways.

Clearly the reputation of a medical institution should not be dependent on driving another business such as DM&E out of town in order to maintain its status as a quality medical institution. If this bypass is allowed it will set a precedent. So where and when do we stop making it someone else's problem.

This railroad is important to the overall economy and we believe it should be improved. It is what made Rochester what it is today. The tracks are in the city and that's where it should stay. The current upgrade in Rochester will leave no one without a home or potential loss of retirement income. We need to start time and money into mitigation efforts of what can work for the City of Rochester and the DM&E and not how we can leave the rural area to deal with, when 84 percent of the coal consumption in Olmsted County occurs here in Rochester. Thank you for your time this evening and we hope you will see this from the view of a rural American who is fighting to keep what little is left of what is called rural. Please say no to the bypass proposal.

MR. HILDEBRAND: My name is John Hildebrand. In 1995 I wrote a book published by Alfred Knopf called Mapping the Farm, which chronicles five generations on the O'Neill farm southwest of Rochester in Marion Township. The book was well received, partly because readers understood that one farm family story could represent the story of others. The same is true in this case.

The O'Neill farm is one of fifty some farms directly threatened by the City of Rochester's proposed bypass, but the effect would be the same to all of them. Let's agree on one point. The primary purpose of the proposed bypass is not to move coal or coal trains but to transport the city's perceived problems into the countryside.

The concerns of the city. Vibration and noise may or may not prove to be the case if the

DM&E is allowed to upgrade its tracks. But the problems involved in constructing 34 miles of new tracks through private property are both actual and unnecessary. Unnecessary because the most logical route for the rail line already exists. It is a route that does not have to go south in order to go east. A route laid out on level terrain. A route that requires neither land condemnation nor a 200 million dollar tax levy. Finally, a route that is now and will continue to be used to supply coal to Rochester's utility plants. Therefore, making a bypass completely redundant.

The proposed bypass would slice through half a mile of the O'Neill farm. Unbelievably the route is laid out on the eastern slope of what we call the hollow, a narrow, extremely steep, and coincidentally, very beautiful coulee formed by Spring Creek. The hillside that would have to be carved away is a prime example of karst topography, limestone bedrock ribboned with sinkholes and fissures. Even if one was craven enough to destroy that coulee in order to lay half a mile of track, the bedrock would be an unstable base on which to operate heavy machinery, let alone trains.

Then the trains would somehow have to jump four lanes on Highway 52 which lies at the north end of the hollow. The O'Neills would lose cropland east of the hollow. They would lose the hollow itself, the prime cattle pasture, and almost certainly the spring, the water source for the cattle. In effect the bypass would put them out of business. These are real problems, not perceived ones.

Rochester is a unique community. It is unique in that it is a company town. Mayo Clinic is Rochester as far as city officials are concerned. Everything is just support facilities. Mayo's position to a railroad upgrade is based primarily on concern for its own bottom line. Mayo has suggested that coal trains may deter patients from coming to the clinic, a preposterous argument. Who chooses health care on the basis of train traffic. Mayo's real concern is its own future group. The clinic has not been overly concerned about vibration and noise resulting from its own construction boom.

In pushing for a bypass, Mayo is attempting to pre-empt possible impediments to its future expansion. It is up to the Surface Transportation Board to make the only decision that makes sense, and that is to reject the bypass. Thank you.

MR. KOLBY: I am Doug Kolby, a private citizen from Owatonna, Minnesota. My first reaction upon reading the executive summary of the DEIS was that it was written by a bunch of lawyers that didn't want to be sued. The document is just like the rest of the process. It leaves cities and counties in the dark as to what the scope of the project is and exactly what the STB will do to mitigate the environmental effects of this project.

I believe the entire process is flawed in favor of the railroad and the private investors financing the project at the expense of the private citizens and the communities along the way. I served on the city of Owatonna's task force that conducted negotiations with representatives of the DM&E. We were told outright by the representatives of the DM&E, sign our partnership agreement where you have some idea of what you will get or take your chances and get less from the STB.

It was not negotiation. It was extortion. Extortion that the STB is party to. In Owatonna there are at present 15 streets that the DM&E will cross as it passes through town. Its current number of trains is approximately three trains per day, as it has been at that level for as long as I have lived in the community.

Railroads have through past practice lead their neighbors to believe that they will not

increase traffic, that we could co-exist with the present rail traffic. Now the DM&E is going to change that co-existence. They are going to change the way they do business. Changing the current environment, changing the impact that they have on their neighbors and changing the value of their neighbor's property. No longer can we live with the premise that railroads were there first; that they should be able to do whatever they want with their property. They have changed their usage to three trains per day over a course of many years and have given up that right.

Now neighborhoods exist there. They are now the ones who were there first and the railroads, coal trains especially, are the newcomers. They should be subject to the rights of the neighborhoods and the communities. We have the potential in Owatonna, according to everybody's figure, of 37 trains per day going east to west, and possibly more trains going around from the south and coming back north on the Iowa Minnesota railroad. A condition, by the way, that's not mentioned in this DEIS.

These trains will change the quality of life and our property values and they are going to change your environment. If you allow this change to take place then you must require this railroad to internalize all of the marginal costs, that is, new additional costs resulting from this change that communities are going to bear. These costs must be internalized and become part of the private cost borne by the DM&E Railroad. By forcing this railroad to internalize these costs, you are requiring the market to capture the true cost of shipping this coal from Wyoming to the east.

When this coal is sold for its true cost, I will bet that the market will make other wiser choices like building power plants in Wyoming and transporting the electricity or finding alternative sources of energy. So long as you allow the rape of the communities along the path of this railroad, in other words allow the DM&E to pass these costs on to the communities along the way, you force communities to subsidize the price of coal for others, changing what the market choice is.

Please consider all the costs. Please help the marketplace to act as it should, making the wisest choice on the allocation of resources. Don't make our communities pay so that others can have cheap coal and the DM&E can reap huge profits at our expense.

MR. THOMPSON: Jeff Thompson, Olmsted County Commissioner. Lifetime resident of Olmsted County. I have lived in Marion Township for over 43 years. In my private business I am a practicing attorney certified as a real estate specialist. I have been here all day and listened to probably about 80 speakers by now. I think it's obvious that the two governing groups in our county have different interests. You heard from city officials who as an alternative are advocating the bypass. The official position of Olmsted County is no bypass or no alternative routes and the no build option.

Similarly, I would say to the Board here tonight that as we do as Olmsted County commissioners, not only looking at the City of Rochester interests but also looking at the rural interests, the interest of everybody that lives in Olmsted County.

Similarly I would trust that this Board would look at the interest of everybody that lives in Olmsted County as well, not just the interest of one group, whatever that group may be. A lot of what I want to say has been touched on by other speakers, but I am going to concentrate on the environmental aspects and water quality.

As a county commissioner the last four years I have sat on a lot of water boards. I am currently sitting on Minnesota Southeast Water Board. I have sat on the environmental

commission. I have sat on the feed lot task force. Feed lots were the hot issue in this county a couple years ago, directly prior to the DM&E issue surfacing.

But if I could refer your attention to the map that's been presented as well as the karst topography map which I have seen throughout the evening. If that could be put on the Board as well. There is a map showing the karst topography of Olmsted County, with regard to water quality. If that could be put on the Board as well.

We have heard the term karst topography referred to several times during the course of this evening. If you look at the map that's just been put up there you will see that almost the entire county is either in the red or orange color. That means that that area is highly sensitive to water quality concerns. The only nonsensitive karst area in the county is that green area which is in the northwest quadrant. That's currently where one of our landfills is located.

As you can see from that map, the proposed bypass is entirely within that sensitive or karst geology. Looking at the EIS, some of the portions talk about over 53 acres of wetlands. Then there is really a highly sensitive wetland that is given a lot of special protection in Minnesota; that being the calcareous fens.

When the feed lot issue was going on we heard from city officials with regard to one of the largest farmers in southern Minnesota, that if there would be a failure in one of the large lagoons, that that within a matter of hours could jeopardize the water quality not only in Rochester but the entire Olmsted County. Just remember that when you are talking about the bypass; how sensitive that area is; and if there was any type of a spill, that that would jeopardize the entire water quality in our entire county.

MS. OEHLKE: My name is Kimberly Oehlke. My family farms along Highway 30 West, eight miles south of Rochester. The proposed bypass runs directly through our farm. My husband and I and our children are the third generation farming this land. Our medium sized dairy produces 300,000 gallons of grade A milk per year and we farm 1200 acres of cropland, producing corn, soybeans, peas, and hay.

The Citizens to Stop the Coal Trains fact sheet refers to potential loss of revenue due to various Rochester businesses due to excessive train noise and potential traffic pollution. I would like to point out that a bypass running through our farm could also have a direct impact on our ability to sustain a viable business.

As most people are aware, it is extremely challenging to maintain a viable farming operation when milk prices and produce prices are running at record lows. The bypass route proposed by the City of Rochester runs through prime farm land, CER 55 plus. On our property, and we would be forced to sell this land for only market value, thereby losing revenue that would have been generated by keeping the land productive.

The STB has indicated that DM&E would have a half a mile on either side of the proposed route on which to build their track. This leaves open the possibility that we could lose our home, our milking parlor and barn. This would absolutely put an end to our ability to continue farming. In 1964 we built our current milking parlor and barn at a cost of approximately \$60,000. Rebuilding these units today would easily cost \$500,000. That's three to four thousand dollars per stall, times 150 stalls. An impossibility for our business in today's farming market.

It would be easy to recommend simply moving the track so it does not destroy our farm. However, it would simply destroy someone else's farm. Only 1/32nd of the Earth's surface is suitable for food production and every day in Minnesota 60 acres are removed from food

production. Due to the scattered venues of farming it is easy to overlook the chipping away of farm land. Once gone it's lost forever.

I respectfully request that the STB consider the total impact to the public. Consider that our farm supports five families. Our milk goes to the AMPI plant in Rochester. Our corn and peas go to the Seneca plant in Rochester. These products create jobs and food products for Rochester and beyond.

DR. PREDMORE: My name is Larry Predmore. I am a large animal veterinarian in the area. A lot of the things I was going to say have already been covered. Basically when I come home at night I like to eat supper, take a hot bath, have a cold beer and then watch the news and read a newspaper or a book. All these things pretty much depend on having a cheap supply of electricity. In this county and in this area, that's coal. I think we have 95 to a hundred percent of our electricity comes from that.

I have been going to most of these meetings they have had about this, and I keep hearing that the train is not necessary and that it will destroy Rochester. This sounds like the same thing we heard when the federal prison was first coming to town about 10 or 15 years ago. We all know how that really ruined this town.

I think one of the concerns I heard was that the train whistles are going to keep the prisoners awake at night. I know that will be a real inconvenience to them. But the people that say we don't need the train or coal must know about some other source of energy the rest of us haven't heard of or else they seem to think that these lights just come on by magic. The simple fact is that western coal is the only practical source of power in this area and the railroad is the only practical way to move it. We don't have any rivers coming from the west that are navigable.

I keep hearing people at these meetings say that the trains should run through northern Minnesota or they ought to run down through Iowa. My question is what makes us much better than these people on these other routes; why is this town too good for a railroad.

I was at one of these meetings and I overheard one of our officials say to another why they ever let them put that train so close to the Medical Center to start. I don't know about anybody else, but I always thought the Mayo Clinic used to get most of its patients by train. I have seen papers from back in the 50s that they were getting upset that the number of passenger trains was being reduced and would have a negative impact on the clinic.

I really wish the Mayo brothers and their father was around now to give their opinion on the way this thing is being handled, also their idea of routing the bypass out through the country, which is in the general direction they used to live.

Another thing I find hard to believe is the town that voted down the last bond issue for the schools which was for 10 million is going to spring for 122 million for a bypass, which we are all going to be paying for that sucker. It comes down to the fact that the railroad already owns the land where the tracks are and ought to leave them there. I want to make the wild prediction that this train is going to come, it's going to go through town, the town will not be destroyed, the people will keep coming to the clinic and nobody who is sick is even going to think about that train when they come here. I bet in 10 years we will have about the same amount of interest in this railroad as we have now in the federal prison.

MR. HARTMAN: My name is Peter Hartman. I am a resident of Rochester. I live on the east side. There are already two coal lines that go out of Powder River Basin. Those coal trains already handle all the coal that's produced there and the needs of this country for the foreseeable future. If a coal train goes through Rochester or it doesn't, it's not going to affect the

amount of coal available in this area.

The conjecture that DM&E will go out of business if there is not a coal train is probably also false. There are other alternatives to a coal train for upgrading the DM&E. I live near a coal train track in Otter Tail County. In the winter, when the ground is frozen, I lived a mile-and-a-half from that coal train track. In the winter when the ground was frozen my house vibrated. I was a mile-and-a-half away from that coal train. Now I live a block from the proposed DM&E expansion. I know what that coal train will do to my house. It will probably shake my stucco right off the walls.

I wonder, you know, why the Draft Environmental Statement didn't consider more mitigation for residents in the City of Rochester. There is a 70 decibel limit for the coal train. Normally for airplanes, airports, highways, it's 65.

There are a couple statements in the Draft Environmental Statement that aren't quite correct. They say there are 12 trains that go through Rochester now. That's just not true. There is about a third of that.

I live near the prison. The prison is a good neighbor. But I heard from the manager at the federal prison that their security system is sensitive to vibration. They had an engineer study it, they would have to redo their total security system around the prison if the train went through, because if there were coal trains going through, the vibrations there would disrupt their system and it would no longer be adequate.

Rochester is going to have to pay for a coal train to come through town. All the safety concerns will cost about a hundred million dollars. We are going to be paying that. It doesn't matter about a bypass. The coal train is going to be costing us money anyway.

One other thing that really worries me is that there are no limits put on the DM&E once the coal train goes through. They can haul, they can put a second track in. They can haul all the coal they want. They can start hauling all kinds of hazardous chemicals. Imagine a scenario where the Mayo Clinic has to be evacuated because of a train derailment in town. After that, people wouldn't want to come to the Mayo Clinic any more.

MS. SCHWINGHAMMER: Good evening. Thank you for the opportunity to testify on this important public policy matter. I am Diane Schwinghammer, superintendent of the Rochester Catholic schools. I am here tonight on behalf of the 2,163 students and 260 employees entrusted to my stewardship. I oppose the proposed expansion of DM&E train traffic through Rochester based on safety considerations for children, their parents and school staff. The proposed expanded train traffic poses a risk to students, parents and staff traveling near and across these tracks in all modes of transportation, automobile, school bus, bicycle and walking.

Each additional train, 37 of what I am understanding, using these tracks results in enhanced safety risks for students, parents and staff under even the most ideal conditions. The tragedy of a stalled school bus in Fox River Grove, Illinois, not long ago must never occur in Rochester. Every new train passing through only heightens that risk under both ideal and less than ideal circumstances.

Our mission is to reduce those risks, not heighten them. Allow me to illustrate my safety concerns with two quick examples. Lourdes High School is located just three blocks from the train tracks. Nearly half, 48 percent of our students at this school live north of the tracks and cross the tracks a minimum of two times per day Monday through Friday to come to school and return home. Further, an extremely high percentage of our students, over 85 percent participate in various extracurricular activities such as drama, athletics and music programs in the afternoon,

evenings and weekends.

The number of times these students, their parents and staff are compelled to cross these tracks is substantial. St. Francis Elementary School is just five blocks from the train tracks. This school educates 510 children from nursery school through eighth grade, nearly 42 percent of these children also cross the tracks for school each day and for extracurricular activities throughout the year. 62 percent of our employees reside north of the tracks and their continued safety are also of great concern to me as well.

The only alternative route or non-track exposure from north of the tracks to our schools is Highway 52. This is not an acceptable alternative based on safety considerations and accidents and statistics through that corridor. Further a Highway 52 alternative is of no benefit to the St. Frances students and parents, many of whom live east of the school.

In summary, I am entrusted to the safety, care and productivity of the children and employees at Rochester Catholic schools. The proposed expansion of train traffic encompassing Rochester poses a safety risk to our students, parents and staff. I encourage the Surface Transportation Board to reject this current DM&E proposal. Thank you very much for your consideration of these views.

MR. BALM: My name is Jerry Balm. I, too, want to thank you for taking time from your busy schedules to come hear our opinions and our concerns tonight. I am here to ask you, along with many others, to reject this DM&E proposed enhancement of their tracks and their carrying through town here. I have heard a number of things tonight. I believe that words were spoken more eloquently than I on the environment. Certainly the environment in terms of noise, vibration, blocking intersections has been mentioned many times. The economic impacts. Safety is a major concern for me as a senior citizen and a retiree. I happen to live on the wrong side of the tracks to get medical attention very fast if the trains go whizzing through even more than they are now. But that is a matter a degree. That's a selfish thing on my concern.

You are hearing problems from a number of other areas here, including Owatonna, and I read in the paper about Brookings and Pierre and some of the others. I ask, and I ask the ag people around here, are they truly convinced that this train enhancement is going to help them out. I have heard from some sources, I can't put any credibility to it, that if the DM&E starts pushing coal trains through here at a very profitable margin, then what's to make us think that they will push crops through at the same margin or less.

This is a wonderful community. I have lived here for 34 years. I would truly hate to see it degraded, as it would be by this increase in safety -- of traffic through here. So I would ask that you deny the proposal for economic gain of a few DM&E folks that's going to make a lot of communities and some rural areas unhappy along these tracks. Thank you.

MR. PAGEL: I am Ron Pagel. A dairy and crop farmer from Eyota. I am here to encourage the upgrade of the DM&E railroad. By improving this rail system we are offering ag producers another viable method of transporting of transporting their grain to market. USDA studies have concluded that upgrading the DM&E would increase local grain prices by up to 20 cents a bushel. The improved rail system would provide a link to market our grain through the ports of the west coast. By upgrading the railroad the midwest would have an economical and reliable source of coal to feed power plants to provide all residents electrical power. With the demand of electricity increasing we need to be able to have the resources to generate for that demand.

I also feel that the bypass around Rochester is not needed. The DM&E owns property

through Rochester and should be able to use it for their railroad. A bypass would divide farms and limit access to many fields. If a bypass was built several rural roads would probably be closed for safety reasons. This would increase cost to local schools for student transportation.

There are also major concerns for fire and law enforcement, as it would cause increased response times. The cost of a bypass is another reason for using the existing tracks. I don't feel all residents or consumers of Rochester should be forced to pay for something that is not needed. Many tactics have been used to misrepresent this railroad project. False information, half truths and scare tactics have been used to misinform or confuse both city and rural cities. I have faith in the Surface Transportation Board that they will be able to separate the facts from the fodder and make an informed and educated decision. Thank you.

MS. HAYEK: Without reservation I am opposed to the DME coal train proposal, both the upgrade through Rochester and/or the bypass. My name is Mary Hayek. For 25 years I have lived in and owned an older home in Kutzky Park. This is a neighborhood of hard working, tax paying citizens whose health, safety and quality of life would be seriously compromised by coal trains nearby. Coal trains with their noise, pollution and movement would sever and divide neighborhoods like ours, as well as cause serious traffic congestion on all of the major traffic routes in our city.

Each day I commute to work at St. Charles elementary school and cross the DM&E railroad tracks. Bordering these tracks are the homes, old and new, of dozens of my colleagues. Some homes, including a string of new apartment houses and a number of businesses in St. Charles are within 10 yards of the DM&E tracks.

I see children cross those tracks on my way to school each morning and on my way home, on bikes, on foot, in the family car. I pass Eyota. New homes including those of colleagues are barely one half block above the DM&E railroad tracks. The same is true for a number of my friends and colleagues who live in Winona. As property values plummet, life savings in a home or in a small business will be lost.

Over the years I have traveled back and forth many times on the train through Chicago. I can only describe what I have seen for four hours at a stretch each way coming and going along those tracks. It can only be described as hellish slum where no one lives by choice.

If you remember, I own an old, old house, over 100 years old, long ago converted to apartments, which I have struggled with for the past 23 years. I have spent many entire summers, holidays, late nights cleaning, repairing, hauling furniture, walk the lawn mower over there, sometimes the snow shovel. For 30 years I have worked second jobs in the canning factors, selling decorator items, as a waitress for 10 years in order to keep up with the taxes, at times close to \$3,000 on that rental, and major maintenance bills.

However, the building has provided reasonable rent to countless persons on stipends at the Mayo Clinic. People perfecting their skills in the medical profession. Although this little gray house is in proximity to the clinic, it is within three blocks of the railroad tracks. As are many others just like it, owned by ordinary people just like me.

If the DM&E wishes to become a greater corporate entity it is the responsibility of DM&E to finance its ambitions. Two transcontinental railroads already carry coal from the Powder Basin as fast as it can be mined. The rights of the DM&E stop where my rights begin. The rights of the DM&E and of Kevin Scheiffer stop where my rights and the rights of so many others like me begin. Thank you.

MR. MOE: Hi, my name is Rodney Moe. Me and my wife farm southeast of Rochester

and I also serve as the director of the ambulance in Hayfield. I feel the DM&E expansion is important to the ag sector. It will allow us to move our products more efficiently. The current system is slow and takes days to move freight from one place to another. With the upgrade the time delay could be cut from days to hours, which would benefit everyone from us the farmer to the consumer in lower costs. I also think this is important because it is a more economical mode of transportation than putting our grains and other products on a truck and congesting our highways more than they already are.

Also, as on the ambulance service, I am concerned about the bypass idea. This is not the answer I feel because it would cause major delays in our service area and the ability to give our patients the care that they deserve.

In closing, I feel this is a good deal for safety issues, meaning more trucks -- less trucks on our highways. I am also in support of improved crossing to make our lives safer. Thank you.

MR. ABRAHAMS: Thank you for this opportunity. My name is Lionel Abrahams. I have been a resident of Rochester now for the past 26 years. I have been transferred by IBM from New York back in '74. I have been moved to this city.

Although I retired five-and-a-half years ago I am still here. Wonder why I have not gone back to New York, where I still have family. Two words. QL and Mayo. QL is my acronym for quality of life. Me and my wife have raised three children here and have always enjoyed the small town atmosphere, the friendliness of the people here and the clean environment. To us Rochester is home. I certainly want it to stay home.

Mayo. The best medical facility right in town and accessible in minutes. For people getting on in age, that's very important.

Now, it's my opinion it threatens both of those. Quality of life. The STB in my opinion has not done a proper evaluation and has poorly quantified the significant impact of this ridiculous proposal. A greater than 10-fold increase in the number of trains through Rochester, anybody who claims we have currently 10 trains is obviously not using -- three to five trains is more like it. Greater than 17-fold increase in train speed, from the current three to five miles to greater than 50 miles an hour. I have yet to take my slide rule to measure a train going through town, but I am sure they are not 1.5 miles long. It is rather obvious that such increase can only negatively impact Rochester.

I would submit it is one thing to get hit by a train going at three miles per hour, but totally than being completely annihilated resulting from a train hitting you at 55 miles an hour. We have school buses carrying our children to and from school, and crossing those tracks many, many times of day. Who wants to put a price on the lives of these children. Not if but rather when one of the school buses gets blasted away by one of the 37 plus trains. Does the STB want to put that price. I sure don't want to.

Beside accidents, and it would not be the single, what about the action of delays it would cause pedestrians at train crossings. I, for example, have many times been caught in one of those crossings with the result of being late for Mayo appointment. Now I was amazed to read that the projected delay is estimated about five minutes. Maybe at 3 a.m., during the weekend, in the middle of the night. From my experience, this is the current delay, five minutes, when I have kept up by those trains.

Now the proposed 1.5 miles of trains, delay is expected to be the same? Give me a break. I sure would not want to be there during an emergency. The STB -- air quality impact of having 37 trains, 1.5 miles long, dispersing dirty, polluting cloud of coal dust along the road and right in

the middle of Rochester. The STB has not addressed the noise pollution of having 37 train horns blasting day and night. Currently it is barely acceptable and I live in the northwest. Now imagine 17 percent increase in that noise. I cannot talk for Mayo I am sure they don't want me to talk for them. But from a patient point of view, I don't go to Mayo for leisure. When I want to get to Mayo, I need to get to Mayo. I don't want to wait 25 minutes for trains to go by before I get to Mayo.

A very short observation. There needs to be an addendum in my opinion to the STB report, which reads, prepared and paid for the STB by DM&E. From a 10,000 -- I can only reach one conclusion, either object -- to the STB group which prepared this report, or they are on the DM&E payroll. To the DM&E, I want to send them this message, not in my town. Thank you.

MS. CALLAHAN: My name is Dorothy Callahan, and I live about 10 miles southwest of Rochester in Salem Township. My husband and I moved here to this community in 1952, and I have always thought of it that way, as this community. Rochester, Olmsted County. Many of the things I have been involved with over the years, whether it was housing for low income citizens, whether it was corrections, whether it was environmental problems, I have always thought of them as things we had to solve together, and to work together. I suppose this night has been an eye opener for me.

I do not favor the expansion of the DM&E Railroad to go through Rochester, or to go through a bypass. I just feel that we should go with the no build option. We have in Rochester a community which lives in the bowl of the river valley, and because of that, it has many problems. It has had flood problems, as you know. It has had air pollution problems, which have required working together to solve those.

The problem that was mentioned today, but I think one of the gentlemen who said, said it wasn't mentioned in the Environmental Impact Statement, but indeed it is, and that is the problem of karst geology. It does exist through this county and into Winona County as well. But what the Environmental Impact Statement said is that areas associated with karst topography are not well suited for railroad construction activities. Further, it says, some areas adjacent to Rochester are dominated by karst topography.

These statements do occur in the DEIS, but no use is made of them. There is no follow-up to let people know that this is a real cautionary note. They are around Rochester. They are in Rochester. In fact, karst geology extends along the right of way of the present DM&E trains. As you know, what we are talking about here is the potential for sinkholes and the impossibility of doing some of this work.

The redirection of water and heavy grading are both predictors of sinkholes formation. So we do have a problem in Rochester and surrounding Rochester all the way through Winona County. You have heard eloquent testimony on all of these areas. I simply want to say that for me this is a problem that we need to solve together. All of us.

MS. VANSKOY: My name is Patricia VanSchoy, and I speak as a concerned citizen. My husband and I live in northeast Rochester. To allow more of my fellow colleagues a chance to speak I will keep this short, which is most unusual for me. I am against the upgrade and expansion of the DM&E railroad. I am in favor of the no action alternative. I believe the project will have a major negative impact on the safety and environmental, financial and emotional factors for Olmsted County and its citizens. Thank you.

MR. KING: My name is Terry King. My wife and I farm southwest of Rochester in Rock Dell Township. I would like to emphasize the importance of the DM&E. One of the

reasons the country is strong is the infrastructure from the railroad. It is a major part of the infrastructure.

It is an undisputed fact that the transportation of bulk material, coal, grain is moved by railroad and barge. The two methods complement each other. Today we have a railroad, the DM&E is here, serving a large corridor between the Burlington Northern and the Union Pacific. If something should happen due to a natural disaster or sabotage, this country would have a major impact in the east/west transportation. It would affect Congress and the national defense.

If the DM&E dies because it's not allowed to upgrade, many more trucks will be put on our aging interstate and highways, which are already overcrowded and in need of major repair. There have been suggestions that monitors be placed in vehicles and charge for the use of the Interstate.

The locks and dams of our rivers need to be updated as well and the same scenario plays out, where the railroad fill in the locks and dams if the locks and dams were forced to shut down. When there is competition between businesses the customers of those businesses are able to reduce their operating costs. This is true for users of coal and grain. The more haulers there are, the more competitive the freight rates.

I believe this business, the DM&E has a right to update itself on its own property. Rochester should not push an unfounded problem out in the rural area with a bypass. It is stated the railroad is needed for growth. I wonder, would they also be opposed to grain unit trains. Thank you.

MS. KELLY: Hi, I am Linda Kelly. I am originally from Pennsylvania. I lived in a small coal town and coal trains went through our town. The state closed the hospital and the town I lived in. We had to go 17 miles away to the next hospital. In that time we had a couple patients in the emergency pass away in the ambulance on the way to the 17 miles away nearest hospital. So I am against the railroad coming through Rochester. I live downtown right here in Rochester next to the library across the street, and I wouldn't appreciate the noise and the whistle late at night when I am trying to sleep. So I am against the railroad. Thank you.

MS. KEITH: Good evening. I am Sandy Keith, a member of the Citizens to Stop the Coal Trains. This has really been a very sad afternoon and evening for me, listening to the divisions within our community, one of the most remarkable communities in the world. To hear the hostility to Mayo, to see the divisions between our people, the farmers and the city people, it's just sad.

I was born here 72 years ago next week. My dad and mother came down from Canada to work at Mayo, to help the Mayos develop this incredibly unique group practice of medicine. I told my mom and dad I am never coming back to this hick town again, when I was 17 years old. Nine years later I was so happy to come back to Rochester, to come back to southern Minnesota.

I had learned a lot in higher education. I had learned more as a lieutenant in the Marine Corps, Korea, where I saw terrible destruction and war. I returned home. The reason Mary and I came to Rochester is because it's a community due largely to Mayo that has a sense of excellence that I have never seen in any other area that I have ever been in in this country.

During these 45 years that Mary and I have raised our family, we lived in rural areas. My commitment to this community has grown ever deeper. I am honored to work in a community devoted to helping care for the sick, in our neighborhood, in our city, in our community, in our state, all over the world. This remarkable place where sick people can come and get help. I think of 20 years ago when we had the terrible flood. We rallied together and we put an end to it.

It took us a long time but we did it.

Now we are being told that they are going -- it makes no sense, thirty some coal trains through the center of this town. You have heard the senior citizens. You have heard all of the people, the problems we are going to have with safety, transportation, their ability to obtain medical care, their environment and so forth. It doesn't make any sense. It's just going to erode a great medical community.

Mayo may have to rethink whether it wants to expand or grow. Frankly I think the entire proposal makes very little sense. But certainly I would hope this Board would see to it that this does not happen to this city. Thank you very much.

MS. DOUGHER: My name is Vera Dougher, and I am representing the Rochester League of Women Voters. The Rochester League did a study of the DM&E issue as it pertains to Rochester and Olmsted County in February of 1999. The result of this study was to strongly support the no build option.

We believe that this project will have serious consequences for this city and county. Much time, planning and money has been spent to revive what had become a crumbling downtown. Due to these efforts you now witness a vibrant city. Groups have been formed to help revitalize neighborhoods. They have worked hard to deal with problems typical of older areas in the city. Now their neighborhood is being threatened by a privately owned business that tells them that their concerns are beyond their control.

We are finding the DEIS to be inadequate. It is too long and difficult to read. The paging system slows down any desired referencing. In volume 7A and B there are no page numbers. The document is incomplete and does not represent the true facts that are of great concern to Rochester.

For example, the Federal Medical Center disputes your statement concerning vibration and its security fencing. The fire department has serious questions about the estimates for stopping at railroad crossings to wait for trains. When the DEIS talks about concerns that exist here, there are sadly seldom any solutions to the concerns stated. Take the example of vibration on houses in Rochester.

According to the DEIS, there are 254 structures in Rochester that would be affected by vibration. Nowhere does the DEIS give assurance or make recommendations that the owners' quality of life issues are going to be addressed. The DM&E has told these owners that it has no intention of buying their property. It is not fair to think that these structures will just be allowed to deteriorate over time with no help from the railroad.

These same structures and people will also be bombarded with noise levels above the accepted level of 65 decibels. Nowhere does the DEIS discuss the double whammies these individuals will endure. The DEIS says that the overall impacts to business and industrial land use are expected to be positive. However, negative impacts potentially significant may occur to certain businesses adjacent to the rail line.

Listen carefully to representatives from the Mayo Clinic, the hotel industry and Pemstar. Again, there is no suggestion or recommendation as to what can be done to alleviate these businesses that will be negatively impacted. It is not fair that one business be allowed to harm another in such a manner.

Do you consider the loss and impact on these businesses when you are considering the economic impact of the increased freight traffic on Rochester. The STB also needs adequate time to develop some solutions to the problems that have been raised in these meetings and to

respond to those raising these issues. Thank you.

MR. MIEDTKE: I am Duane Miedtke. I am a retired professional engineer living on the other side of the tracks. I am going to spend a few seconds talking about the EIS in particular and not addressing the issues in depth to the extent that it should as it looks at the impact. Let me give you two examples. First of all, in regard to air pollution. The City of Rochester is designated as a nonattainment area due to the amount of pollution in the downtown area. The Draft Environmental Impact Statement is silent regarding the excessive pollution that will be added to the already high level by the 90 to a hundred diesel locomotives going through downtown every day.

Further study will show that that amount of pollution will adversely affect the environment and be extremely detrimental to the health of the citizens of Rochester and of Olmsted County. Even with a bypass, the amount of pollution reached in Rochester will create a significant problem.

Secondly, the traffic study speaks to the fact that we have a number of blocked intersections. Now, I live north of town. Every time I come into downtown I cross those tracks. Obviously if I know that there is going to be a train or a possibility of a train, I will divert my route, go over to Highway 52 and come across on the overpass. Except that Highway 52 is already overloaded with too much traffic.

We are already doing studies which say we have to upgrade it, and those studies did not include the impact of the thousands of us that live north of the tracks that would seek that route in coming downtown. From that standpoint, from those two issues I think the whole Environmental Impact Statement needs to be rereviewed and looked at all the issues indepth and not just touching across the top of it.

I am very concerned that the local citizens are going to be expected to pay for any and all solutions to some of the mitigating problems. I say if the railroad wants to come through, then the railroad should meet all the criteria of overpass, underpass, gates, whatever, and the railroad should pay for it, not the citizens who are going to be adversely affected. Thank you.

MS. BOYUM: My name is Sally Boyum. I am a member of the Eastside Pioneers Neighborhood Association. I was here this afternoon and I listened to some very compelling and some very emotional testimony. You might get some emotional testimony right here.

It's been very difficult for me to see this divide between the county and the city. Part of what I was going to say is that my Swedish great grandfather came to Rochester in the late 1800s, and since then six generations of my family have called Rochester home.

My Norwegian great grandfather on the other side settled in Kasson, Minnesota. So I really feel quite a tug here. However, I have a great stake in this city which six generations of my family have called home. My great grandfather lived in the same neighborhood near the railroad tracks where I currently have my home. My neighborhood is primarily comprised of elderly people on fixed incomes, young families just starting out, and single-parent head of households like myself.

The DM&E proposal will make everyday life truly unbearable in our wonderful neighborhood. I have seen my elderly neighbors be just devastated and not knowing where to go and trusting that the government is going to do right by them. We have already talked about the 12 trains per day.

I think you heard it enough to establish that no, we do not have that many. Come sit in my house and see the three or four go by. The highest number I have ever seen is six. But one

of my neighbors commented that if we do have 37 trains a day, it will be one train every 40 minutes and none of us will ever sleep again.

The increase in heavy coal train traffic will expose our neighborhood to much higher levels of noise vibration and an increased risk of derailment. Those of us close to the tracks will experience decibel levels that HUD considers unacceptable for human habitation.

Our neighborhood has sandy soil. Sand shifts. Those increased vibrations will wreak havoc on our foundations and the structure of our homes. But we didn't see any mitigation for us for noise and vibration. So what are your recommendations to the railroad to compensate for us to improve our homes so we can survive the assault of these trains. We are the human environment of this city. We look to you for protection from the destruction of our quality of life as surely as any endangered species. I would hope that you would consider what you would want for your family and your home and your neighborhood if you were in our place. I support a no build policy.

Rochester, Minnesota, in addition to having been home to several generations of my family, is also home to one of the most important medical institutions in the world, the Mayo Clinic. The world has benefited from Mayo's medical discoveries. Coal train traffic will make Rochester a less desirable place to live.

Will we still be able to attract the same caliber of medical personnel that have improved life for all people all over the world. How do you mitigate the potential loss of important medical discoveries. Thank you.

MR. SOLEM: Good evening. My name is Lyle Solem. I want to thank the Board for being here to listen to all of us. I live in Rochester. I have been here for a number of years. This evening I would like to share with you a true experience. I was the Governor of Kiwanis International for Minnesota and Dakotas' district, which includes North Dakota, South Dakota and Minnesota. As the governor of Kiwanis you have to travel all through those three states. You have to visit all the clubs. Kiwanis is a service for our communities.

We were making this trip, we were up in North Dakota in November 1996. We were in Jamestown, North Dakota. We checked into the motel and we were unpacking our suitcases when suddenly there was a noise. I honestly thought it was a tornado or a runaway truck.

I talked to my wife. She couldn't even hear me. You had to yell. We opened up the curtains and looked out, and about a half a block to a block away was the Burlington Northern train going through with all those hundred plus cars. It zoomed through. A few minutes later we were just unpacking. A while later another one.

Well, that evening we had a banquet which I was the keynote speaker. Those trains, I don't know if they were every hour, half hour or what. I can't honestly tell you. But at the banquet in that hotel you had to stop or you had to yell, because you could not hear, other people could not hear you.

The two concerns that I really have with regards to this train coming through Rochester, is what will you propose to the DM&E to prevent this from happening around the houses and the businesses, because they will not hear anything when this train comes through. The second concern I would have, people that live there, because the noise is so high, the decibel level is so high, if they become deaf and filed a lawsuit, are you responsible or is DM&E for the loss of hearing?

In summary, the trains will be flying though Rochester and will bring no economic impact to the city. What they will bring is noise. You did ask for solutions, and I do have a

solution. In the power business it's referred to as wheeling, when you drop some electricity on a line in another area. Why don't we put this power plant right out at the Powder River Basin area and wheel that power out of there. That will save the pollution. It saves the railroad tracks.

I would like to take this opportunity to thank you for letting me share my experience with you. I say stop the train.

MR. VANSKOY: My name is Robert VanScoy. I have lived in Rochester for 34 years. Actually, I grew up in a small town in Iowa called Osceola, Iowa, about 50 miles south of Des Moines. I actually come from a railroad family. My father was a railroad official for the Burlington Railroad, which became the Burlington Northern Railroad, which became the Burlington Northern Santa Fe Railroad. He still lives in Osceola, Iowa, which is on their main line.

Every day 30 plus full coal trains go east through Osceola and 30 plus empty coal trains go west out of Osceola. I know the numbers that have been spoken about here in our meeting have been 30 total, thirty some total coal trains. But I have a question, if the expense of putting in a double line ribbon rail line through, will they really stop at thirty some coal trains per day.

Secondly, we have all heard about the blockage of the crossroads, of the roads. That is a really serious problem. You have spoken about that before. Some things, if the trains actually amount to seventy some coal trains a day, then it's more than the thirty some we have been talking about. Furthermore, when one train gets too close to the one in front of it, then it must slow down wherever it is. This happens on the railroad. So if it's in Rochester and it's too close to a train ahead of it, it must slow down in Rochester. That's a serious problem.

Secondly, the doubles on the details, and a lot of the details are fine details that we probably don't have time to deal with, but must be dealt with. For example, the vibration factor interferes with the MRI scanners. It makes the MRI scanners inaccurate. With the new MRI scanners, it makes them even more inaccurate because they are more sensitive to vibration.

Another factor with respect to the Mayo Medical Center is that we have a large number of intensive care units. If a chemical spill or if a coal train spill occurs, the coal may be combustible on its own without anything setting it on fire. There is no place nearby to evacuate all of those people in the intensive care units.

So I do wish to thank the Surface Transportation Board for coming here and listening to us. I hope they were able to see what a special community Rochester is, what a special place Mayo Clinic is, not only to Rochester but to the United States, and for that matter, for the world, and what a disaster it would be if we have so many coal trains going through downtown Rochester. Thank you.

MR. ORLOWSKI: My name is Mark Orłowski. I am speaking as a representative of myself and my family as citizens of Olmsted County and the State of Minnesota. I would like to address the DEIS aspects of the noise, safety, economic justice, cultural considerations and health. In other words all the things that I consider to make up quality of life issues for me and my family.

I think there have been a lot of facts and conflicting facts and opinions presented here today. But I wonder how many people in this room have actually seen unit coal trains in action. There have been a lot of comparisons to trains that currently run through this area. Really, physically there is no comparison. I have seen unit coal trains in operation out in Eastern Wyoming, just west of Black Hills. I suggest if anyone wants to take a road trip they might want to head out there and see what these things are like.

They are just huge. They can stretch over a mile-and-a-half long. They are not pulled by one or two locomotives. Three or four locomotives. They are just an awesome thing to behold in person.

One thing about them running through Eastern Wyoming is there is very few people out there. I want -- I would suggest to the STB members that perhaps you might, if you have some time before you fly out of here, go to just a few blocks east of here where the tracks run through my neighborhood in east Rochester. There is a nice recreation trail there. It's very pleasant. The weather is not so great now.

But tell me how you see these units being compatible with that neighborhood environment, because I sure don't. I think to say that we should accept an upgrade of this scale through our city is like saying you should accept a high speed divided highway in front of your house because you always had car traffic there. I think it's ludicrous.

Right now I live four blocks away from the current right of way. My wife and I can hear the existing, three trains approximately per day, when we have our windows open. To be quite honest, it's really not an issue. Because we know that when that train is gone we may not hear one for days.

But we are talking about every 40 minutes one of these coal trains coming through our neighborhood at decibel levels from the charts I have seen, about 15 decibels more than the current trains. This is totally unacceptable from a quality of life issue. I want to come out in opposition to this proposal.

I am upset that this process has degenerated to pit the urban and rural citizens of this county against each other. But this proposal does not fit the future of this community or the future of this nation. Thank you.

MR. RUPRECHT: I am not Kathy Ruprecht, as you can see. I am David Ruprecht. I will speak for the both of us. To let you know to begin with, I was for the upgrade on the train. We live outside of Lewiston about two miles. We heard on television and the papers that the switching station was going in on our property, or between Utica and Lewiston, and we are right square in the middle. Nobody had talked to us. Nobody had said anything.

The first time we met Mr. Kevin Schieffer was on the train. He was kind enough to take us for a ride and show us where everything was going to go. The second time we saw Mr. Schieffer after he had said to the media, if the landowners don't want that, we won't put it in, we will move it someplace else.

We met with him, the six landowners, Mr. Schieffer said it's going in between Utica and Lewiston. We asked him about eminent domain. He told us, yeah, we have the right of eminent domain but we won't hold it over your head; we will give the STB Board two options to put the switching station and then we will take it.

Now, on that map that you were given you will see where we live by that star, north of Highway 14. They are going through all of our property and they are going to take 80 acres of our ground. The crop equivalency rating on those parcels range from 94 to 98, the top being a hundred, which is as high as it gets.

They are forcing us on Highway 14 to go a minimum of 2.9 miles around to get to the other side of our property. That is going to take roughly 30 to 40 minutes round trip. Two-thirds of our product has to go one way or the other. We have 700 steers. We have 520 acres and rent another 200 acres. Two-thirds of everything has to go across or now around that track.

We don't travel. We travel very little on Highway 14 because of the danger. We cross

Highway 14, take our dirt road, go down to the crushed rock road on Township 13, that they are closing. After that is done, it's going to be a mile -- or almost three miles to the east, three miles to the west. It makes no difference. They throw us on Highway 14. Not once was anything ever stated on the EIS report about our safety.

I beg you, please come down and see what we are talking about. I will come to Rochester and take you back down there if you would like and bring you back. But please show what our family is going through. I am really sorry if this bypass goes out in the country, to deal with Kevin Schieffer. I really feel sorry for you. We know from experience. Thank you.

MR. HEG: My name is Glen Heg. I am a farmer. Actually I farm with Dave. Dave's farm has been in the family since 1941. We currently own 520 acres. We rent another 200 acres. We raise 700 dairy steers from calf to finish. The DM&E is proposing to build a staging yard beginning one mile east of Utica. It will continue for 2.1 miles and then 1.3 miles west of Lewiston. It will go directly through our property and take 80 acres of our land.

What are the implications of that loss of acreage. First of all, they will close all of the field roads and the township road, cutting off our direct access to the acres that lie south of the tracks. Our building site is one-third on the south third of the tracks and two-thirds of our land is on the north side of the tracks. We will have to travel a minimum of 2.9 miles one way with every load of grain that we harvest and every load of manure that we haul. We will either have to go west toward Utica on U.S. Highway 14, turn south on County Road 18 and go back east on Township road 10 to our land. A minimum time of 40 minutes per trip.

Go east again on Highway 14 to a new field road that the railroad has proposed building. Go south, then come back west to our land, and go east on Highway 14 to Lewiston, south on County Road 29 and west on County Road 18 to get to our 80 acres to the south. This is not economically sound.

Secondly, we live right on U.S. Highway 14. So that means that we are traveling with tractors and other farm machinery on a very busy highway. It has been called the most dangerous highway in Minnesota. In 1998, Minnesota Department of Transportation statistics say daily traffic on U.S. 14 west of Lewiston exceeds 5,000 cars and 370 heavy duty trucks. That's a safety issue.

Thirdly, if this project is to be completed there will be 12 tracks south of my house, at approximately 200 feet away. We have three children and we have real concerns about safety, both from the additional traffic that 12 tracks and 37 trains per day will bring and from the transient population that such a facility would draw.

Dave's parents live next to us. They also will have 12 rows of tracks to contend with. They have a beautiful home in the country built on three acres that will drop considerably in value. With the noise, dust, congestion, and a loss of their aesthetic view, my parents are in their 80s -- parents are in their 80s and they shouldn't have to be afraid to open their doors.

In conclusion, there is some frustrations and concerns. Safety being number one. In the 16 months since we have heard about this project on television the DM&E has shown total disregard for our family's safety and from the safety of all those who travel between Utica and Lewiston on Highway 14. They should not be putting us on U.S. Highway 14 with agricultural equipment. I ask why should you grant the DM&E permission to proceed with this project when they have so little regard for human life. Again, I extend that invitation to our property. Thank you.

MR. CAMPION: Good evening. My name is Michael Campion, and I am here to speak

on behalf of my family in opposition of the railroad bypass as proposed by the City of Rochester. This proposed upgrade on an already existing route has many issues revolving around it. Environmental safety and quality of life, just to name a few.

However, all these issues can be broken down and categorized into two fundamental categories. The first would be those problems that can be minimized and mitigated by working together and coming together with a compromise on the existing route. The second category involves those new problems created by a new problem that cannot be mitigated by working together. A bypass creates a whole new situation. It is more harmful and detrimental with factors that cannot be mitigated.

With this framework in mind, I would like to address several issues, including the overblown, highly exaggerated emergency vehicle response time. However, due to time concerns I will focus on the environmental concerns. On October 27th, year 2000, President Clinton signed the largest budgets ever for the Department of the Interior. President Clinton is quoted as saying, "This agreement is a major step toward insuring communities the resources they need to protect pristine lands from threatened farmland to wetland to pristine coastal areas."

I mention this bill as an example of how the bypass will create new environmental problems that cannot be mitigated. The 34 mile bypass will consume 800 acres of pristine farmland that the Interior Department was asked to protect. There is no way to minimize this destruction. Not only will the bypass destroy farmland, it will irrevocably damage and destroy wildlife habitat.

Woodland and wetlands and vulnerable prairie land will be degraded or lost. These are the very environments the Department of the Interior is asked to protect. Now the City of Rochester wants you to overrule the Interior Department and move ahead with this unnecessary and unwarranted destruction of the environment.

The environmental concerns on the existing rail line do not begin to approach the concerns of the bypass line for the simple fact that the rail line is already in place. The increased rail traffic is simply that, an increase. A bypass is a whole new problem with new destruction. The environmental impact on a increase in rail traffic on an existing route, one that has only five to six blocks of noncommercial development along it, is nothing compared with the destruction of the new habitats.

To summarize, the bypass actually creates more problems that cannot be minimized than it alleviates. The upgrade on the existing line has problems that can be minimized with cooperation between Rochester and DM&E. The solutions are much easier to achieve simply due to the fact the route is already in place. Do not let the rhetoric being spread influence your minds. Thank you for your time.

MS. MICHAELS: I am Jean Michael, Vice-chair of the Olmsted County Board of Commissioners that unanimously supports option one. I am also a vice-chair of the Environment, Energy and Land Use Steering Committee for National Association of Counties. Thank you for this opportunity to make comments.

The manner in which the Draft Environmental Impact Statement handles issues related to geology and threats to ground water quality is uninformed and misleading and is consistently biased in favor of the railroad's proposal. The geologic analysis can be fairly characterized as irresponsible and reprehensible.

The consultant characterizes southwestern Olmsted County as being part of the prairie pothole region. In fact, the prairie pothole is an area of small lakes and ponds formed in flat,

poorly drained areas. Olmsted County's geology is characterized for the most part by well drained soils, overlying fractured, rapidly drained bedrock.

Olmsted County is the only Minnesota county with no natural lakes. It's as far from the prairie pothole region as possible. It's clear in the analysis that southeastern Minnesota did not receive the care and attention it deserves. The analysis alleges a threat to ground water quality from hazardous material spills and sinkholes. Consistent treatment of this matter would require the same concern to be brought up in connection of the proposed rail yard between Lewiston and Utica in Winona County. That Section on the geology and soils of that railroad site makes no mention of the very high sensitivity of the soils to ground water contamination.

In fact, limiting concern over ground water impacts to areas with high sinkhole probability significantly understates the threat to ground water quality from hazardous material spills. All of the area of Olmsted County underlain by fractured carbonate bedrock is karst. All of it provides an immediate conduit to underlying aquifers. Along the current route the aquifer at risk of contamination is a source of drinking water for the population of Olmsted County. Threats to this aquifer are a serious concern to the health and economic future of the entire county. The EIS does not recognize the interconnectedness of surfaces and ground water in southeastern Minnesota. Nearly all of the DM&E line in Olmsted County crosses land mapped as highly susceptible to ground water pollution.

The EIS also does not recognize that the DM&E rail line crosses over the focus ground water recharge area known as the Decorah Edge. This is the area identified by the U.S. Geological survey as contributing about 50 percent of the recharge of the aquifer supplying the drinking water for Olmsted County.

The rail line crosses the Decorah Edge west of Byron, crosses it again both west and east of Rochester and crosses it a third time west of Dover. Construction in these areas has the potential to interrupt ground water recharge and the natural attenuation processes that occur in this setting. Studies suggest that the soils and vegetation in the Decorah Edge setting are responsible for nitrogen removal from the recharged water. Ground water quality is vital to the health and vitality of this region. There is scant evidence that this issue and the related issues of geologic setting Decorah Edge hydrology and wetlands and karst created risks receive more than cursory attention from the consultant charged with evaluating the environmental impact of the railroad proposal. Until this issue is studied adequately, the Surface Transportation Board should find it impossible to make an informed decision on the matter before you. We don't want our area to be the poster child for ruined communities caused by an out of control railroad fostered by nonexistent federal legislation. Thank you.

MS. VRIEZE: Good evening. My name is Mary Vrieze and I strongly oppose the bypass around Rochester. My husband and I reside in rural Eyota. Our home is located approximately 1500 feet to the west of the bypass. Our home resides on farm land that's been in the family for over 40 years. We live in a third generation home.

My husband's parents live approximately three-fourths of a mile to the west. They reside on the Vrieze family farm. This farm has been in the family for approximately 60 years. Farming is a part of the Vrieze heritage.

We have been told the line could be placed a half mile either way from the bypass. That would mean my home, my third generation home would be destroyed. Tell me how can I be mitigated for losing three generations of history, family and love for this home and farm land. You can't.

Any placement of the rail lane on any of the farm land in this area will need to deal with the sink- holes and karst topography. I challenge the STB and DM&E to visit area farms affected by the bypass and ask to see the number of sinkholes on each property. Our plan was to take pictures of the sinkholes but a roll of film wouldn't be enough to cover the number of sinkholes around the area. You can't stop them. They continue to show up in the fields and around our home.

I would like to know how the STB and DM&E plan to deal with the extremely large number of sinkholes. I believe there is no way to ensure safe construction and operation of rail line through this area due to the sinkholes.

In looking at the Vrieze family farm land, derailments are likely due to sinkholes. Derailments can cause pollution to our water supply, damage to the environment and damage to property and farm land. I cannot be mitigated for my family being poisoned because our water was contaminated as a result of a train derailment.

My husband needs to cross the rail line, or would be if the proposed bypass passed, approximately 40 times per month in order to go just to work at the Dover-Eyota High School. I myself would need to cross the rail line at least 80 times a month. My brother-in-law, who lives about a mile to the west, would also need to cross about 80 times per month in order to go to work. My nieces and two nephews attend school in Eyota. Their school bus would pass at least 40 times per month to go to school. I'm not willing to chance my husband's family and my family members' lives that the accident frequency will fall below the SEA's level of significance. A life can never be mitigated.

If the rural residents affected by the bypass do not pay for the proper cross guards with the money out of their pocket, then they are going to pay with their lives. I am not a U.S. Senator, a former Vice President, chief justice of the supreme court, mayor of Rochester or executive at the Mayo Clinic. I am a resident and taxpayer of Olmsted County. I work for a nonprofit organization and my husband is a school teacher. Our goal in life is not to make money. Our goal in life is enjoy our family, our heritage and our farm land. We do not have deep pockets, nor a loud voice. However I urge the STB to give my comments as much weight and consideration as those in higher positions. Thank you.

MR. VRIEZE: My name is Dan Vrieze. As my wife stated, I am a resident of Eyota Township, Section 20. I am also strongly opposed to the bypass. Our property has been in the family for three generations. I grew up on a family farm and I have hunted this area my entire life.

It's obvious there is a need for upgraded rail lines in this area to haul farmers' grain and coal for electricity. But I also oppose the bypass. This would pose many obstructions, obstructions to the movement of farm equipment.

Our personal house, the rail line would wrap around it and block the north, south and east crossings, exits from our home. In addition, I have four family members that are buried in the Eyota cemetery. Excuse me. I would not like to see their graves moved.

The karst topography, I talked to a few farmers in the area, and just in the proximity of my home we found 20 open sinkholes. There is no way to avoid these with tracks on a bypass. There are instances of bumps on County Road 23 and Interstate 90 that the old- timers will tell you that there are sinkholes underneath these bumps. They do nothing but get worse. The DOT tries to fix them, and it also has little effect.

In addition to the possible derailments and pollution of the ground water, our well on our

place needed to be replaced a year ago because the well was polluted. How many more instances of this may we have if the bypass goes through. It's obvious that the area needs upgraded rail beds, and the train and the cargo that they carry. The City of Rochester should not expect rural citizens to sacrifice land when the rail bed already exists. I strongly urge the STB to reject the bypass.

MR. LARSON: I am Larry Larson, president of Mower County Farm Bureau. I am representing the Farm Bureau and my concerns for the farmers in our community. DM&E is a very important asset to our communities and the opportunity to upgrade this rail line is exciting to me. This is an opportunity to strengthen the economy of many local communities beyond our vision. It will strengthen commodity prices that farmers receive along this line. It will bring opportunities for expanding markets for businesses that already exist and create opportunities for new business to develop.

We cannot foresee what those opportunities are unless we allow the DM&E expansion. The entire country has already lost because of decreasing rail service, and it has been damaging. Our little town of Sargeant lost its rail several years ago, landlocking us to lower commodity prices due to the poor efficiency of trucks. The opportunities to ship west, south and north are gone.

Health and safety are also a factor. Without the rail, many more trucks will be added to the already crowded highways. Do you realize that each hundred car unit train transports approximately 300,000 bushels of grain with one engine. Take that away and add over 330 semis to already crowded highways, adding more fuel burned and a lot more car/truck accidents.

If you go to Chicago you will see rail all over that town. But you can build bridges and underpasses. It works in Chicago. I believe it will work in Rochester. Thank you.

MR. FLEMING: I'm Kevin Fleming. I live just a few blocks from here. I am disappointed in this process. The STB has had two-and-a-half years to write 5,000 pages. We have 90 days to comment and three minutes to speak. I am disappointed in the process that seems designed to divide our communities and thus conquer them. The STB as I have come to learn is government by the train companies for the train companies. That Rochester and Olmsted County will be forced to bear costs and risks without any real say by an unelected Board. That is the essence of taxation without representation. The very tyranny that was fought at the birth of this country.

We feel threatened by risks not of our own making. Our concerns have been trivialized, downplayed or ignored. Our fears are not allayed by telling us that they are unfounded.

The promises of risk management have been shockingly, laughably insufficient and small. Indeed, by the language offered in the DEIS, unenforceable. Precisely because the STB exists as a proponent of this project, their interpretation of the risk and mitigation requirements are not credible. Rather as proponents they are favoring assumptions about risk that decrease the likelihood or ignore them altogether. For example, the discussions about vibration and noise as has been mentioned are simply called difficult to mitigate.

While those who live east of the Mississippi might benefit from the DM&E expansion, Rochester and Olmsted County will be forced to bear all of the associated risks, the noise, the loss of quality of life, traffic accidents, emergency disruption without compensation. Instead, those who win by this proposal, DM&E, the power companies and regions eastward should be willing to pay for all of the associated costs. The fact is, the real total cost of this coal is far higher than has been stated. But the STB and DM&E have pushed all the costs on Rochester. Of

course coal is cheaper if you don't have to pay for the cost incurred in obtaining it. If this development is truly necessary and valued by society, and we have heard that this is not the case, then those who gain should compensate those who stand to lose. Those who profit must bear all of the costs, not those suffering from the risks.

This project is very much like putting a super highway right through the center of the city. That was said by representative Gil Gutknecht over a year ago. The risks of this project are not just difficult to mitigate, they are impossible to mitigate. But they can be ignored. This should not be built.

MR. RADUNZ: Good evening. My name is Steven Radunz. I am here to be in opposition to the proposed bypass by the City of Rochester. In October 1998, a number of people in the community became involved in this, when they learned that the city and some officials had drawn up and proposed a bypass route. There were several routes, and they were whittled down to two or three, or we don't really know because there are maps floating all over. The map that we are responding to is the one that's in book 5.

The insensitivity of city leadership was put upon rural residents in committees that were formed to study this bypass issue. We had no voting representation on any committee. We were so outnumbered that our vote meant nothing.

Again, city leadership in sensitivity heightened for me on Christmas Eve when my father-in-law received a letter sent to all affected households, telling them that they might get \$15,000 to help them relocate. That letter was written on December 24th of '98, Christmas Eve day.

Another part of that letter states the main foundation of employment base for the City of Rochester and for this entire area is based on the services provided by the Mayo Clinic and their ability to compete with health care providers and quality communities throughout the state, the United States and internationally. We want to insure that they continue to choose Rochester. Many patients come to Rochester for that reason. Over 40 percent of the area jobs are provided by the medical care and hotel industry in Rochester. Thirty-four coal trains a day have a serious effect on the attractiveness of the community and for patients seeking medical care.

What are the motivations for a bypass. Greed and selfishness. See my needs, see my point of view. Are safety issues and emergency response issues of less importance to rural residents than city residents. Is a life less important in the rural areas than in the cities. I think not.

Rochester is a unique city. It is, as you have heard, a company town, with the Mayo being its driving engine. Mayo's powerful influence is felt and extended through the city, state, and county government and policy and decisions are made by these officials.

I beg you to just keep it simple in your decision making process. Read your DEIS that you have now. Thank you very much.

MR. BJORGUM: My name is Bruce Bjorgum. My wife and I live in rural southeast Rochester, approximately halfway between the current DM&E railroad tracks and the proposed DM&E bypass route. I speak as an individual. I speak against the Rochester bypass. I speak against the entire proposal. I speak in favor of the no action alternative. Rochester, Minnesota, is a unique city. If the original Dr. William Worrall Mayo had not come to Rochester 136 years ago this city would be just another rural Minnesota city.

Thinking out of the box is in vogue these days. Let's try some. It's baffling to me why the DM&E railroad folks didn't think out of their box originally. Why they didn't realize the

uniqueness of Rochester, Minnesota and the Mayo Clinic and say to themselves, you know, this city is a special place, if we make plans to avoid problems there, this proposal will probably go a lot smoother. The Surface Transportation Board might think out of the box and would say, you know, this Powder River Basin expansion project is a lot like a prison inmate task of moving a pile of rocks from point A to point B. The STB should consider tabling the Powder River Basin expansion project indefinitely on the basis that nothing is known about what will happen to millions of tons of coal that this railroad would deliver to Winona. I would hope that the Surface Transportation Board would not want to see any decision of theirs used perversely as justification for some equally poor decisions made elsewhere by others.

For example, isn't it conceivable that coal piling up in Winona might be used as justification for some environmentally unsound coal transportation projects down the Mississippi River or in the eastern United States because we couldn't just let the coal sit there. If nothing else, as stated in footnote 11 on page ES 22 of the executive summary of the Draft EIS, it would seem to be within the Surface Transportation Board's purview to consider and balance the proposed economic advantages of this project against the equal or greater economic harm done to corporations and communities along the proposed route.

So finally, what are we left with. We are left with the DM&E Railroad, a shameful and unneighborly corporation asking you to apply process and laws that are out of step with the 21st Century for the purpose of approving a project that taken by itself is without merit.

This project should be rejected outright for many good reasons. But from the perspective of Rochester, Minnesota, and the Mayo Clinic, an institution of international repute as well as the economic dynamo for Minnesota and the upper midwest, for an agency of the United States federal government to make any decision that might negatively impact this important medical center directly or indirectly would be obscene.

MR. ELTON: Yeah, my name is Jim Elton. I am the present chairman of the High Forest Township. As a High Forest Township official, land owner and concerned parent, I oppose the DM&E bypass for these reasons. Number one, I-90 already dissects High Forest Township and dead ends many roads. This would only dead end more roads, causing dangerous situations for school buses and fire and rescue vehicles. It would also delay both services as well.

I was just handed a sheet here a while back that the Stewartville School District, the buses would cross 168 times a day alone. Also, farms would be blocked between I-90 and the railroad tracks if this went in, the bypass went in.

Number two, farms would be split, causing problems and hardships, such as farmers would lose their building sites, homes and travel many miles to do their crop land.

Number three, on highways 14, 63 and 52 there would be no overpasses, which would cause many delays not only for fire and rescue but also for many people going and coming home from Rochester. Rochester has to remember that a large portion of their work force is outside of Rochester.

Transportation and maintenance costs would also increase, which would put a burden on everyone affected by the bypass. This would cause a trickle down effect from the cities, to the townships, which would create new taxes.

In closing, with all the money spent on opposing this project, Rochester could have helped pay for over and underpasses, sound barriers and be whistle free through Rochester. Thank you.

MS. KEELER: Hi. My name is Lynn Keeler. I am just a concerned citizen and I live just a few blocks away from here. My home is like just a half a block away from the railroad. As it is now, just three trains that come through, my house does vibrate. I can't imagine what it would be like to have 37 trains come barreling through all the time. I really question what kind of sleep that I would get.

I think my other concern is the fact that the school age children that come through, they walk, they ride their bikes, and also the buses, and how the safety would be with that. I see children on occasion now with the trains coming through and at a slower rate, will jump on a box car on one block and jump off at another. I can see them still trying to challenge to do that with these trains barreling through at 50 miles per hour. Or hurrying to run to beat the trains so they can get to school on time. That is just something that -- I think safety is something that is not really addressed.

I don't think that vibrations or the pollution issue was that much addressed. I really think we definitely we need an extension just so we can look at the impact statement because I just can't decipher all that. It's just a huge amount of volumes, and I really think we need like a six-month extension, not January 5th or even 90 days. I think we really need to take a good hard look at what is there. I think the one thing that's been bothering me tonight is I consider Olmsted County and even the cities that are outside of Olmsted County our communities. It's really bothering me how we are dividing ourselves between what the City of Rochester wants and what the people want that are being affected by the proposed bypass.

I prefer just to see this not happen at all. I think we can build a power plant out in Wyoming. We can wheel the electricity. We can look at wind power as another form of energy. Coal is a pollutant in itself. I think we need to look at other forms of energy. This vein is supposedly going to be dry in 10 years. So why are we putting a billion dollars into rail and turn around and it is not going to be productive in another decade. This is the 21st Century. There are cleaner forms of energy available. I really think if we are going to have to put up with upgrades, that the DM&E does need to pay for the overpasses and the underpasses and the protective walls and sound barriers.

I personally do not understand why we as a community have to go ahead and put up with a corporation and that their needs are more important than safety. I really truly believe that safety needs to be rural and here in towns. So I propose to just not have this upgrade at all. Thank you.

MR. BERMEL: My name is Jerry Bermel. First of all I would like to compliment and commend you folks for taking your time. It's obvious that your work on this Draft EIS was a big job and certainly work to go on. So thank you.

Also, to preface my remarks I would like to sympathize somewhat with those folks in the Lewiston area. I think it shows that there is a whole lot of work to be done. It's a huge project. It's a major project. There are areas like that that have to be attended to. A few bricks don't make a building. That's obviously an area that has to be attended to yet.

I am a resident of the city of Eyota, which is the next city east of Rochester on the DM&E line. I was a member of the Traffic and Safety Subcommittee of the Rochester and Olmsted County DM&E task force. I was also a member of the committee that represented the City of Eyota which negotiated our community agreement with the DM&E. During the process of negotiating the community agreements I also had the opportunity to join with the cities of Lewiston and Kasson for some of their work.

On that note I would like to commend the DM&E and Mr. Schieffer for their willingness to work with affected communities. It was a good process that for the most part worked. The City of Eyota has one of the very few side tracks where trains can pass each other on the entire DM&E system. Because of this we routinely get trains that are slowing, stopping and backing up. This causes long waits. Some as much as 15 and 20 minutes on Highway 14, Center Street and County Road 7.

With the railroad upgrade, and as agreed upon in our community agreement, this siding system and the congestion it causes will be eliminated. I must also note that in Eyota our crossings are routinely slowed and delayed as train cars loaded with coal are sided, stored and jockeyed before they are brought into the City of Rochester for their coal fired electrical generating plan.

In Eyota we are regularly inconvenienced by Rochester's coal shipments. But as a good neighbor, we haven't complained. Most of the very concerns that many have brought forth today are concerns because their local governmental representatives and leaders have failed in their responsibility to this community. They have had the opportunity to negotiate, to mediate these concerns with the DM&E, but have continually shunned that opportunity while belittling, vilifying and otherwise ridiculing the DM&E corporation.

Over the last two years the Rochester community could have been negotiating for grade separations, a communication system integrated in the law enforcement center dispatch or the dispatch center and other important concerns. In the past two years I was personally told by a supervisor for Gold Cross ambulance that they may have to make adjustments for the upgrade, but they would continue to serve this area with top notch emergency medical service and they would not join in causing fear to area citizens.

To close, this would be a tremendous piece of transportation infrastructure that would benefit all of us. I urge you to permit this proposal to become a reality on its present corridor. Also, I would like to discourage the extension of the 90 day comment period. I think it's adequate. We have been working on it two years and we pretty well all know what the concerns are. Thank you.

MR. NELSON: Ladies and gentlemen, we are glad you are here and hopefully this meeting will be informative to you. We are just trying to relay some of our concerns. My name is Rollie Nelson. I am on the Rock Dell Town Board. I happen to be a supervisor. I am here just in honor of our constituents in the Rock Dell Township.

Some of the things that we would be concerned about would be road closings. One of the bigger determining factors would be statute number 219-073, which says that less than a hundred cars used in any one day, the road would stand to be closed. This would probably cover most of our township roads. This would be a definite, you know, disaster to our town people.

Some of the other things we are concerned about is the fact that it would up the cost of our maintenance considerably, in fact dramatically. It would impair the grading, the fire protection, the loss of a tax base, snowplowing, postal service, and school bus routes. The railroad would split, disrupt, and possibly annihilate numerous businesses, namely farming, which is the biggest source of our food supply. There is a real need for a decision to be made immediately.

In closing, the summary, the City of Rochester has no right in their authority to cast their problems out in the rural area on to our rural people. Thank you.

MS. CARLSON: My name is Joyce Carlson. This is a very personal statement. My

husband Harley and I have lived in Rochester northeast for 42 years. We love living in Rochester and are truly sickened by the thought of 30 to 40 coal trains going through our wonderful city every day. But it is not the degradation of the city by coal trains that I wish to address tonight, but the real danger to life itself. We have numerous grandchildren who come to visit us often. Several have had serious breathing problems. Three times in about as many years we have had to rush them to the emergency room at Saint Marys Hospital. A delay of five to 10 minutes could be fatal in these situations.

My blood runs cold when I think of waiting for a mile long train to pass as our grandchild is gasping for breath. I come from Montana. I have seen these mile long trains and I know how long it takes them to pass. When you have a choking child or a bleeding child or a child who has just swallowed poison, it takes an eternity for these coal trains to pass.

There are hundreds of such children in northeast and northwest Rochester who need emergency room attention every year, whose lives will be threatened by these trains. Is the DM&E and the Surface Transportation Board willing to take responsibility for the lives, yes, even the deaths of these children. This is a very real problem. Thank you.

MS. BRADTUS: Thank you for this opportunity. Thank you for coming here. I rise in support of the no build alternative. My name is Nancy Bradtus. I served in the state senate of Minnesota representing the City of Rochester and Cascade Township for 17 years. I have served eight years on the State Higher Education Board. Now I am proud to serve as the vice-chair of the Citizens to Stop the Coal Trains. I wish this committee did not need to exist. It is with great sadness that I heard tonight the kind of remarks and the acrimony that is felt in our beautiful dear city of Rochester and the wonderful county in which we are located.

First off, I implore you to extend the comment period another 90 days beyond January 5th, 2001, in light of the two-year, two-and-a-half year period that the STB had to produce the five thousand plus page, 65 pound draft. I think it would be only fair to extend our time to comment. I have heard every person who has testified today. I have been deeply touched by the testimony on both sides. But the crux of this issue really comes down to the loss of jobs.

When the world, and the United States of course, hears that Rochester, Minnesota, where patients come because it is a clean, peaceful, quiet, crime free city, when they come here for their medical care and find out that we have 37 trains a day, with train whistles every 40 minutes, obviously some of them are not going to return here as patients because there are 12 other medical institutions of just about equal quality.

When Mayo loses patients, they will have to make layoffs. It is true, when Mayo has fewer patients, the hotels are not filled, nor are the restaurants, nor are any other business entities. I beg the STB to choose the no build alternative. Thank you very much.

MR. FLYNN: Good evening. I am Matt Flynn. I am an Olmsted County Commissioner, and I represent two-thirds of this county, pretty much all the land mass outside of City of Rochester.

Obviously the train now covers 50 percent of my district. A bypass would cover 95 percent of the district. As we look at it in the outer city limits, there is no difference between a Stewartville or Hayfield school bus or Rochester school bus or a South Dakota school. The situation does not solve itself by moving tracks.

In the political jurisdiction, you can argue one way or the other. I can give you relay medical time delays everywhere. The problem is we have to face reality and solve the problem where we have got the current track. That is where it comes down to your Board. I have to make

decisions at a county level. You have to make a decision soon or the split continues in the midwest on this railroad track. It's been two years, make the decision. If you make a decision to upgrade the tracks, make the precautions that are necessary along the route or deny it and get on with it. Life goes on and we have got to make a decision. Thank you.

MS. BREEN: My name is Carol Breen. I live about two-and-a-half blocks from the track. I am married with two children. It really scares me because the tracks, we can hear the train, it wakes us up now in the middle of the night. Doesn't matter when it is. My kids and I ride bike and the bike path crosses that track very many times. I am very worried about that. It's very much a danger.

I have seen the attitude of the engineers now, which is not good. I have seen them on Broadway pull up until the rails go down, they sit on the side of the track and they wait until the traffic backs up. Then they back up. They never go across the street. To me that's a really bad attitude to start with.

Yesterday I got stuck in traffic, the train was going across the main track and the siding at the same time. So the people who were watching the main track with the red lights and bars down, but the siding did not have that. A car went around me and did not see it. It just was really close to getting hit. They were not slowing down. They didn't care whether you were on the track or not.

I am also a nurse in this town, and I take care of handicapped people. There is a building about two blocks from the tracks on Broadway that houses all handicapped. They have electric wheelchairs. They have regular wheelchairs. They take those chairs and they go across the track downtown.

A lady just a while back got her wheelchair stuck in the track and could not get out until somebody came along. If the train comes along at 50 miles per hour, she won't have a chance. It happened to be coming slow and somebody got her out in time. That is really bad, because the wheelchairs that are heavy, you cannot lift. Even if you are there to help them, you can't get them off the track because they are heavy.

Also, my parents who are seniors live on the other side of town. They had a fire last year, and the fire department told them if they had not gotten there under five minutes, which is what they did, they would have lost the whole house. But because they could get there, the house was saved and they were all right.

We just don't need the coal train. I don't want to see it ruin Wyoming. I don't want to see it ruin Rochester. I don't want to see it ruin the country, the farms. I don't want the bypass. We don't need it. We just don't need it. When the DEIS is 5,000 pages and only 28 of them, you know, address any of the problems, and then they are not solved, you know, we really need an extension, at least six months. I really would like to see this train just stopped. We do not need it. Thank you.

MR. SCOTT: My name is Benjamin Scott. I am affiliated with the Citizens Against the Rochester Bypass. I own a farm in Section of 34 Salem Township here in Olmsted County. My great grandfather homesteaded the farm in the 1860s coming from western New York with land patents purchased during the administration of Abraham Lincoln.

By profession I am a priest in the Episcopal church. I have been a diocesan staff member and represented for 10 years the Episcopal Bishop and congregations all across southern Minnesota. Among the tasks in my ministry I have been one of the people sent in to a congregation when there was a good old fashioned church fight.

I believe that there are many parallels between that kind of experience in a local congregation and the conflict which has emerged between town and country over the expansion of the DM&E railroad. There is a good old fashioned fight between town and country going on, which has escalated far beyond the issues of the railroad.

Now, it makes good sense to me, I believe we have a need, to have all the people in Olmsted County encourage the railroad to invest in the expansion of the railroad industry and develop its services for the prosperity of both town and country. After all, the railroad passes through both rural townships as well as the city and it has contributed to the growth and development of both town and country for 125 years.

The railroad's prosperity will only contribute to everyone's prosperity. The railroad's decline diminishes both the city and rural areas. It has been the railroad's intentions since the beginning to make a large capital investment all across Olmsted County. We can encourage the DM&E to make the best of their intentions and for us to get the most out of its investment for everyone in the county.

So what's the fighting all about. It only impedes the quality of life for people in both town and country. It breaks down the working relationships in our political system and deters economic development and change for all of us. This fighting is really about power and control. It has escalated far beyond the issues of the railroad.

In rural Olmsted County global factors way beyond the control of local agricultural businessmen and businesswomen play upon the family farms. These struggling farms in the small towns and small businesses which are related to them have not brought to rural Olmsted County the prosperity enjoyed by its city neighbors.

The international corporations which are at home in Rochester, and there are many of them, both large and small, that make working and living there one of the most desirable cities in the nation. But the power and control factors which are evident in the fighting between town and country now have little to do with the railroad. The fight is simply classic in the management of escalating social life. Without intervention it is likely to get worse. No one within. Let the DM&E have its way.

MS. BACKUP: I am Peggy Backup. I live in Wabasha County. I farm near Stockton in Winona County. The DM&E runs along my property, so I guess they are my neighbor. I would like to speak about a number of issues briefly. I am very sympathetic to the farmers in Olmsted County who have spoken here opposed to the bypass around Rochester. However, I like to suggest to our farmers here that they think about the ranchers in Wyoming who are faced with not a 30 mile bypass but almost 300 miles of new railroad construction that will be going through their homes and their ranches. I urge the local farmers to join with the ranchers in Wyoming in support of the no build alternative.

Now, I would like to turn to issues concerning the upper Mississippi River, which have not been dealt with in the Draft EIS. The STB ruled that the volume of coal to be moved by barge is speculative at this time; and, therefore, the barge loading facilities could be removed from the scope and the EIS. However, the DM&E in their Draft EIS have also failed to include information about where it plans to sell any coal at any time. Therefore, the entire application to expand the DM&E railroad is speculative and should be dismissed by the STB until proof of actual need is presented. That's by your own reasoning.

The alternative would be for both the Corps of Engineers and the STB to deny the current draft as incomplete and require an amendment in which the DM&E specifies where their markets

are and includes issues of access to the upper Mississippi River and barges. These issues would include the storage of coal, the loading and offloading of coal, barge fleeting and all impacts to wetlands in the Winona and Minnesota City area, and dredging and so forth to the river itself.

As a farmer whose land is bordered by the DM&E, I could be basically driven out of business by changes to the railroad bridges and flooding, issues of eminent domain, damage, herbicides used by the railroad, lack of access to the tracks and due to spraying now and also on the basis of species they refuse to control that are invading my land. All of these issues are not in the current EIS. They need to be addressed. Thank you.

MR. KETTERLING: My name is Lloyd Ketterling. I am a retired educator from the Rochester school system. I was struck by a comment that one of the speakers made when he was addressing you this afternoon, where he said what an awesome decision and responsibility you have. I would like to add to that, an all prevailing decision that you are facing in connection with this issue.

Now, I am not going to spend time going over many of the issues, the angles, the arguments of the coal train, rural or whatever, because you have heard I think just about everything in many ways and very eloquently by many of the speakers. But I would like to express a feeling that I have had and with the people that I have talked with, a feeling of helplessness. A feeling -- though I have never myself dealt with the process, a feeling that you probably would have if you are going through the process of eminent domain, a feeling of helplessness. The DM&E gives us this feeling by its take it or leave it atmosphere.

Witness the report I read in the paper, I think it was yesterday, about a city where negotiations were declared at an impasse with the DM&E. The DM&E then commented that talks have ceased; therefore, the DM&E would proceed according to their own original plans. Sort of a high-handed take it or leave it.

I think it's accurate to say that this whole thing is primarily a business venture. The DM&E is in the business of entering the competition, providing coal. We have heard tonight that it is not a necessary thing. There is one important factor here that I would like to add. That is, that this will invade the very lives of hundreds of thousands of citizens on a daily basis permanently. I would propose to the Board that when you make this decision you do it in the spirit of representing all of the citizens involved and that you try to respect their wishes.

What if a vote were held in the three states in the areas dealing with the issue, what would the outcome of such a vote be: Yes to the coal train or no to the coal train? I am sure the answer would be a resounding no. I feel certain that the margin would be such that you would have no need for a ballot recount.

MR. GEBHARDT: I am William Gebhardt. I am a member of the Minnesota Corn Growers. I would like to thank the Board for ruling that there is a necessity for the upgrade of the railroad. I have three sons farming. I am retired. But they still ship grain. You know the figures better than I do, how many trucks it would put on the highway if DM&E would be forced out of business.

Let them improve. We all improve our equipment. We are not working with old equipment. You don't use typewriters in your office any more. When your car gets old, you buy a new one. When our tractors get old, we buy new tractors.

Let the DM&E improve themselves so they can compete in their business. New trains will be quiet, safe and faster. Let progress move forward. Give us a chance to compete in the economy. We are at the low end of the economy now. But the economy is booming all over.

But we can't -- we aren't -- the farm community is not. They don't share in this big boom.

Let the DM&E improve its rail system. What if these lights went out tonight, there was no more electricity, who would be complaining then. Somebody has to -- the electricity has to be produced some way. I just urge you to let the DM&E rail system be improved.

MR. STREI: I didn't think I was going to have to speak tonight. I thought I could just carry this sign to the front and maybe it would be self explanatory. But I didn't know all the rules so I had to stay outside. Thanks for letting me bring it down here. I got out of line a few times.

I just want to thank the Board. I think they did a good job on the EIS report and I think the commentary is plenty long. In my dealing with our representatives I found out that on this proposed bypass deal, there was not going to be a hundred foot right of way but a 250 foot right of way. That other right of way was going to be for the high speed rail between Chicago and Minneapolis, which I think would be beneficial to the community.

But then I started looking at the map. I see, gol, what an excellent route to take this right through Rochester, along with the coal train, stop right in front of the Mayo Clinic, which they are there, it would bring a lot of business to them. It would really be an advantage to them.

Maybe I should explain my sign a little more. I made a citizens group. I am looking for joiners. I hope to get \$25,000 from the city and \$25,000 from the county to promote my efforts. I want to know when the next meetings are so I can do this. Right now it's nontax payer support. It's all my effort in here tonight.

Where am I at here. Oh, yeah. I thought if they brought that high speed rail through town, Gus Chafoulias would jump right in with 135 million dollar building. He would like the extra business it would bring. Nordstrom's would come right to town right away.

Oh, on this deal that we no longer need coal. I thought well, the DM&E builds us a brand new track and goes bankrupt in 10 years, whoopee, we have got a nice brand new rail train all the way through Minnesota and South Dakota and Wyoming. I thought that's a real benefit.

Oh, on this subject of not being able to get around in town. I understand that the railroad already is going to build two overpasses. So I don't see -- I think if you negotiate a little bit they will probably build five. So instead of being able to get around less, they will be able to get around more. So to me that seems like a big advantage.

I was going to -- I was hoping that if the DM&E came through, maybe one day a week we could have passenger service on that train, and maybe make a gambling thing on there. Senior citizens would love that. We could take all our children out west. They could see the wind farms out there, the new energy sources. They could go to the Owahi (?) dam on the Missouri river. Another excellent opportunity. I am not quite finished here.

Anyway, I thank you folks. You did a good job.

MS. BRIESE: Good evening. My name is Catherine Brieese. I live right here in the City of Rochester. I would like to speak against the upgrade of the DM&E through Rochester. Also, I would not like to see the upgrade or the bypass around Rochester. No bypass.

From listening here for the last couple hours, it seems like the only people or the majority of the people that have been in favor of the train upgrade have been the farmers. There have been a few that haven't been farmers, but most of them have been farmers. I do have a real concern about the long-term accessibility of the railroad to the farmers. My understanding is as long as the DM&E has the resources available to do so, they must make themselves available to provide this service for the farmers. However, if the DM&E is able to fully utilize their railroad company with coal business and has no available cars or track time available for the farmers,

they absolutely are not required to provide this service. The farmers would be left high and dry with no railroad service available and certainly higher costs to truck their grain.

I think it stands to reason that income from hauling coal would be much more lucrative than hauling grain, in that the DM&E would be utilizing the entire length of their track with no labor intensive switching of cars along the way. In short, the DM&E would make more money with less labor and effort by hauling coal than by hauling grain.

I also have a very real concern about safety in our community. I do not think at the present time that the warning systems that the railroad has in use are safe. I do not feel safe crossing the railroad tracks at this time. There have been a few instances where I have been waiting for the train to cross the tracks, the gates have been down, this is at the Sixth Avenue Northwest railroad crossing, and the gates have gone up after the train has gone through, the gates have gone up to their vertical position, the flashing red lights have turned off, and I have seen cars go across the tracks and then all of a sudden the gate comes down. At one time it came down right on top of a car. There was absolutely no warning.

If these trains would be going any faster, a catastrophe is in the making. This is why there is absolutely no way with the history of the railroad in this town that we can possibly have a safe community without bypasses. Or not bypasses, underpasses and overpasses.

The railroad has let their tracks deteriorate to this point. The heyday of the railroad is way gone 40, 50 years ago, maybe more. They have let their tracks deteriorate. It's a different community now. Vehicular traffic is way more. The population is greatly increased. There is absolutely no reason.

If the railroad wants to build underpasses and overpasses, that should be their total financial responsibility. Thank you for listening.

MR. WALKER: Thank you. My name is Matthew Walker. I am representing myself. Thank you for staying up late like this and hearing our concerns. People over here have talked quite strongly about not having the bypass. I think you need to think about how unmitigatable that would be. I am here to really say that the impact on Rochester is unmitigatable. If you add those up, I guess that means no railroad.

I am a physician. I am an infectious disease specialist. I take care of our leukemia and cancer patients and our transplant patients. Now, a lot has been said about Mayo. But I hope you do realize that every year a million-and-a-half people come here every year for the care of 300,000 patients, the rest being families and friends. The reason they fly over all of those other cities on the way here is because the care that's given here is unique.

These are rare cancers, child leukemias, congenital heart disease. People fly from Europe, Asia for special procedures. They often need to stay here for several months during their recovery. If you were to take the time to walk along the campus between Mayo Clinic and Saint Marys, you would see quite a number of residential facilities that are specifically built for patients who need to live here for months. Including the Gift of Life Transplant House, Hope Lodge for cancer patients and the Ronald McDonald House for children and their families.

Now, we don't always cure these patients, but we can extend their lives. For many of these patients it's a matter of months. So they end up spending a significant part of their remainder of their lives here in Rochester. In fact they actually spend the end of their lives within several hundred feet of that rail line. These are people who have flown all over the world here. This is their last hope.

I hope you realize that this is a historic decision you are making. They said this is the

biggest railroad project to ever be proposed. You understand that Rochester has a population, is the largest population anywhere along the line. You also have on top of that, the fact this is a unique medical institution. It is truly one of the wonders of the world. It's one of the wonders of the world. You in your decision will significantly impact on that. Possibly destroy it. It wouldn't be here 30 years from now in its current form. That decision is yours to make.

MS. BERNATZ: My name is Corrine Bernatz, and I am a very concerned citizen. I hope that the STB committee has physically gone and seen where the railroad track goes through our town, and so you know how close it is, physically close to our two hospitals, to Charter House, which is a retirement community, and to the many hotels in this town, and to the Mayo Clinic and to the research buildings, et cetera.

I also in some way object to the fact that it's called a coal train, because many times it will be hauling toxic substances also. We also learned that the DM&E is the most unsafe railroad for its size of any. If I remember correctly, within the last year where there have been two derailments.

I have been a nurse for several years. Now retired. But if there were a derailment through our town, it would just be a tragedy. There would be absolutely no way we could evacuate the ill patients that are in the hospitals and the infirmed patients that are at the clinic in the office buildings and many infirmed elderly people who are in the hotels downtown and going from appointments, et cetera.

The track also goes by the hotels, by the schools and it's close to the Federal Medical Center, which is a federal prison. One does not evacuate prisoners anywhere. So I think it's imperative that Rochester does not have a train that is a coal train and will also carry toxic substances through its town 37 or more times a day.

MR. GARDINER: That concludes my list of people who have not spoken at previous meetings. I have a half dozen people on my list of people who have spoken at previous meetings. Before I do that list, is there anybody who has not signed up who had not spoken at previous meetings who feels moved to provide some comments? One gentleman in the back.

MR. QUIRK: Okay. One of the last things I want to address here tonight was in the mitigation Section of the DEIS, pertaining to the residential areas. We had one little Section about yea big, four little paragraphs, that essentially dealt with the construction of this project. There was absolutely nothing of any type of mitigation that dealt with residential neighborhoods once this project is fully operational.

Of course, earlier you stated that you were looking to us to provide some mitigation measures. What's upsetting about that is that that's technically not my job. That's your job. What you are doing is you turn around and you ask me, my neighbors to decide what mitigation measures there are going to be. We are not experts on the train industry. We are not mechanical engineers or civil engineers. So it's going to be very difficult for us to give viable options for mitigation to your Board. That's what we were looking to you for direction for.

But I told other people here, since the DM&E Railroad has not provided any type of mitigation towards our neighborhood, that I will give a stab at it. So I am going to start throwing out proposal to you to mitigate problems in the City of Rochester. One of the first problems that we have is we talked about our large medical community, elderly people living close to the tracks, and what happens if there happens to be a toxic spill.

So the first proposal I am going to give to you is that the DM&E should be required to provide an evacuation plan for the medical community and for our elderly community that live

nearby the tracks. This plan should be approved by Mayo Clinic and the city and it should also be approved by FEMA. In that plan I believe the DM&E should be responsible to maintain equipment in the City of Rochester to help evacuate people from the area.

Also, I believe that this plan should be tested during the first few years of its operation and after that maybe we can stretch it out every couple years. Every five years the plan should be once again reviewed by both the city, the DM&E, Mayo Clinic and FEMA.

Now, as far as mitigation in our residential neighborhoods. Now, the major problem we are going to have is going to be noise. So what I am suggesting is that the DM&E go in and start purchasing homes that are nearby the railroad. Once we have eliminated some of the homes that are, say, within a couple hundred feet of the railroad, we are able to build sound berms to help reduce the sound, the noise problem within the neighborhood.

Finally, any homes still within the area that might exceed this 65 decibel level of noise, I would say we probably want to reduce that a little bit more just to qualify it a little bit better. But if you notice up in the Twin Cities near the airport we require the airport to provide sound deadening construction in the homes in that area.

I suggest that at the same time that the DM&E should be required that all homes in the area that the decibel is exceeded that they provide some sound reducing construction within those homes.

I will provide more for you later.

MR. GARDINER: So I think this is a good time to conclude. Again, I would encourage you, if you have statements with you, please leave them with us, and please do provide us with written comments by the January 5th deadline. Thanks very much for coming.

(Whereupon, at 11:00 p.m., the PROCEEDINGS were adjourned.)

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