

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

ENTERED
Office of Proceedings
May 31, 2016
Part of
Public Record

Finance Docket No. 36025

**TEXAS CENTRAL RAILROAD AND INFRASTRUCTURE, INC. &
TEXAS CENTRAL RAILROAD, LLC-
AUTHORITY TO CONSTRUCT AND OPERATE-
PASSENGER LINE BETWEEN DALLAS, TX AND HOUSTON, TX**

JIM MILES' COMMENT OPPOSING PETITION FOR EXEMPTION

My name is Jim Miles. I formerly served as a County Commissioner of Leon County. I have reviewed the Petition for Exemption filed by Texas Central Railroad and Infrastructure, Inc. & Texas Central Railroad, LLC ("TCR"). I have attended several meetings held by TCR and reviewed various other materials pertaining to the proposed construction of the 240-mile-long high speed rail between Houston and Dallas, Texas (the "Project") I also attended meetings held by Texans Against High Speed Rail. I am an affected landowner with my family property threatened by this Project.

1. The Obama Administration laid out a "Build America" plan when it was spending billions to promote High-Speed Rail in 2009. Would the Obama Administration, or any administration for that matter, support this Project that defies "Build America" and instead has Tim Keith, the new CEO, promise its Japanese life-of-system partner¹ that there would be no

¹ KYODO, *Texas high-speed rail firm eyes JR Tokai as partner in shinkansen technology*, The Japan Times (December 29, 2015), <http://www.japantimes.co.jp/news/2015/12/29/business/texas-high-speed-rail-firm-eyes-jr-tokai-partner-shinkansen-tech-cars/#.VzU203rijIV>.

competitive bidding?² This Project will cost \$12 - 18.3 billion to build and no competitive bidding? That sure seems foolhardy. Why are we going to burden taxpayers to loan money to, or bail out, this Project when it fails, when TCR lets its Japanese partners name their price, without competition? These same Japanese partners will later have collateral rights over my land, and the land of my neighbors, some of whose families have had the land for decades.

2. The Board should be more concerned when it learns that key players in TCR's management are former-DOD and former-CIA staff members, with strong ties to Japan.³ Frankly, I would have expected, and hoped, to see a very strong core of railroad executives with a successful track record in massive rail projects (maybe there are none). In this case, TCR has very little railroad management, just venture capital and a consulting outfit called New Magellan. New Magellan's website is chock full of the key players in TCR's management. So who is New Magellan? According to its website, New Magellan Venture Partners, is a consulting firm primarily dedicated to advancing the interest of Central Japan Railway in the United States.⁴ Big Surprise. These facts should have been disclosed to the Board. Who is the real party in interest here? Central Japan Railway, for one. Who stands to be guaranteed a profit: (1) the train manufacturer in Japan, who gets to name its own price with no competitive bidding, **or** (2) the operator of a failed project in Texas? The TxDOT Report that was written in December 2013 answers that

² Nikkei Tomohoro Ichihara, *Texas Bullet Train Project Pushing for Japan-Friendly Rules*, NIKKEI ASIAN REVIEW (Mar. 30, 2016), <http://asia.nikkei.com/Business/Companies/Texas-bullet-train-project-pushing-for-japan-friendly-rules>.

³ See resumes of TCR key personnel at New Magellan Ventures website: Newmagellan.com

⁴ *Id.*, See Portfolio section of website

crucial question. Who stands to lose? Texas Landowners and Citizens and United States Taxpayers.

3. The Board should deny TCR's Petition for Exemption. The citizens of Texas should not be asked to cover TCR's substantial financial losses. Nor should property owners lose their property to make railroad promoters and Central Japanese Railway richer.

By: /s/ Jim Miles

Concerned Citizen and Landowner

May 31, 2016

CERTIFICATE OF SERVICE

I hereby certify that I have served all parties of record in this proceeding with this document by United States mail or by e-mail.

By: /s/ Jim Miles