

223424
223425

AB-515 Sub 2

FO 35160

ARNIE ROBLAN TESTIMONY

FOR THE RECORD.....

PLEASE ALLOW ME TO ALSO THANK THE STB FOR GIVING OREGONIANS THIS OPPORTUNITY TO TALK ABOUT THE IMPACT THAT THE COOS BAY LINE HAS ON OUR REGION.

I ALSO JOIN MY COLLEAGUES IN URGING THAT THE BOARD OPPOSE THE CORP AND RAILAMERICA'S APPLICATION TO ABANDON THE COOS BAY LINE.

I OPPOSE ALLOWING THE CORP AND RAILAMERICA TO RETAIN CONTROL OF THE DANEBO TO VAUGHN SECTION OF THE LINE THE LINE SHOULD NOT BE BROKEN UP.

I STRONGLY SUPPORT THE PORT OF COOS BAY'S FEEDER LINE APPLICATION TO RESTORE THE LINE TO SERVICE AND RESPECTFULLY URGE THE BOARD TO SUPPORT THE APPLICATION ALSO.

THE FEEDER LINE APPLICATION IS KEY TO THE REGION'S ECONOMIC FUTURE. AS MY COLLEAGUES HAVE DESCRIBED, WITHOUT THE RAIL LINE OUR THE FUTURE OF OUR COMMUNITIES AND OUR FAMILIES IS SURELY DIMMER.

WITH THE RAIL LINE, WE HAVE A STRONG CHANCE TO MAINTAIN AND GROW OUR JOB BASE.

AS THE BOARD MOVES FORWARD WITH THEIR DELIBERATIONS, I RESPECTFULLY ASK YOU TO BE MINDFUL OF THREE THINGS.

FIRST, THE VALUE THAT IS SET FOR THE LINE IS CRITICAL TO THE SUCCESS OF THE CONTINUED OPERATION OF THE LINE. THE LINE CANNOT BE SAVED IS THE SALE PRICE IS TOO HIGH.

MOST OF CORP AND RA'S VALUE OF THE LINE IS IN THE SALVAGE VALUE OF THE STEEL, BECAUSE SCRAP VALUES FOR THE METAL ARE AT AN ALL TIME HIGH. IF THE METALS MARKETS WERE IN THEIR NORMAL RANGE, THE VALUE OF THE LINE WOULD BE MUCH LESS.

SECOND, I WOULD ASK YOU TO CONSIDER THAT THE CORP AND RA EMBARGOED THE LINE BECAUSE THEY DID NOT DO MAINTENANCE ON THE TUNNELS. THEIR OWN ENGINEERING REPORT CLEARLY STATES THAT THE TUNNEL LAGGING AND SHORING WERE ROTTING OUT, AND THAT THE TIMBERS WERE FAR BEYOND THEIR USEFUL LIFE.

CORP AND RAILAMERICA SHOULD REPAIR THE TUNNELS AND RETURN THEM TO OPERATIONAL CONDITION BEFORE THEY CAN SELL THE LINE.

IT SEEMS FUNDAMENTALLY UNFAIR THAT THE CORP SHOULD WALK AWAY FROM THEIR LACK OF MAINTENANCE OF THE LINE, AND POCKET MILLIONS OF DOLLARS FROM SALVAGE OR SELLING THE LINE, LEAVING THE PORT AND THE CITIZENS OF OREGON TO MAKE THINGS RIGHT.

THIRD, PLEASE CONSIDER THAT MANY ATTEMPTS HAVE BEEN MADE BY THE SHIPPERS, THE PORT, THE LEGISLATURE AND THE GOVERNOR TO WORK WITH THE CORP AND RAILAMERICA.

SINCE THE LINE HAS BEEN SHUT DOWN, WE HAVE ALL BEEN STRUCK WITH THE UNWILLINGNESS OF THE CORP AND RAILAMERICA TO WORK WITH US. WE HAVE BEEN GIVEN CONFLICTING INFORMATION, TIMELINES THAT HAVE NOT BEEN HONORED, AND NEGOTIATION POSITIONS THAT HAVE SHOWN THAT CORP AND RA ARE NOT INTERESTED IN NEGOTIATING A MUTUALLY BENEFICIAL OUTCOME.

AGAIN, IT IS MY SINCERE HOPE THAT THE BOARD WILL RULE IN FAVOR OF THE FEEDER LINE APPLICATION AND VALUE THE LINE AT A REASONABLE AMOUNT SO THAT THE PORT CAN GET THE LINE UP AND RUNNING.

FOR THE FUTURE OF COOS, COASTAL DOUGLAS AND LANE COUNTIES, THIS IS EXTREMELY IMPORTANT. THIS RAIL LINE WILL MAKE THE DIFFERENCE BETWEEN A FUTURE THAT WILL SEE ECONOMIC DECLINE, AND A FUTURE THAT HAS THE POTENTIAL FOR GROWTH.

AGAIN, I THANK YOU FOR YOUR TIME AND ATTENTION AND WILL BE GLAD TO ANSWER ANY QUESTIONS.