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ENTERED
Office of Proceedings

Hon. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20036

MAY - 4 2007

Part of
Public Record

Chillicothe-Brunswick Rail Maintenance)
Authority -- Discontinuance Exemption --) AB 1001X
-- Livingston, Linn and Chariton)
Counties, Missouri)

Opposition to Motion to Compel

Dear Secretary Williams:

Enclosed please find Chillicothe-Brunswick Rail Maintenance Authority's (CBRMA's) opposition¹ to the "motion to compel" filed by Pioneer Railcorp/Vandalia Railroad. Putting the best possible light on the Pioneer/Vandalia "motion," it is either an improper "reply to a reply" barred by 49 C.F.R. § 1104.13, as argued by interveners Rupp et al in a pleading filed on May 2, 2007, or it is a tardy reply, also barred by 49 C.F.R. § 1104.13, to CBRMA's motion to reject. It should be stricken from the record. In any event it lacks merit.

In addition to the statements in our formal pleading attached, CBRMA (and City of Chillicothe) note that Pioneer Railcorp and subsidiaries became embroiled in litigation with City's predecessor (Green Hills Rural Development, Inc.) and others concerning the Chillicothe-Brunswick line in the early 1990's. This resulted in a settlement, referenced in the attached order. It is the understanding of CBRMA and City of Chillicothe that in that settlement Pioneer Railcorp among other things released all claims "in any forum" in connection with the Chillicothe to Brunswick line in respect to Green Hills or its

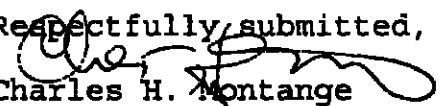
¹ Pioneer/Vandalia indicates that it feels that only "replies" and not "oppositions" may be filed to its motions and requests for relief. See Vandalia Motion to Compel at p. 2. This of course is just quibbling, for an "Opposition" is another name for a reply that opposes. But the key point here is that CBRMA filed not just an opposition but also a "motion to reject." VR never responded to that motion and it is too late for VR to respond now. The motion to reject is unrefuted.

successors and assigns. CBRMA and City (as successor to Green Hills) reserve all rights and claims against Pioneer in the event there is a breach of the settlement due to the actions of Pioneer through its subsidiary in this forum.

For the reasons stated in the enclosed opposition, all relief should be denied to Vandalia.

CBRMA is authorized to state that City of Chillicothe and Motive Rail join in this opposition.

Respectfully submitted,


Charles H. Montange
for CBRMA

Encls.

cc. Counsel (w/encl.)

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF MISSOURI



GREEN HILLS RURAL DEVELOPMENT, INC.,

Plaintiff,

Vs.

WABASH & GRAND RIVER RAILWAY CO.,
ET. AL.,

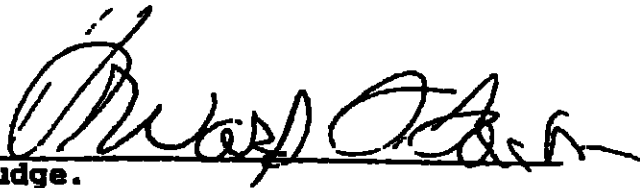
Defendants.

No. 93-6094-CV-SJ-6

ORDER

Plaintiff's Counterclaim-Complaint in Four (4) Counts, having been fully and completely compromised and settled, it is hereby Ordered that Plaintiff's cause of action be, and the same is, hereby dismissed with prejudice to the filing of another suit, claim, or cause of action and the costs are assessed to and paid for by the Plaintiff.

Dated: DEC 17 1993.


Judge.

BEFORE THE SURFACE TRANSPORTATION BOARD

Chillicothe-Brunswick Rail Maintenance)
Authority -- Discontinuance Exemption --) AB 1001X
Livingston, Linn and Chariton Counties, MO)

Opposition to Motion to Compel
and
Opposition to Tardy Motion for Leave to File
(past tardy pleadings and unspecified future pleadings)

Chillicothe-Brunswick Rail Maintenance Authority (CBRMA)
opposes the Pioneer Railcorp/Vandalia Railroad ("VR") "motion to
compel."

Background

This Board served the notice of exemption for CBRMA to
discontinue its long defunct operating lease rights on this line
on February 23, 2007. The relevant STB regulations provide that
expressions of intent to file an OFA must be filed within ten
(10) days of a notice of exemption. 49 C.F.R. 1152.27(c)(2).
Consistent with the regulation, the notice of exemption on its
face provided that "formal expressions of intent to file an OFA
under 49 C.F.R. 1152.27(c)(2) must be filed by March 5, 2007."

The notice of exemption was effective on March 28.

VR filed a "notice of intent" on March 26, some 21 days
late. This violates the time set forth in the notice and in 49
C.F.R. 1152.27(c)(2). The latter regulation also provides that
notices must comply with 49 C.F.R. 1152.25(d)(1)-(3). 49 C.F.R.
1152.24(d)(1) provides that pleadings covered by that
subparagraph be received at the Board by the date specified.
The only exception (for documents deposited three days earlier
by registered, certified or express mail) is obviously not

relevant to VR's notice, since on the face of VR's notice, it was prepared 21 days late, not just filed 21 days late. It is a nullity.

The VR notice is deficient for another reason: it seeks to purchase the line. This Board's precedent clearly indicates that "offers of financial assistance" ("OFA's") to purchase are not applicable in discontinuance proceedings. E.g., Central Illinois RR Co. -- Discontinuance of Service Exemption -- in Peoria County, IL, AB-1066X, served Nov. 21, 2005 (rejecting effort by a Pioneer Railcorp subsidiary to file a notice of intent to file an OFA to purchase in a discontinuance proceeding) (hereinafter referred to as "CIRY"); CSX Corp.-- Discontinuance Exemption -- in Knox County, TN, AB 55 (Sub-no. 641X), served Jan. 2, 2004, slip. op. p. 2. See also Greenville County Economic Dev. Corp. -- Abandonment and Discontinuance Exemption -- in Greenville County, SC, AB 490 (Sub-no. 1X), served Oct. 12, 2005, slip op. at 7 n.7 (OFA to purchase only in abandonment purchase; OFA to subsidize in the discontinuance portion).

On March 28, CBRMA filed an opposition and motion to reject the tardy and misdirected VR notice.²

² Interveners Rupp et al filed a similar opposition on April 2. That opposition is dated March 27, and was evidently hand-delivered to VR, for on March 28, VR filed sought to strike it on the ground that Rupp et al lacked standing. VR never disputed Rupp's point that its notice of intent to file an OFA sought relief that was illegal. On March 29 Rupp et al replied to the VR motion to strike. Thus we have the strange situation of filings about striking a pleading before it was filed at the Board.

Although this Board's regulations provide for replies in 20 days, VR waited until April 30, 2007, to file anything responsive to CBRMA's opposition.³ VR explains that it did not file a reply but decided to wait and see what happened. It says nothing happened, which it indicates is what it expected, so it claims this somehow justifies its "motion to compel" CBRMA to produce information in response to its late-filed notice of intent to file an unlawful purchase OFA is somehow justified. VR Motion at p.3. VR's argument is gobbledegook, and its motion has no justification whatsoever.

Opposition to Motion to Compel

Since there was no valid notice of intent to file an OFA,⁴ there has never been any obligation on CBRMA to produce information to VR. It follows that there is neither basis nor even jurisdiction to grant the motion to compel.

Opposition to Tardy Motion for Leave to File

On p. 3 of its motion, Vandalia next seeks leave to late file its late-filed "notice of intent," claiming there is no prejudice.

This part of VR's pleading has a series of problems. First, VR's motion for leave to file in part is merely a late-filed reply to objections made by CBRMA on March 28 that VR was too late with its "notice of intent" in the first instance. As

³ VR did file a pleading (a motion to strike) against the Rupp pleading.

⁴ VR admits as much when it seeks leave to late file its "notice of intent" at p. 3 of its motion.

VR in effect seems to acknowledge, its belated motion here is a reply to a reply, which itself is barred by 49 C.F.R. § 1104.13(c). Second, the CBRMA and Rupp replies were filed on March 28 and April 2 respectively. This Board's rules require replies to be filed within 20 days. 49 C.F.R. § 1104.13(a). VR's April 30 reply to those replies breaches the 20 day time period for replies, in addition to being an illegal reply to a reply. Even though VR's counsel is the experienced general counsel for Pioneer, he should not be allowed to cavalierly disregard all of the Board's rules designed to bring pleadings to a close. Indeed, especially because he is experienced, he should not get away with it.

But the problem goes beyond that. VR still does not remedy the inherent defect in VR's "notice." As both Rupp and CBRMA have pointed out, VR filed a notice to purchase CBRMA. This proceeding is a discontinuance, not an abandonment. In all discontinuance proceedings, the only notices that have legal relevance are those to provide a subsidy for one year of operations. This Board recently reiterated that determination in the context of another Pioneer Railcorp subsidiary's "notice of intent." CIRY, supra.

The Pioneer Railcorp subsidiary involved here (VR) is not making a subsidy OFA⁵; it is making a purchase OFA. It is

⁵ A 2004 study for the City of Chillicothe indicated that the cost to repair substantial flood damage on the entire line would exceed \$13 million, although this number is understood to contemplate measures so the damage would be less likely to occur in the future. Presentation dated January 24, 2004, by

highly prejudicial to CBRMA, as well as City of Chillicothe and Motive Rail, to grant leave to VR to file a notice of intent to file an inapplicable OFA. VR's motion in effect asks for leave to file a pleading for relief that the Board does not grant. In civil litigation, such requests for relief are quickly dismissed under F.R.C.P. 12(b)(6), and the same result is appropriate here. Accord, CIRY. VR's motion for leave serves no purpose other than to prolong the proceeding in contravention of national rail transportation policy set forth at 49 U.S.C. § 10101(15) (expeditious handling) and § 10101(7) (reduce regulatory barriers to exit).

VR says there is no prejudice from its delay. This is wrong. There is always prejudice from delay which violates national rail transportation policy ("NRP") which abhors delay. In this proceeding, VR's actions are especially misguided. CBRMA has no assets or staff to litigate with VR on issues that

Shenandoah Northern Company (Knoxville, TN) to Chillicothe (MO) Mayor and City Council, p. 23. A study prepared by a subcontractor (Martin Railroad Construction) to the City (report in January 2007) concluded that the cost to rehabilitate to FRA Part 213 Class I status the portion of the line (roughly 29 miles) on which all operating rights are being discontinued pursuant to AB 993X and AB 1001X is \$8,292,075.00, not counting certain bridge repair costs which would likely still be required. See Exhibit A. Since there is no market (shipper demand) to justify such expenditures, a subsidy OFA makes no sense. In addition, Motive Rail is already providing adequate service to all current shippers on the northern portion of the line in the vicinity of Chillicothe. Subsidized service by CBRMA over the Motive Rail portion would be unnecessary, duplicative, and interfere with Motive Rail service, jeopardizing the City's investment in the remaining operating portion of the line. The same considerations indicate that a purchase OFA would make no sense, if this were an abandonment proceeding.

are pointless. Moreover, CBRMA is not and has never been the owner of the line. Requiring CBRMA to continue to litigate administratively is prejudicial to CBRMA's volunteer officers. But even more important, a very real issue is the impact on the owner of the line (City of Chillicothe) and shippers still served by Motive Rail on the Chillicothe end of the line. There is no mystery as to the prejudice to them. City of Chillicothe's rail consultants informed the City that further repairs of wash outs are not feasible and do not make sense at this time.⁶ Instead, they state that

"Abandonment and recovery of investment will provide funds
a) for further investment in Chillicothe track network rehabilitation
b) build out of additional sidings and spurs to lure new industry
c) allow major industry in Brunswick to expand"

See Presentation, supra, at p. 37 (excerpts attached as Exhibit B). CBRMA, Motive Rail, and City are cooperating to implement the consultant's suggestions for prudent management of this corridor. Prudent management will foster rail service for shippers which Motive Rail continues to serve at the north end, and hopefully will stimulate new business, as well as help Ray-Carroll County Grain at the Brunswick end.

In short, VR's misdirected and tardy effort is highly

⁶ They have further advised the City that it is
"Not economically feasible to repair wash out locations"
and in any event it is an
"Unwise use of money to repair wash outs without remedying
cause of wash outs."
See Presentation, supra, excerpts attached in Exhibit B, at p. 35.

prejudicial to City's ability to recover its investment, to reinvest in rehabilitation of the portion of the line still actually in use by Motive Rail and to construct other rail facilities to lure new industry; and to allow industry at Brunswick to expand.⁷

Opposition to Further Pleadings

At p. 4 of its Motion, VR seeks leave to file yet additional replies to both CBRMA and Rupp. VR fails to indicate what more it has to say that it could not have said before. This Board has regulations governing petitions for relief not otherwise provided (Part 1117), and they require a showing of entitlement. VR makes no showing of entitlement to make further arguments. It could have and should have tendered its arguments long ago. The appropriate analogy now is to this Board's regulations governing reopening. VR needs to show some new evidence, changed circumstance or material error to get in the door. It makes no showing of anything new or changed (there is nothing), and the only material error it can show is its own errors at law. Those would not qualify the case for reopening. CBRMA certainly opposes turning this 49 C.F.R. § 1150.50 proceeding into another Pioneer Railcorp open-ended procedural free-for-all. That is not what NRP is about, and not what 49 C.F.R. § 1150.50 is about. Like Rupp, et al. in their reply to

⁷ City of Chillicothe seeks to railbank the line under 16 U.S.C. § 1247(d) for possible future reactivation. But that does not interfere with the City's recovery of its investment and reinvestment in the line. VR's tardy notice of intent to file an unlawful OFA against CBRMA does.

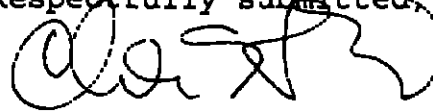
VR filed on May 2, CBRMA opposes this gambit by VR.

Conclusion

VR seeks no lawful relief, and none should be granted. Continued delay from VR's tardy efforts to do the wrong thing at the wrong time is prejudicial and contrary to NRP. VR's motion should be denied.

CBRMA is authorized to state that City of Chillicothe and Motive Rail join in this opposition.

Respectfully submitted,



Charles H. Montange
426 NW 162d St.
Seattle, WA 98177
(206) 546-1936
Counsel for CBRMA

Attachments:

Exhibit A -- Martin Railroad Construction report
FRA Part 213, Class I rehab estimates
for 29 miles, 2007

Exhibit B -- Shenandoah Northern Company report
(excerpts), 2004

cc. City of Chillicothe

Certificate of Service

I certify service by express service, next business day deliver, this 3d day of May 2007 upon Mr. LaKemper (Vandalia), 1318 S. Johanson Road, Peoria, IL 61607 and Mr. Kahn (Rupp, et al.), 1920 N Street, N.W., 8th Fl., Washington, D.C. 20036-1601.

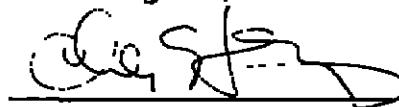


Exhibit A
(2007 Martin Railroad Construction)



Track Inspection Rehab Estimate

Railroad: Chillicothe – Brunswick Railroad

Company: Martin Railroad Construction

Customer: Montoff Transportation Co.

Inspector: Esequil Talamantez Jr (J.J.)

Location: Chillicothe – Brunswick RR (M.P. 218 to M.P. 189)

Introduction

- ❑ To identify the track defects of the Chillicothe – Brunswick Railroad, and provide a estimate on the rehab of the CBRR to meet: Code of Federal Regulations (Title 49 Track Safety Standards Part 213, Class 1)
- ❑ Inspection was provided by Martin Railroad Construction. Inspector Esequil Talamantez Jr. (Track inspector) has 10 years of Track maintance experience, and has worked for various railroad as Roadmaster, Track Inspectors, to Locomotive Engineer. All inspection are conducted to meet the Track Safety Standards Part 213

Topics of Discussion

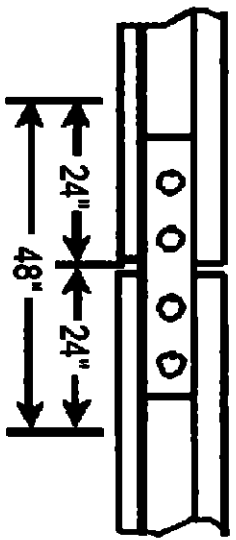
- ❑ Cross Ties
- ❑ Surfacing and Alinement
- ❑ Drainage
- ❑ Vegetation
- ❑ Bridge Repair
- ❑ Total Estimate cost

Crossties 213.109

- ☐ Crossties shall be made of material to which rail can be securely fastened.
- ☐ Each 39' segment of track shall have a sufficient number of crossties which in combination will provide effective support that will .
 - a.) hold gage (213.53b)
 - b.) maintain surface (213.63)
 - c.) maintain alinement (213.55)
- ☐ Class 1 track shall at least have five crossties for every 39' segment of track.
 - a.) Example: Every 24 ties there should be at least 5 good ties that are effectively distributed through the 39' segment. Art least 1 crosstie is located in the join.

Class of track	Tangent track and curves ≤ 2 degrees	Turnouts and curved track over 2 degrees
1	5	6
2	8	9
3	8	10
4 and 5	12	14

Classes 1 and 2



Each rail joint in Classes 1 and 2 track shall be supported by at least one crosstie specified in paragraph (c) of this section whose centerline is within 48" shown above

Cont: 213.109

□ Crossties shall not be:

- 1.) Broken Through
- 2.) Split or impaired to the extent the crossties will allow the ballast to work through, or will not hold a spike or rail fasteners
- 3.) So deteriorated that the tie plate or base of rail can move laterally $\frac{1}{2}$ " relative to the crossties
- 4.) Cut by the tie plate through more than 40% of a crossties Thickness.



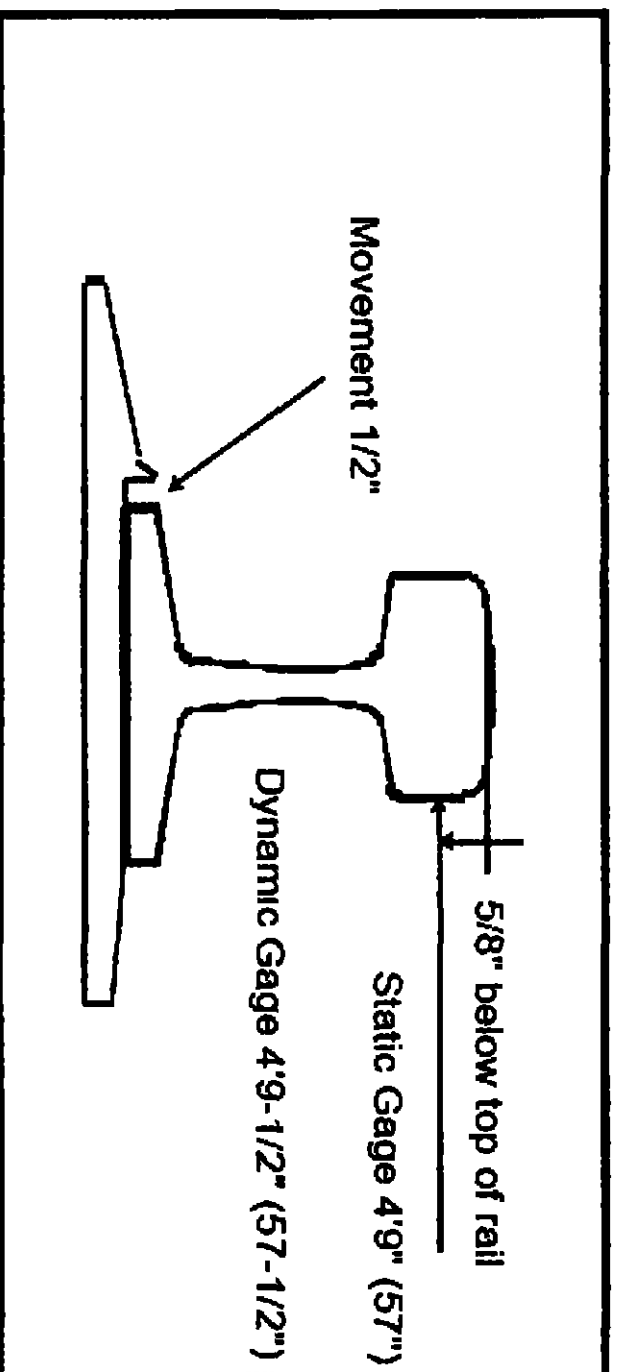
Gage chart

Gage must be within the limits prescribed in the following table:

Class of Track	The gage must be at least	But not more than
Excepted track	N/A	4'10-1/4"
1	4'8"	4'10"
2 and 3	4'8"	4'9-3/4"
4 and 5	4'8"	4'9-1/2"

Gage defects

- Gage is measured between the head of the rail at right-angles to the rails in a plane five-eighths of an inch below the top of the rail



Defect Codes

Defect Codes	
53.01	Gage dimension exceeds allowable on tangent track.
53.02	Gage dimension is less than allowable on tangent track.
53.03	Gage dimension exceeds allowable on curved track.
53.04	Gage dimension is less than allowable on curved track.
53.05	Gage dimension exceeds allowable for excepted track.

Example of cross-tie defect



Defect Codes (all found throughout railroad

Defect Codes	
109.01	Fewer than minimum allowable number of non-defective ties per 39 feet.
109.02	No effective support ties within the prescribed distance from a joint.
109.03	Crossties not effectively distributed to support a 39-foot segment of track.
109.04	Fewer than minimum allowable number of non-defective ties per 39 feet for tangent and curved track less than two degrees.
109.05	Fewer than minimum allowable number of non-defective ties per 39 feet for turnouts and curved track over two degrees.
109.06	Track constructed without crossties does not effectively support track structure.

Recommendations for 29 mile tie renewal

- ❑ Replace Every 3rd tie per mile = 1083 ties per mile
- ❑ Factors contributing to cost:
 - a.) 31,950 new ties
 - b.) 639 kegs spike
 - c.) on-track equipment
 - d.) Labor expense
- ❑ **Total Cost = \$2,681,525.00**

Surfacing and Alignment

☐ Alinement 213.55

- a.) alinement may not deviate from uniformity more than the amount prescribed in the following table.

Example: A so called line-swing or sun-kink which ever your preference shall not be misaligned no more than 5" on class 1 railroad. See next page for examples

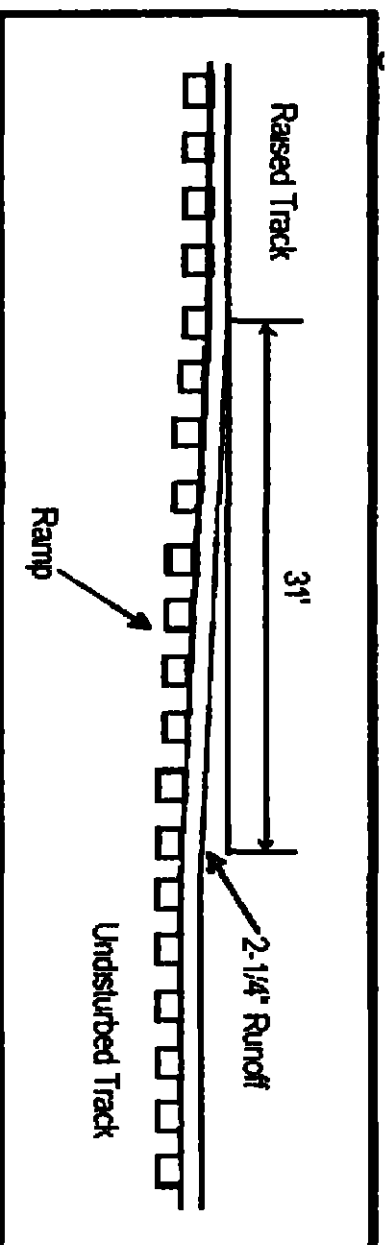
Class of Track	Tangent Track	Curved Track	
	The deviation of the mid-offset from a 62-foot line ¹ may not be more than --	The deviation of the mid-ordinate from a 31-foot chord ² may not be more than --	The deviation of the mid-ordinate from a 62-foot chord ² may not be more than --
1	5"	3 N/A	5"
2	3"	3 N/A	3"
3	1-3/4"	1-1/4"	1-3/4"
4	1-1/2"	1"	1-1/2"
5	3/4"	1/2"	5/8"

Alignment / Surfacing defect



Track Surface 213.63

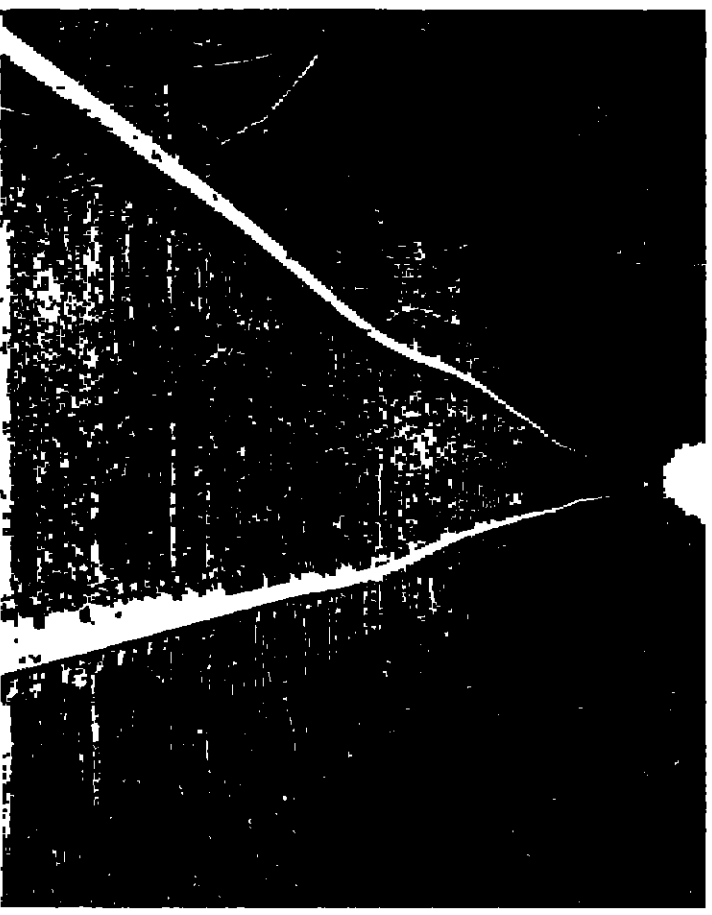
- ❑ Each owner of the track to which this part applies shall maintain the surface of its track within the limits prescribed in the following table:
- ❑ Example: with the use of a level board or string line, class 1 railroad you should have no more than a 3" cross-level



Cont: Pg 12 Compliance Chart

Track Surface	Class of Track				
	1	2	3	4	5
The runoff in any 31 feet of rail at the end of a raise may not be more than	3-1/2"	3"	2"	1 1/2"	1"
The deviation from uniform profile on either rail at the mid-ordinate of a 62-foot chord may not be more than	3"	2-3/4"	2-1/4"	2"	1-1/4"
The deviation from zero crosslevel at any point on tangent or reverse crosslevel elevation on curves may not be more than	3"	2"	1-3/4"	1-1/4"	1"
The difference in crosslevel between any two points less than 62 feet apart may not be more than * 1 2	3"	2-1/4"	2"	1-3/4"	1-1/2"
* Where determined by engineering decision prior to the promulgation of this rule, due to physical restrictions on spiral length and operating practices and experience, the variation in crosslevel on spirals per 31 feet may not be more than	2"	1-3/4"	1-1/4"	1"	3/4"

Alignment / Surfacing defects



Defect Codes

Defect Codes	
63.01	in any 31 feet of rail at end of raise exceeds allowable.
63.02	Deviation from uniform profile on either rail exceeds allowable.
63.03	Reserved
63.04	Reserved
63.05	Deviation from zero crosslevel at any point on tangent exceeds allowable.
63.06	Reserved
63.07	Difference in crosslevel between any two points less than 62 feet apart on tangents exceeds allowable
63.08	Difference in crosslevel between any two points less than 62 feet apart on curves between spirals exceeds allowable.
63.09	Difference in crosslevel between any two points less than 62 feet apart on spirals exceeds allowable.
63.1	Reverse elevation on curve exceeds allowable.
63.11	Variation in crosslevel per 31 feet exceeds allowable on restricted length spiral.
63.12	Difference in crosslevel within 62 feet between a point on a curve that equals or exceeds six inches and a point with greater elevation exceed allowable.
63.13	Crosslevel differences for six or more consecutive pairs of staggered joints exceeds allowable.

Recommendation For surfacing

- ❑ Surface 29 miles of track. Out of the 29 miles undercut 8 miles where drainage has proven to be a major contribution to the defects. After undercutting stabilize roadbed apply suppac and ballast. Then resurface 8 miles.
- ❑ Factors contributing to cost:
 - a.) Flash
 - b.) Ballast
 - c.) equipment
 - d.) Labor
- ❑ **Total Cost:** \$2,411,750.00

Drainage 213.33

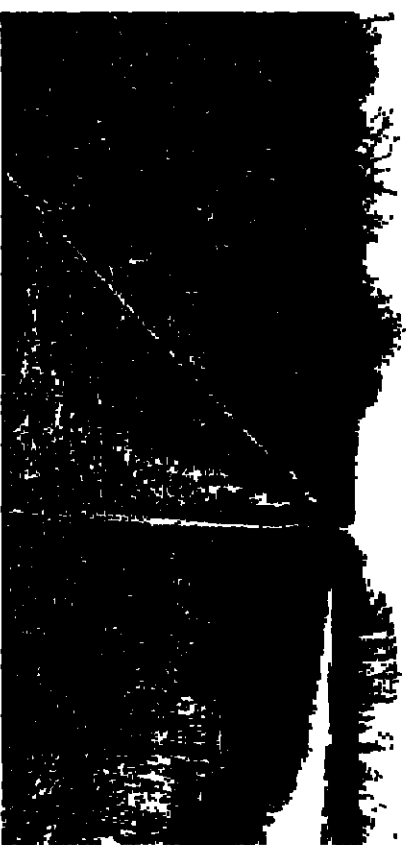
- Each drainage or other water carrying facility under or immediately adjacent to the roadbed shall be maintained and kept free of obstruction, to accommodate expected water flow for the area concerned.



Examples of bad drainage



Cont: bad drainage



Defect codes:

Defect Codes	
33.01	Drainage or water-carrying facility not maintained.
33.02	Drainage or water-carrying facility obstructed by debris.
33.03	Drainage or water-carrying facility collapsed.
33.04	Drainage or water-carrying facility obstructed by vegetation.
33.05	Drainage or water-carrying facility obstructed by silting.
33.06	Drainage or water-carrying facility deteriorated to allow subgrade saturation.
33.07	Uncontrolled water undercutting track structure or embankment.

Recommendation for drainage

□ Provide proper ditching to allow the water to flow to the creeks and bridges. For 8 miles of right-of-way there is nowhere for the water to drain.

□ Factors contributing to cost:

a.) equipment

b.) labor

Total cost: \$230,000.00

Vegetation 213.37

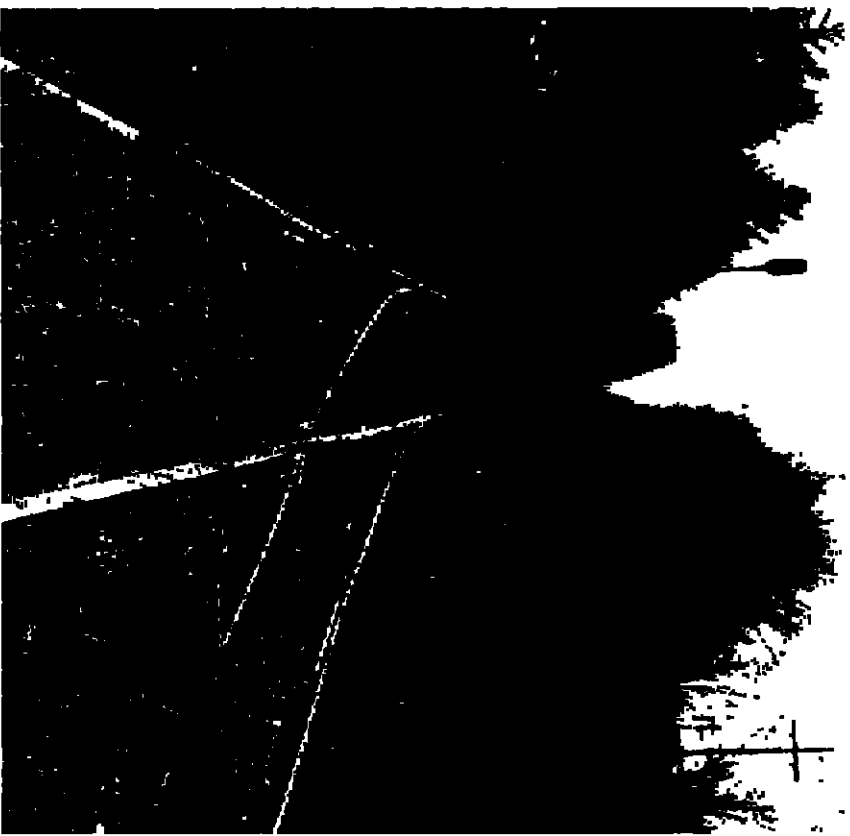
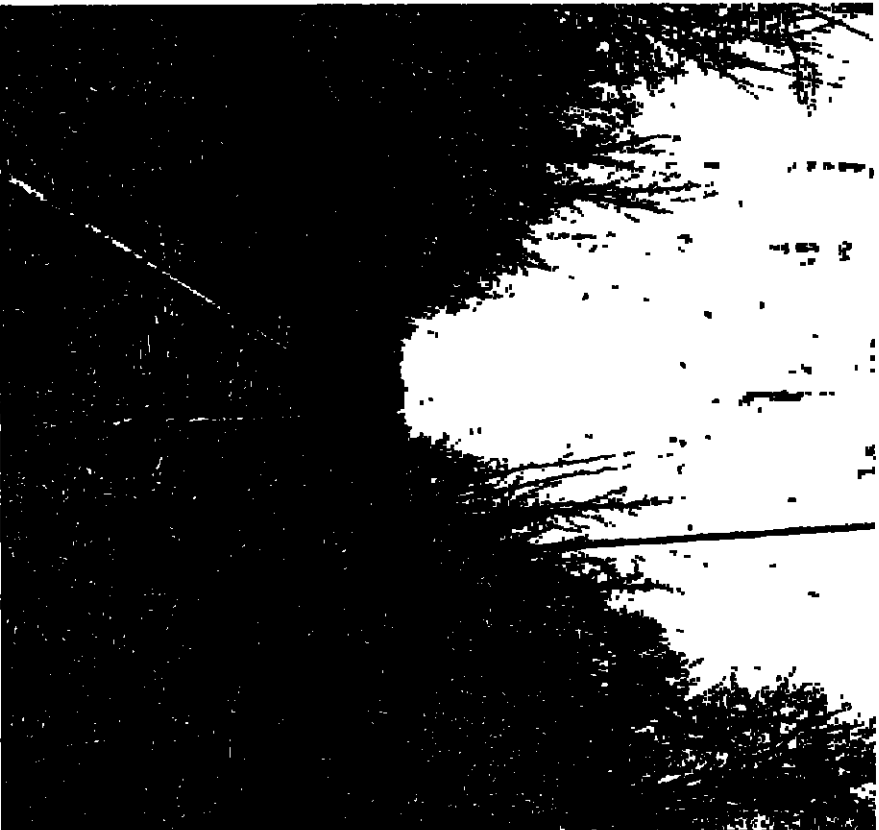
- Vegetation on railroad which is on or immediately adjacent to road be shall be controlled so that it does not:
 - I. Become a fire hazard to track-carrying structures
 - II. Obstruct visibility of railroad signs and signals
 - III. Interfere with railroad employees performing normal trackside duties
 - IV. Prevent proper functioning of signal and communication lines
 - V. Prevent railroad employees from visually inspecting moving equipment from there normal duty station



Vegetation Defects



Cont: Vegetation



Defect codes:

.01	Combustible vegetation around track-carrying structures.
.02	Vegetation obstructs visibility of railroad signs and fixed signals.
.03	Vegetation obstructs passing of day and night signals by railroad employees.
.04	Vegetation interferes with railroad employees performing normal trackside duties.
.05	Vegetation prevents proper functioning of signal and/or communication lines.
.06	Excessive vegetation at train order office, depot, interlocking plant, a carman's building, etc., prevents employees on duty from visually inspecting moving equipment when their duties so require.
.07	Excessive vegetation at train meeting points prevents proper inspection of moving equipment by railroad employees.
.08	Excessive vegetation in toepaths and around switches where employees are performing normal trackside duties.
.09	Vegetation brushing sides of rolling stock.
.10	Vegetation obstructs visibility of grade crossing warning signs and signals by

Recommendation for vegetation control

❑ Cut all brush using the proper equipment, haul all trees and limbs from right-of-way so it wont effect your drainage in the future.

❑ Factors contributing to cost:

a.) Equipment

b.) Labor

Total Cost: \$556,800.00

Bridge's

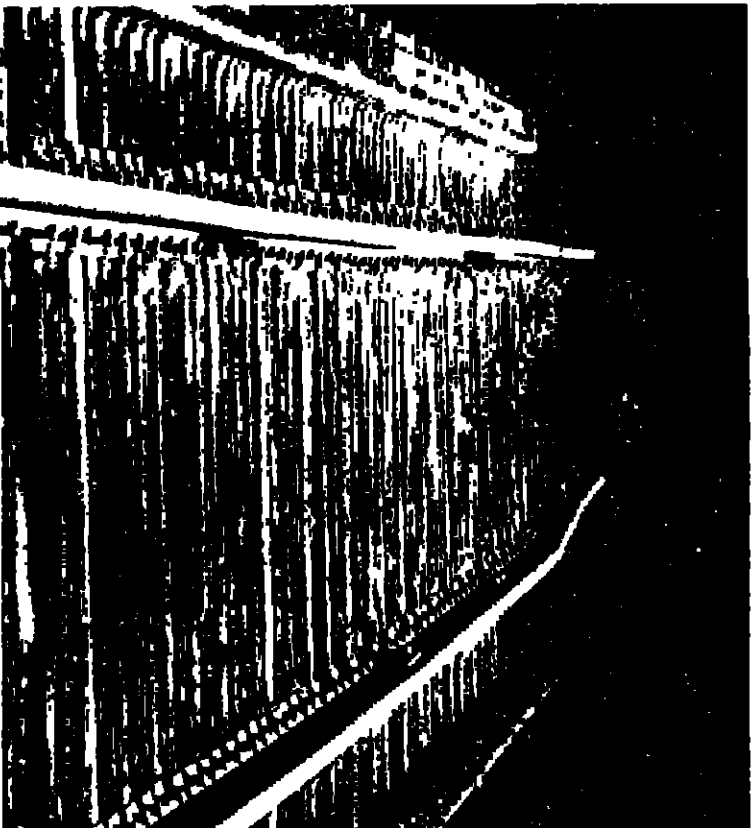
- Throughout the 29 miles of track there is a total of 27 bridges. Through visual inspection I noticed a majority had major tie defects on the decking, as well as surfacing defects, start at the approach and throughout the bridges. This is telling me we have defective caps, as well as pilings.



Bad cross level on bridge



Poor approaches



Missing Bridge (300')

- There use to be a 300' bridge at this location according to the track charts. I believe at one time it washed out, then was backfilled with dirt and they built track on it. There were also signs of a derailment.



Bridge conclusion

- ☐ I have spoke with a bridge expert, and his quotes were based on standards rate, of \$1000.00 to \$2000.00 per foot to rehab a existing bridge. There is a total of 5444' of bridges.
 - ☐ To install a new bridge, he quoted \$4500.00 a foot to build.
 - ☐ I will base my bridge quote on new ties for decking and the price to install a new bridge. As far as pilling and caps this quote will not include.
 - ☐ Factor contributing to cost:
 - a.) new 300' bridge
 - b.) new bridge ties
 - c.) labor ??
- Total cost: \$1,804,000.00**
-

Miscellaneous quotes

- ❑ Instalation of the crossover diamond
 - a.) \$400,000
- ❑ Instalation of highway 24 grade crossing
 - a.) 750' track foot = \$78,000
- ❑ Instalation of switch to tie into Brunswick siding
 - a.) number 8 turnout \$100,000.00
- Total cost:**
\$578,000.00



Grand Total

- Ties = \$2,681,525.00
- Surfacing = \$2,441,750.00
- Drainage = \$230,000.00
- Vegetation = \$556,800.00
- Bridges = \$1,804,000.00
- Miscellaneous = \$578,000.00

Total Project Cost:

\$8,292,075.00

Conclusion :

- To conclude, we are looking at a average figure of \$285,933.00 per mile to rehab the CBRR. Please remember this does not include the pricing on the repairs of the bridge pilling and caps !



Thanks

- ☐ Thank you for your time ! If you have any questions, please call:
- ☐ Have a safe day !!

- ☐ Esequil Talamantez Jr. (J.J.)
Foreman

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Exhibit B
(2004 Shenandoah Northern Company)
(excerpts)

Shenandoah Northern Company

Knoxville, Tennessee

Chillicothe – Brunswick Railroad

January 24, 2004

Chillicothe, Missouri

Presentation to
Mayor Rodenberg
and the
City Council

Strategic Situation

- Conclusions
 - 1) Right of way and road bed not properly constructed (Wabash RR)
 - 2) Not economically feasible to repair wash out locations
 - 3) Unwise use of money to repair wash outs without remedying cause of washouts
 - 4) Loss of major shipper @ Brunswick

Strategic Situation

- **Conclusions, continued**
- 5) **Enormously expensive**
 - to upgrade line to 286,000 pound capacity
- 6) **Class I Markets have moved away from small shippers**
- 7) **Class I's not inclined to accommodate any new business amidst operational problems and capacity constraints**

Strategic Situation

- **Conclusions, end**
- 8) Chillicothe shippers have access all major railroads through the ICE**
- 9) Abandonment and recovery of investment will provide funds**
 - a) for further investment in Chillicothe track network rehabilitation**
 - b) build out of additional sidings and spurs to lure new industry**
 - c) allow major industry in Brunswick to expand**
- 10) No feasible industrial site between Chillicothe & Brunswick**