

# FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive  
Suite 920  
Chicago, Illinois 60606-2832

Phone: (312) 252-1500  
Fax: (312) 252-2400  
www.fletcher-sippel.com

October 24, 2013

MYLES L. TOBIN  
(312) 252-1502  
mtobin@fletcher-sippel.com

235007  
235008  
ENTERED

Office of Proceedings  
October 24, 2013  
Part of the Public  
Record

## VIA ELECTRONIC FILING

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Room 1034  
Washington, DC 20423-0001

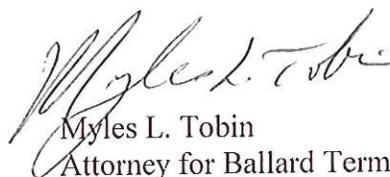
Re: **Finance Docket No. 35731**  
**Ballard Terminal Railroad Company, L.L.C. -- Acquisition**  
**and Operation Exemption -- Woodinville Subdivision**

**Docket No. AB-6 (Sub-No. 465X)**  
**BNSF Railway Company -- Abandonment**  
**Exemption -- In King County, WA**

Dear Ms. Brown:

Enclosed please find a copy of all correspondence which has been filed thus far, or which Ballard has received a request to file, in support of Ballard's Petitions in the above referenced dockets. This correspondence reflects broad based support for the Petitions, including public sector support, shipper support and financial support.

Very truly yours,



Myles L. Tobin  
Attorney for Ballard Terminal  
Railroad Company, L.L.C.

MLT/ekf

Enclosures

cc: All Parties of Record (via electronic and First Class Mail)

**CERTIFICATE OF SERVICE**

I hereby certify that on this 24<sup>th</sup> day of October, 2013, a copy of the foregoing

**Comments In Support of Petitions** were served by electronic and First Class Mail upon:

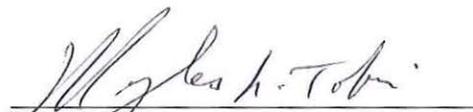
235008

Charles A. Spitulnik  
W. Eric Pilsk  
Allison I. Fultz  
Kaplan Kirsch & Rockwell, LLP  
1001 Connecticut Avenue, N.W.  
Washington, DC 20036  
(202) 955-5600  
cspitulnik@kaplankirsch.com  
epilsk@kaplankirsch.com  
afultz@kaplankirsch.com  
*Counsel for King County, Washington*

Matthew Cohen  
Hunter Ferguson  
Stoel Rives LLP  
600 University Street, Suite 3600  
Seattle, WA 98101  
(206) 386-7569  
mcohen@stoel.com  
hoferguson@stoel.com  
*Counsel for the City of Kirkland, Washington*

Jordan Wagner  
Jennifer Belk  
Central Puget Sound  
Regional Transit Authority  
401 S. Jackson Street  
Seattle, WA 98104  
(206) 398-5224  
jordan.wagner@soundtransit.org  
jennifer.belk@soundtransit.org  
*Counsel for the Central Puget Sound Regional  
Transit Authority*

Andrew Marcuse  
Peter G. Ramels  
Senior Deputy Prosecuting Attorney's Office  
King County  
2400 King County Courthouse  
516 Third Avenue  
Seattle, WA 98104  
andrew.marcuse@kingcounty.gov  
pete.ramels@kingcounty.gov  
*Counsel for King County, Washington*

  
\_\_\_\_\_  
Myles L. Tobin

**BALLARD TERMINAL RAILROAD  
EASTSIDE FREIGHT RAILROAD  
MEEKER SOUTHERN RAILROAD**

---

**Subsidiaries of:**

**Ballard Terminal Railroad Company, LLC  
4725 Ballard Avenue NW  
Seattle, WA 98107**

**235008**

**Office: (206) 782-1447 Fax: (206) 782-7724**

---

September 27, 2013

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, SW, Room 1034  
Washington, DC 20423-0001

Re: STB Finance Docket 35731  
Ballard Terminal Railroad Company, LLC  
Acquisition and Exemption, Woodinville Subdivision

Dear Ms. Brown:

Unfortunately, neither previous letters nor the 16-years of growing our business have impressed upon the board our ability to finance our businesses as needed. We have the necessary financial support of our primary shareholder, our bank, investment capital, shortline railroad partners, local governments, state legislature and others. We employ people in regular railroad operations. We maintain our lines to Federal Railroad Administration standards. We have little debt. We pay our bills. Since our founding in 1996, we have received a state grant and two zero-interest state loans. How can the Surface Transportation Board conclude that we are not a bona fide rail operation, and incapable of managing our business and growing it?

If we weren't a bona fide rail operator with a good record, why would BNSF have awarded us the 14.5-mile segment of the Eastside Rail Corridor? Further, BNSF gave us the opportunity to buy our second railroad. Don't these actions by a Class 1 railroad demonstrate the bona fide ability for Ballard Terminal Railroad Co. to properly operate and finance a shortline railroad?

Critically, we are finishing our fourth year of operation on the adjoined Woodinville-Snohomish line, but only this year have we had the legal rights and

opportunity to begin marketing it. We are in discussions with a rebar fabricator, a waste company, and two companies that want to relocate off the BNSF mainline to our operating line. There is an excursion service that will substantially increase the line density with daily operations, which reduces the maintenance of way overhead costs to the freight operations. Our business model works and has broad support. Our adversaries have fought this reactivation effort with pounds of paper; bullying tactics; and refusal to allow any railroad participation in the public process and dialogue.

235008

Regarding the Maltby crossing gate that has been damaged twice in two years. The crossing tower was destroyed by a truck in 2010 and subsequently replaced. The replaced crossing tower was again knocked over by a turning truck. This unique acute angle intersection needs a collaborative solution with Snohomish County to protect the crossing equipment from road traffic. In the mean time, there is a crossing buck in place for this country road crossing and our train crews running at excepted speeds use flags for their crossings. This has nothing to do with the railroad's ability to fund a replacement, which would likely be destroyed again without a long-term crossing configuration change.

Sound Transit cannot show any harm by reactivating this line. The small overlap has already been considered in their planning, and they don't want the STB to see that simple fact.

King County is not harmed. They can't show any funding to build a trail inside the corridor other than some day beyond at least six years. Interestingly, all of the most comparative trails nationally being studied by King County's Eastside Rail Corridor Regional Advisory Council have freight operations on them! We have publically offered to help them build their trail near the track at a substantially lower cost and faster timeline than they themselves can build it. As the railroad, we want to do this to help reduce our right of way maintenance costs and provide off-the-line inspection and repair access. We have done this on our two other lines, and are now in discussions with Snohomish County to do the same on the northern end of this very corridor beginning next year. The bicycle politics of King County's elected leadership advocate for a trail only solution, witness their process where "freight is a non-starter" and railroads are excluded from their processes. Obviously the bicycles folks do not understand that rails and trails can and do coexist in the United States and around the world.

Kirkland's actions may prove to be the most interesting as replacing the track will provide the necessary infrastructure to add a third line of rail operations to support a private commuter operation from the north through Kirkland with a connection to Sound Transit's East Link light rail system. Investors and developers are very interested to participate upon reactivation of the line. Further, Kirkland has galvanized the state legislature as to the importance of this rail corridor.

Paul Nerdrum has provided the necessary resources to start our first line, accept BNSF's invitation to take over a second line, and via a competitive bidding process earn the rights to this line. As he wrote in his letter, he expects to be able to finance the reactivation of the additional 12-miles being sought in this action.

EB5 Capital Partners.us, LLC has made two onsite visits and is willing to arrange the financing of land acquisitions and track replacement should that be necessary. Further, they and others are interested in private commuter operations that tie into Sound Transit's East Link.

The current Washington state senate transportation package has \$65 million in it for this rail corridor, and the legislature is looking at over \$10M to bring the track up to Class 2 condition. A rail caucus was formed this year because of value of this corridor. Legislation to make railroad financing and partnerships easier in the state will be pre-filed in both houses in December and already has bi-partisan support.

Private money is waiting on this STB decision. But no serious private or bank money will come until the reactivation decision is made. Customers, government supporters, the Small Business Administration, an excursion service, developers and others are waiting for Ballard Terminal Railroad Company, a bona fide rail operator, to prevail as the law is written to reactivate this railbanked line.

### **SHIPPERS**

1. The 225-250 cars from General Mills will use the existing spur going right into the Safeway's regional bakery building in Bellevue. The spur is located north of Sound Transit's East Link plans. When BNSF ceased operations in Bellevue, the railcar traffic was moved to Ballard, where we handled them and the flour was transloaded to trucks and shipped back to Safeway's Bellevue bakery. Currently the railcars are being shipped much further south to Tacoma for transloading, which increases the shipping costs. This will save 600-750 truck-trailer loads from being on the roads. Enabling General Mills to again ship directly to Bellevue via rail will provide them cost savings and competitive advantage.
2. RJB Wholesale in Kirkland has a nice long adjacent property line with the railroad, which makes it straightforward to install a spur or siding inside the right of way. RJB expects to participate in funding the siding to receive its 30-40 cars.
3. We have recently initiated discussions with a drywall distributor in Kirkland who recently purchased a second warehouse, both on the rail line. They currently transload materials in Seattle and truck them to Kirkland and see a savings opportunity to have drywall shipped directly to their facility in Kirkland.
4. CT Sales, a rebar fabricator on the line, would like to receive 120-155 railcar shipments from an Oregon steel mill via rail. Additionally, since they supply construction projects in Bellevue, they could provide delivery service via rail on flat cars. Details for this are in discussion.
5. Wolford Trucking and Demolition on the line in Maltby has requested a siding for their property to transload and recycle construction waste from Bellevue construction projects estimated to be 750-2000 cars per year. Their business does not require a "footprint" in Bellevue, simply the ability to off-load trucks into railcars and side-dump them in their yard for recycling.

6. CalPortland wants to bring aggregate materials from barges, transloading to 350-600 railcars for delivery to Bellevue. After their deposition, they identified an existing barge offloading facility next to their Everett Smith Island operations. Given the heavy Seattle-area traffic, this handling process will generate a drayage savings of 15-45%.
7. A second aggregate quarry, Aggregates West, is stepping forward and requesting the ability to ship materials into Bellevue with 300-550 annual cars. A letter to the Board is forthcoming. 235008

It should be pointed out that when the line is restored that the usage would grow with new users and former users coming back. Every month that has passed has made another opportunity known. We have three other rail customers in the pipeline, but it is too early to make any firm determinations as to their impact.

Marketing Philharmonic has studied, surveyed, and received broad support for an excursion train that will have eight cars and two locomotives operating daily and twice on weekends. This would generate 1520-2112 car movements. These will double the traffic on the line and provide material cost sharing with freight operations.

We have shown that thousands of additional cars will be serviced on this line with reactivation, plus transloading, plus daily excursion service, plus the new possibility of a private commuter service on the line, which would also bring in transit oriented development.

Another major development is both Snohomish County and Woodinville are purchasing their portions of the corridor from the Port of Seattle. Snohomish already purchased its small segment directly from BNSF a few years ago. All want the line in question reactivated.

Please take this railway opportunity seriously and don't be fooled by the trail-only folks who never learned how to share.

Sincerely,



Byron Cole  
General Manager

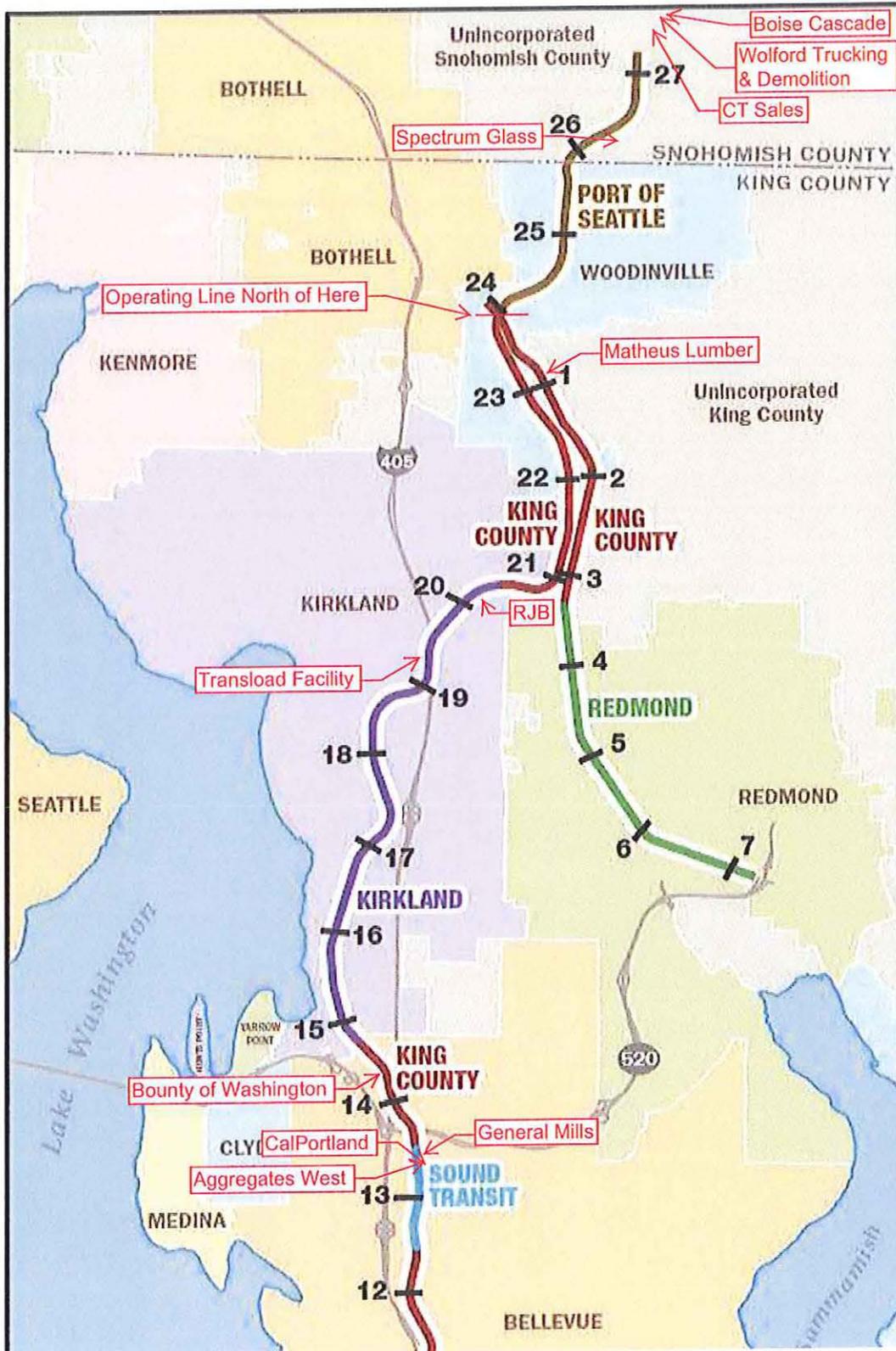
Ballard Terminal Railroad Co.  
**STB Reactivation Letters Filed**  
 As of 2013 September 30

PARTY	Reactivation	*= <b>Opposition</b>		Annual Car Count		
		rail & trail	transit & trail	Excursion Support	Initial	long-term
<b>Government</b>						
Washington Legislatures	state	X		Yes	235008	
Sound Transit*	regional		X	?		
King County*	county		X	?		
Snohomish County	county	X		Yes		
Kirkland*	city		X	?		
Snohomish	city	X		Yes		
Woodinville	city	X		Yes		
<b>Non-Governmental Organizations</b>						
All Aboard Washington (rail advocacy)	state	X		Yes		
Taste of Washington (petition)	state	-		Yes		
Cascadia Center (West Coast transportation)	regional	X		Yes		
Master Builders Association	regional	X		Yes		
Economic Alliance of Snohomish County	county	X		Yes		
Eastside Rail Now! (rail advocacy)	local	X		Yes		
<b>Businesses</b>						
Ste Michelle Wineries	global	X		Yes		
Gallo Wines (dba Columbia Winery)	national	X		Yes		
Bounty of Washington Tasting Train	local	X		Yes	1,520	2,112
<b>Financing Committed to this Project</b>						
EB5 Capital Partners.us	niche	X		Yes		
American West Bank (letter pending)	regional	-	-	-		
Small Business Administration bank (letter pending)	national	-	-	-		
Paul Nerdrum	local	X		Yes		
<b>Reactivation Freight Customers</b>						
General Mills (flour)	national	X		Yes	225	250
RJB Wholesale (piping)	local	X		Yes	30	40
CT Sales (rebar fabrication)	local	X		Yes	120	155
Wolford Trucking and Demolition	local	X		Yes	750	2,000
CalPortland (aggregates)	regional	X		Yes	350	600
Aggregates West (letter pending)	regional	X		Yes	300	550
					<b>1,775</b>	<b>3,595</b>
<b>Operating Line Freight Customers</b>						
Boise Cascade	national	X		Yes	95	120
Spectrum Glass	regional	X		Yes	95	120
Matheus Lumber	national	X		Yes	50	75
					<b>240</b>	<b>315</b>
<b>Total Railcar Traffic</b>		<b>23</b>	<b>3</b>	<b>24</b>	<b>3,535</b>	<b>6,022</b>

# Eastside Rail Corridor (ERC)

## Ownership

February 19, 2013



### Legend

- Corridor Property Owners**
- Port of Seattle
  - King County
  - Kirkland
  - Redmond
  - Sound Transit
  - Freeway
  - Lake
  - 1 Mile Marker

**BALLARD TERMINAL RAILROAD  
EASTSIDE FREIGHT RAILROAD  
MEEKER SOUTHERN RAILROAD**

---

Subsidiaries of:  
Ballard Terminal Railroad Company, LLC  
4725 Ballard Avenue NW  
Seattle, WA 98107

235008

Office: (206) 782-1447 Fax: (206) 782-7724

---

August 20, 2013

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, SW, Room 1034  
Washington, DC 20423-0001

Re: STB Finance Docket 35731  
Ballard Terminal Railroad Company, LLC  
Acquisition and Exemption, Woodinville Subdivision

Dear Ms. Brown:

As the majority owner of BTRC, LLC I ask the Board to reverse its Injunction decision, and pursue reactivation of the Woodinville-Bellevue line.

It is apparent that my previous letter of June 15, 2013, did not impress upon the Board Ballard Terminal Railroad Company, LLC's (BTRC, LLC's) ability to finance the necessary upgrades to the existing track, in order to restore freight train service between Woodinville and Bellevue.

The cost of constructing six or more miles of brand new track, shortly after the city of Kirkland has ripped out the existing track, makes it much harder to accomplish our goal of reinstating rail service to the Totem Lake, Kirkland, and Bellevue communities.

It seems that the assessment that BTRC, LLC is not a bonafide petitioner is based on misinformation and factual errors presented by the likes of City of Kirkland, Sound Transit, and King County, all of whom seem to have no use for conserving existing freight rail networks, and all of whom were present at our depositions. This letter is intended to be an effort to correct some of that misinformation, as BTRC, LLC has not yet had a meaningful opportunity to refute our opponents' contentions.

Since founding BTRC, LLC in 1996, Byron Cole, our General Manager, and I have acquired two other shortlines in Western Washington, the Ballard Terminal Railroad in Seattle's Ballard industrial district, and the Meeker Southern Railroad, in rural Pierce County, east of Puyallup, WA. A few months ago, we signed a contract with Eastside Community Rail to operate and maintain their recent acquisition, the former BNSF branchline segment between Woodinville and Snohomish, WA. Our three ~~285008~~ <sup>285008</sup> have been spun off by the BNSF, over the years. We were pleased that 2012 was our best year ever for the total number of cars handled, and accordingly, income. We have an excellent relationship with BNSF, whom we interchange with on all three railroads.

We don't have a lot of debt. We are prepared to make the necessary investments, and support the financing, to reactivate the line to Bellevue. The existing operations of the Woodinville to Snohomish line, the Eastside Freight Railroad, will be merged with the operation of the line from Woodinville to Bellevue. The Woodinville Wye will remain the operations center for both line segments. Currently we are responding to several inquiries from potential shippers about transloading facilities on both line segments. We are much more upbeat about future freight traffic levels than the STB is.

We are on our home ground. Byron Cole has been our Marketing guy for 15 years. With the budding resurgence of High Rise building construction in Bellevue, with the attendant huge excavated parking garages to be built under them, there will be plenty of excavated soils to move out of town. For the first time, some of it would be moving in rail cars, after a short truck haul from the job site. We conservatively estimate that annual carloadings would be 500-1000 the first year of operation

In addition, there is the opportunity for the inbound rail transport of construction materials for the highrise buildings, as well. Materials like sand, dry bulk cement, gravel, crushed rock, can easily move by rail, and reduce highway congestion. We would plan for at least one rail-to-truck transloading site somewhere in the existing small rail yard, near the Safeway regional bakery, in Bellevue. Inbound carloadings are estimated at 200-500 for the first year.

General Mills, who supplies flour from Montana to the Safeway Regional Bakery in Bellevue, has recently agreed to once again ship flour by rail, directly from the Montana mill to the bakery. Since rail service to Bellevue ended several years ago, the flour has been offloaded from the rail cars into food grade highway truck/trailers in the Seattle area, for the last few miles of the journey to the bakery, at an extra cost. Annual carloadings are estimated at 200-250 per year.

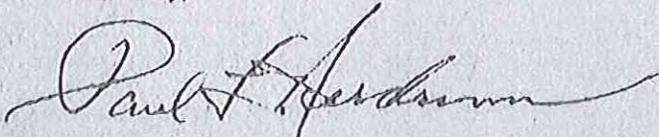
Also, we have a very recent overture from one of the industrial supply businesses in the Totem Lake district, RJB, near the East boundary of Kirkland. Their property is located immediately adjacent to the existing railroad right of way. They would like to have an industrial spur track built into their yard. They would be a good customer for the railroad, and take a few more trucks off the highways. If we are able to preserve the rail line, we will most certainly accommodate them. First year carloads inbound are estimated at about 100 cars.

All of Sound Transit's drawings and plans for their Eastside commuter operations contemplate the return of Freight Rail. Their public plans show both light rail and freight rail operations on the line in question. Further, Sound Transit has not selected this Bellevue site for its rail yard for passenger car storage, out of three locations under consideration.

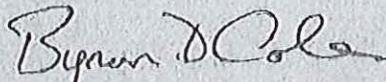
If the rails come out there is only a very slim chance of them ever being restored. <sup>235008</sup>  
This is very real harm, especially when a short segment in the middle of a long corridor is removed.

Please reconsider the Board's decision and stop the Town of Kirkland from removing the rails.

Sincerely,



Paul Nerdrum, CEO



Byron Cole, General Manager

Building Materials Distribution  
Transportation Department  
1111 West Jefferson Street, suite 300  
Boise Id 83728  
Ph 208-384-6208 Fax 208-395-7449



235008

March 25, 2013

Dear Mr. Engle:

Thank you for taking the time to discuss the East Side Rail Corridor with me. As you know Boise Cascade operates a building materials distribution facility near Maltby Junction, which currently employs 80 associates and serves approximately 150 customers in the Puget Sound and Alaska markets. Boise Cascade has been in business at this location since 1972 and depends on rail service to manage our business. Continuation of economical rail with consistent service is vital to this location. In order to best achieve that goal I believe that it is in Boise Cascade's best interest to promote multiple use traffic along the rail corridor. That traffic would and should include freight traffic, excursion trains, commuter rail and non-motorized traffic.

Currently the rail line is providing freight service from Snohomish Jct. to Woodinville. In order to maintain that service and create the necessary line density to facilitate the needed maintenance, new rail freight traffic, as well as other types of rail traffic, need to be developed. I was excited to hear the progress you have made in both potential freight growth and capital funding.

We also believe that the opportunity to maintain the East Side Rail Corridor south of Woodinville for all types of rail traffic, freight, passenger and excursion should be considered. In addition we believe that non-motorized traffic can coexist with rail traffic in this corridor. The opportunity to utilize the existing right of way to move freight and commuters would have a positive effect on the environment by potentially reducing the numbers of trucks and cars on an already over congested road system.

Sincerely,



Chuck Bromley  
Transportation Mgr

September 27, 2013

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street SW  
Washington DC 20423-001

235008

Docket #35731

Dear Ms. Brown,

Another use of the Eastside Rail Corridor is passenger service. Passenger service can provide additional revenue and job opportunities for the community and increase the usability of the line.

As the conductor of research of hundreds of community organizations and businesses affected by the Eastside Rail corridor, we felt it was valuable for the board to understand on how the community supports increased Eastside rail service. The general conclusion was "overwhelming support".

This area is rich in agricultural and business opportunities. More than 130 wineries, breweries, and distilleries are within a mile of the Eastside rail line.

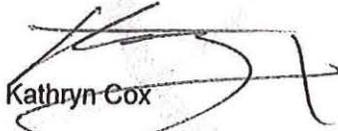
Based surveys (see Exhibit A) and marketing analysis, we developed a concept for an excursion train to be the "Bounty of Washington: Tasting Train". This excursion train service is a celebration of agriculture and viticulture of Washington the local food and wine. The "Tasting Train" can become a valuable way to enjoy the beauty of the region, the pleasure of train travel and our outstanding local foods and wines. This excursion service is an enhanced version of the Spirit of Washington Dinner Train that successfully served more than 1.4 million passengers in 14 years on one to two trains daily.

This year, we sent surveys out to 700 wineries in Washington State and with 11% response rate an almost unanimous amount (92%) would participate in the Bounty of Washington: Tasting Train. See Exhibit B for more statistics from that survey.

At this year's Taste Washington wine festival, 74 wine related professionals signed a support statement including the CEO of the largest winery in Washington, Ste. Michelle Wine Estates, the CEO of Visit Seattle, and a national award winning chef, Tom Douglas.

The Bounty of Washington: Tasting Train can provide another way to utilize this important corridor with broad community benefits.

Best regards,

  
Kathryn Cox

direct: 425.822.3925

[www.marketingphilharmonic.com](http://www.marketingphilharmonic.com)

composing strategy  
orchestrating results

235008

Exhibits:

Exhibit A: Summary of verbatim interviews from the community and businesses

Exhibit B: Taste Washington support letter signed by wine related professionals

Exhibit C: Report of the survey of Washington wineries

Exhibit D: Support letters from Ste. Michelle Wine Estates and Columbia Winery, the two largest wine businesses in Washington

Exhibit E: Proposed schedule.

235008

Exhibit A:

Our team interviewed these community entities and businesses in 2010. Both of the interviewers are board members of the Puget Sound American Marketing Association, with three decades of marketing management experience each, and Masters in Business Administration degrees.

City of Snohomish  
Snohomish County  
Snohomish Tourism Board  
Historic Downtown Snohomish  
Snohomish Historical Society  
Redmond Chamber of Commerce  
Woodinville Wine Country  
Columbia Winery  
Peng Wines  
Bookwalter Wines  
Tildio Winery  
Tulalip Resort  
Seattle Convention and Visitor's Bureau  
Holland America  
Princess Cruises  
Grayline Bus Tours  
21 Acres Farm and Community Education Facility  
Local food purveyors: Bill's Butcher Shop, Chez Jane, Serendipity Dips

We synthesized hours of interviews into key conclusions. We committed to the interviewees that their individual responses would not be identified, so we are unable to give attribution to each of the quotes.

**As with the rest of the country, businesses and communities are looking for a shot in the arm with economic vitality and stability by increasing tourism and increasing mobility.**

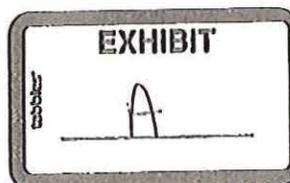
*"Economic stability & growth, family wage jobs, quality of life, concerned about increasing mobility of people and freight."*

*"We want more foot traffic/visitors and brand awareness."*

*"Increase awareness and sales of local agriculture, especially wines."*

direct: 425.822.3925

[www.marketingphilharmonic.com](http://www.marketingphilharmonic.com)



composing strategy  
orchestrating results

*"Economic vitality, bring more business into town."*

*"Generate traffic and sales for our retailers."*

235008

**The businesses and communities believe in the value of rail as providing a better quality of life with more transportation choices and as a tourism magnet.**

*"Rail could increase tourism, especially agritourism, and economic development, efficient rail, passenger rail in a timely way."*

*"We desperately need public transportation. People call from downtown and want to know how to get here."*

*"The train could bring in people and add legitimacy to Snohomish as a destination. Enhances Snohomish's historic identity."*

*"Could help with expanding awareness of Centennial Trail and extend a regional trail."*

*"Rail is a faster quicker, cheaper to transport people. I am more of a regionalist. People don't understand boundaries."*

*"Rail can get more visitors to the area."*

**The stakeholders are looking for ways to enhance and promote their local attributes and benefits.**

*"We are looking for the excursion train to give comfort, quality, first class service, local flavor, menu locally grown."*

*"Friendly. Historic experience. Character."*

*"Focus on food raised here. Local experience. Puget Sound Fresh."*

**The stakeholders were unanimous in their overwhelming support for rail.**

*"A strong supported excursion opens up awareness of commuter opportunity. Perfect world would go to Everett."*

*"Introduce commuter rail to the region."*

*"Increase economic development."*

*"I'm behind the rail 3000%. Rail challenges the status quo."*

*"Very few worried about the train on the line, only 20 complaints over 3 years."*

March 24, 2013

To Whom It May Concern:

Those wineries signed below would like to voice support Eastside Community Rail (ECR) plan to run an excursion train down the Eastside rail corridor from Woodinville to Snohomish. We support the \$6.2 million of public funding to maintain and improve the publicly owned Woodinville to Snohomish portion of the Eastside Rail corridor.

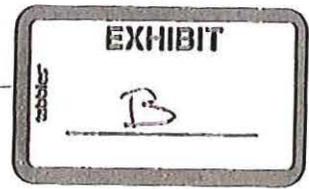
The value increases with the addition of easier access to Seattle by adding platforms in South Kirkland/North Bellevue. Keeping the track intact can bring short and long term economic and public benefits. We are asking for Kirkland and King County to retain the track.

We anticipate that the "Bounty of Washington: Tasting Train" will become a valuable way to enjoy the beauty of the region, combining the pleasure of train travel with outstanding local foods and wines. This special experience will be embraced by residents of the Puget Sound region and visitors from around the world.

We are excited about the prospect of our wines possibly being showcased and poured on the "Tasting Train".

This is a unique partnership opportunity to create value for the region and our industry.

- Winery Name and Sign: Peininger - [Signature]
- Winery Name and Sign: Solomon's Dues - J. Dues
- Winery Name and Sign: Robert Robinson Cellars [Signature]
- Winery Name and Sign: Opelisco Wines [Signature]
- Winery Name and Sign: ANDREW LIED CURE DE CUISINE SPACENEDDLE
- Winery Name and Sign: JOSE Com pos (lead) Spaceneddle
- Winery Name and Sign: Rene Balthazar Post Spaceneddle
- Winery Name and Sign: OKANOGAN EST. [Signature]
- Winery Name and Sign: SILVER LAKE [Signature]
- Winery Name and Sign: Purple Star Wines [Signature]
- Winery Name and Sign: Washington Tasting Room [Signature]
- Winery Name and Sign: Rainier Wine [Signature]
- Winery Name and Sign: RAMSEYER VINEYARDS - John Ramseyer
- Winery Name and Sign: Palouse Winery - [Signature]
- Winery Name and Sign: Pepper Bridge Winery [Signature]
- Winery Name and Sign: RYAN PATRICK VINEYARD [Signature]
- Winery Name and Sign: Pat. Laurel Winery [Signature]
- Winery Name and Sign: Pat. [Signature]
- Winery Name and Sign: Revelry Vineyards [Signature]
- Winery Name and Sign: VISIT SEATTLE [Signature]
- Winery Name and Sign: Lindley Is Winery [Signature]



Winery Name and Sign: Splend Ltd of work  
 Winery Name and Sign: Two Mountain Wines  
 Winery Name and Sign: Barbery Puz Wines  
 Winery Name and Sign: Horan Estates Beth Dole  
 Winery Name and Sign: Three Rivers Wines 235008  
 Winery Name and Sign: Trust Cellars Wines  
 Winery Name and Sign: Jensen Cellars Wines  
 Winery Name and Sign: Takeheart Wood Wines  
 Winery Name and Sign: Shore Puzgen Wines  
 Winery Name and Sign: Pomum Hill Wines  
 Winery Name and Sign: Piccola Cellars Wines  
 Winery Name and Sign: Green Hill Wines  
 Winery Name and Sign: Tan Wines Wines  
 Winery Name and Sign: Bayard John Wines  
 Winery Name and Sign: Ross & Son Wines  
 Winery Name and Sign: Adler Cellars Wines  
 Winery Name and Sign: Sorely M Cellars Wines  
 Winery Name and Sign: Dulby Wines Wines  
 Winery Name and Sign: Lodwell Cellars Wines  
 Winery Name and Sign: Glencove Wines Wines  
 Winery Name and Sign: Mason & Son Wines  
 Winery Name and Sign: Camp Forest Wines Wines  
 Winery Name and Sign: Joe France Wood Wines  
 Winery Name and Sign: FOR A SON Wines  
 Winery Name and Sign: Estin Estates Wines  
 Winery Name and Sign: Madeline Pellingham Wines  
 Winery Name and Sign: Richard Grogan Wines  
 Winery Name and Sign: Chatter Creek Wines  
 Winery Name and Sign: Chinook Wines Wines  
 Winery Name and Sign: Canoe Ridge Vineyard Wines  
 Winery Name and Sign: Baptist Wines Wines  
 Winery Name and Sign: Barrel Springs Wines  
 Winery Name and Sign: Arctic Club Hotel Wines  
 Winery Name and Sign: Barrel Springs Wines  
 Winery Name and Sign: Clareville Wines  
 Winery Name and Sign: Char Cellars Wines  
 Winery Name and Sign: John Mitchell Wines  
 Winery Name and Sign: Lynchurch Vineyard Wines  
 Winery Name and Sign: Wasa School Wines  
 Winery Name and Sign: Joanery Wines Wines





# EASTSIDE COMMUNITY RAIL BRIDGING THE GAP

235008

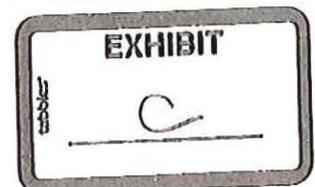
## Bounty of Washington Tasting Train's Washington Winery Study

### Methodology

- Emailed an online survey using the AYTm.com survey service to 433 wineries with valid email addresses
- Received 48 completed surveys which is a significant 11% response rate
- 21% of the respondents were Woodinville wineries or had Woodinville tasting rooms
- Statement used when describing the new excursion train concept: *An entity is attempting to bring back an excursion train to the Eastside. The concept is different than the former Dinner Train. The new train celebrates local Washington food and wine with rotating wines and guest chefs giving passengers a sample of the tastes of Washington. In the first stage the line runs from Woodinville to Snohomish.*

### Summary of Results

- 92% want to participate with 77% wanting to participate more than 2 days a year. Participation was so overwhelmingly positive that one winery suggested we hold a lottery to choose which wineries are showcased on the train.
- 98% believe the Tasting Train will promote Washington wine. Only 59% thought the previous Dinner Train promoted Washington wine with only 14% in the top category versus 50% for the Tasting Train.
- 93% want more information and even 69% will write letters to support public funding
- 80% of Woodinville wineries believe starting in South Kirkland will help their business.
- 70% believe the Tasting Train will have more customers than the 100,000 annual customers the Dinner Train experienced.



Bounty of Washington Tasting Train's

# Washington Winery Study

235008

BRIDGING THE GAP

# Methodology

235008

Emailed an online survey using the AYT.M.com survey service to 433 wineries with valid email addresses

Received 48 completed surveys which is a significant 11% response rate

21% of the respondents were Woodinville wineries or had Woodinville tasting rooms

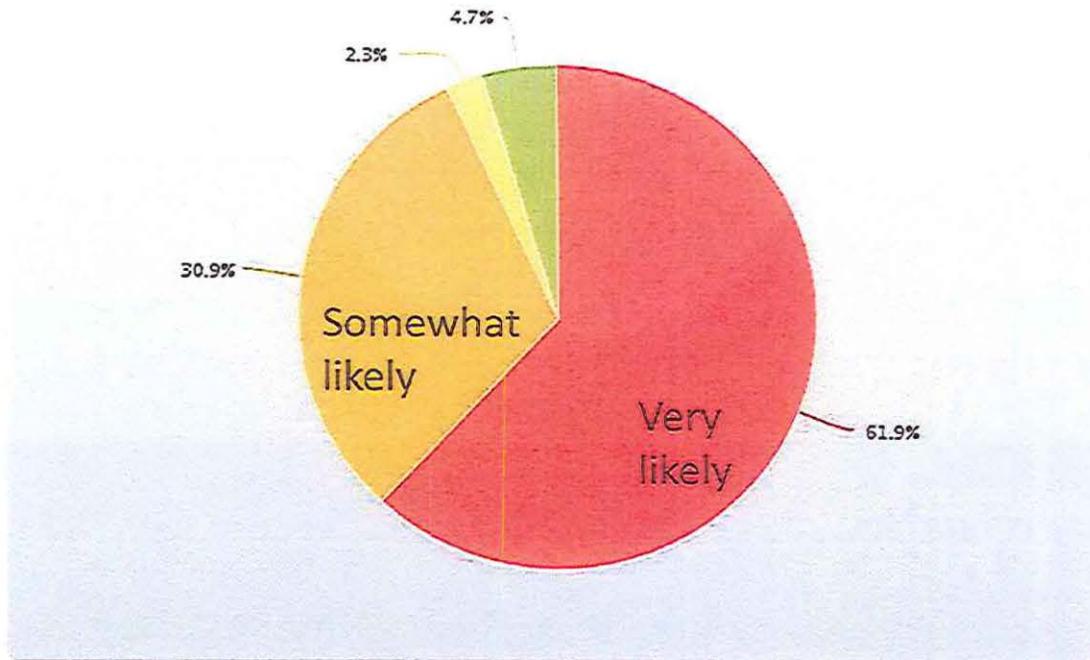
Statement used when describing the new excursion train concept: *An entity is attempting to bring back an excursion train to the Eastside. The concept is different than the former Dinner Train. The new train celebrates local Washington food and wine with rotating wines and guest chefs giving passengers a sample of the tastes of Washington. In the first stage the line runs from Woodinville to Snohomish.*

# Summary

Washington wineries overwhelmingly support the Bounty of Washington Tasting Train.

- 92% want to participate with 77% wanting to participate more than 2 days a year
- 98% believe the Tasting Train will promote Washington Wine
- 93% want more information and even 69% will write letters to support public funding
- 80% of Woodinville wineries believe starting in Kirkland will help their business.
- 70% believe the Tasting Train will have more customers than the 100,000 annual customers the Dinner Train had.

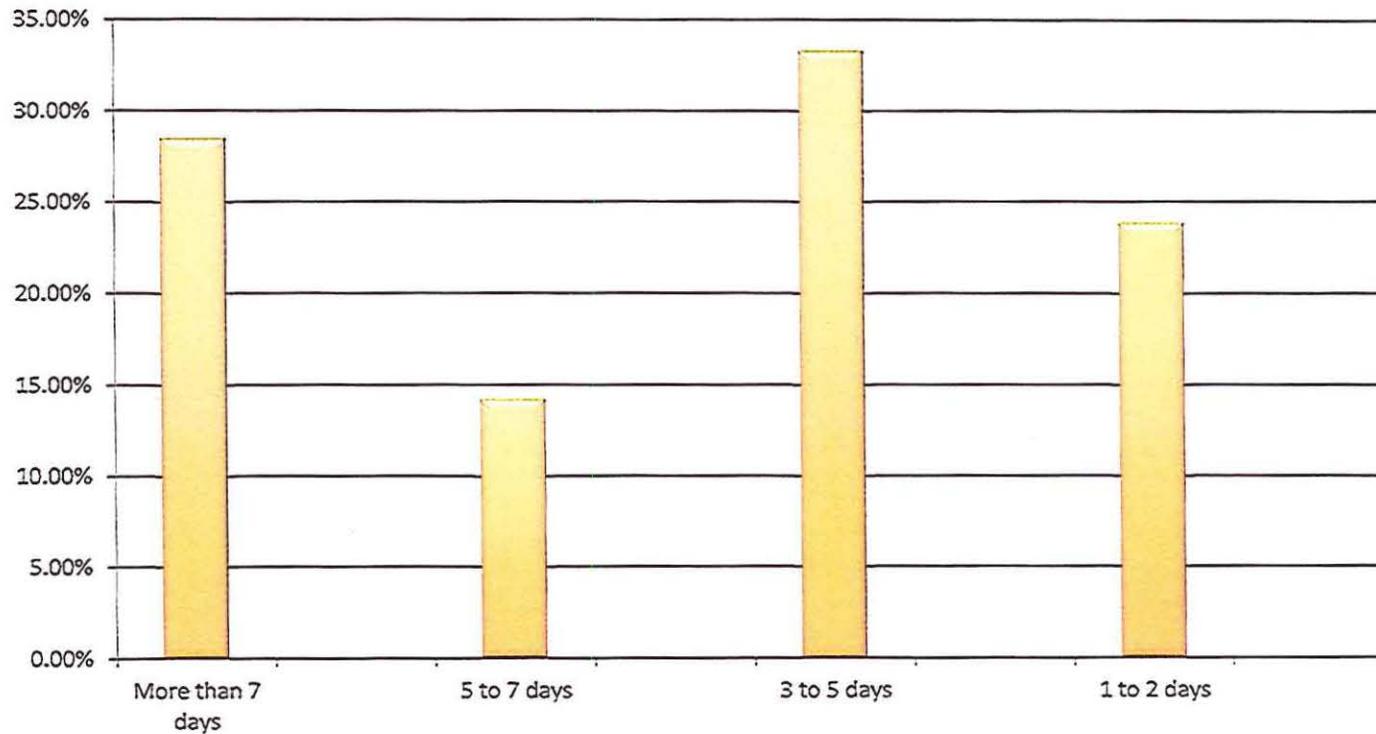
# Universal participation



It was almost unanimous (92%) that wineries want to present their wine with a representative on the Tasting Train. Of the 10 Woodinville wineries it was unanimous with 80% very likely and 20% somewhat likely. One winery commented that we might need a lottery to determine which wineries get to showcase their wines.

# Multiple Days Participation

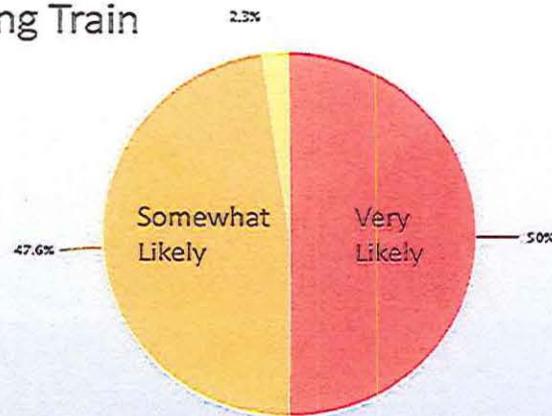
Number of days in Tasting Train participation



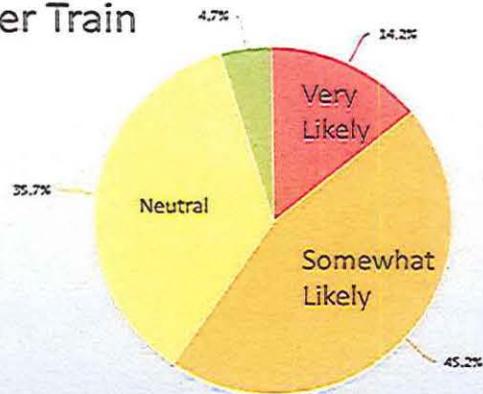
Not only were the wineries interested in participating but 77% wanted to participate more than 2 days.

235008

Tasting Train



Dinner Train

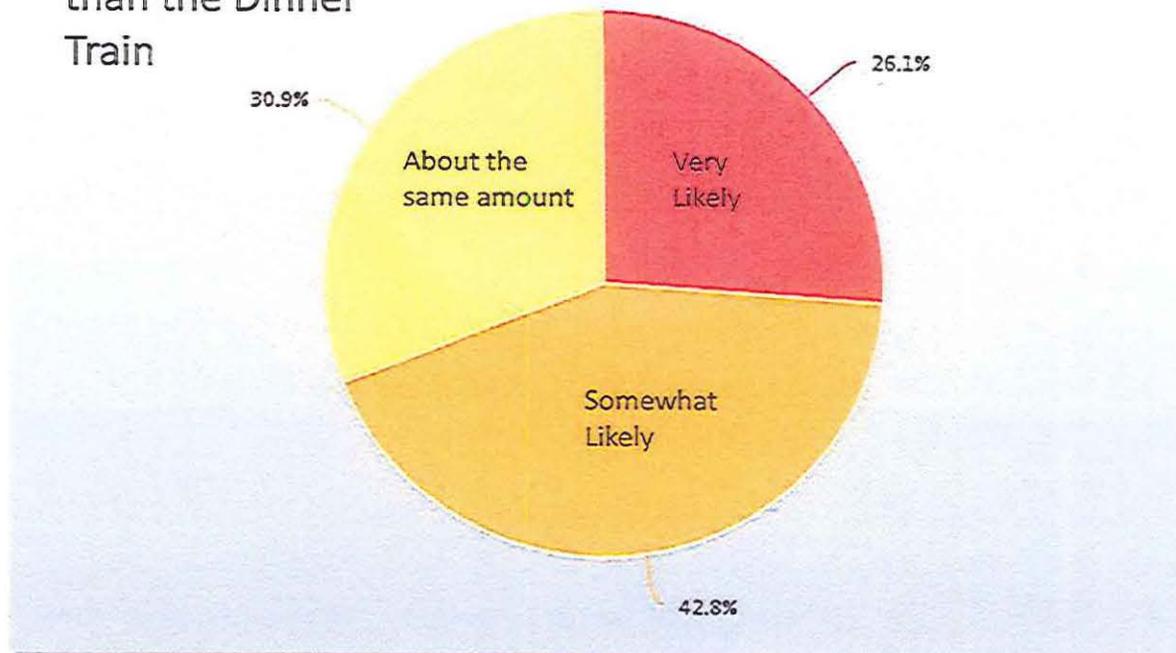


Tasting Train promotes wine industry

Winery respondents were almost unanimous that the Tasting Train would promote the wine industry. Only 59% thought the previous Dinner Train did with only 14% in the top category versus 50% for the Tasting Train.

# Tasting Train upside

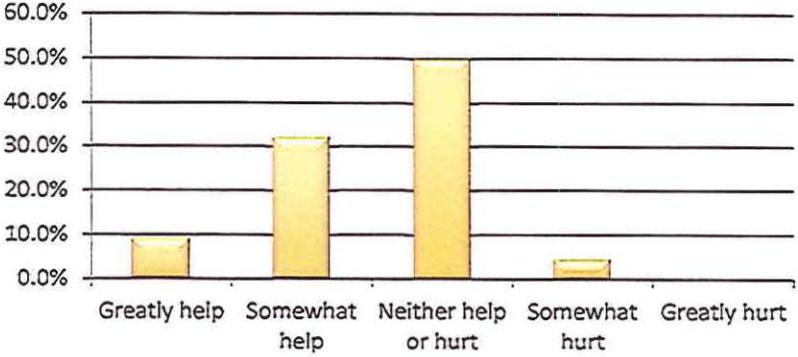
More business  
than the Dinner  
Train



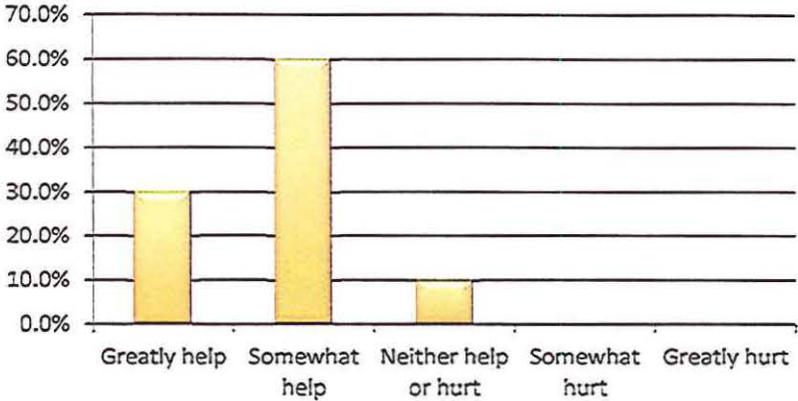
Winery respondents believe that the Tasting Train will have more business than the former Dinner Train

# Starting in Kirkland

### All Wineries

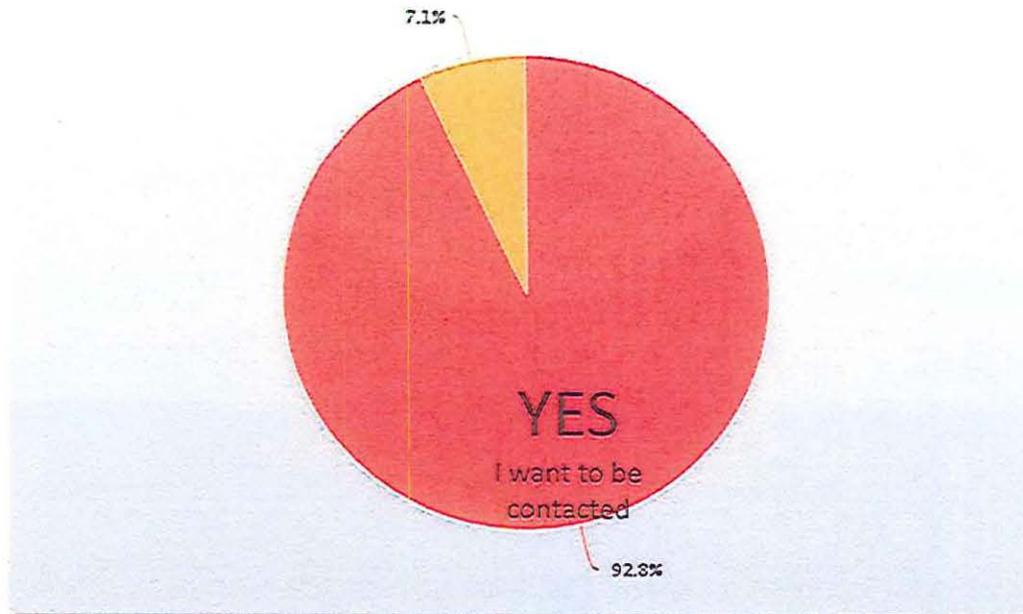


### Woodinville wineries



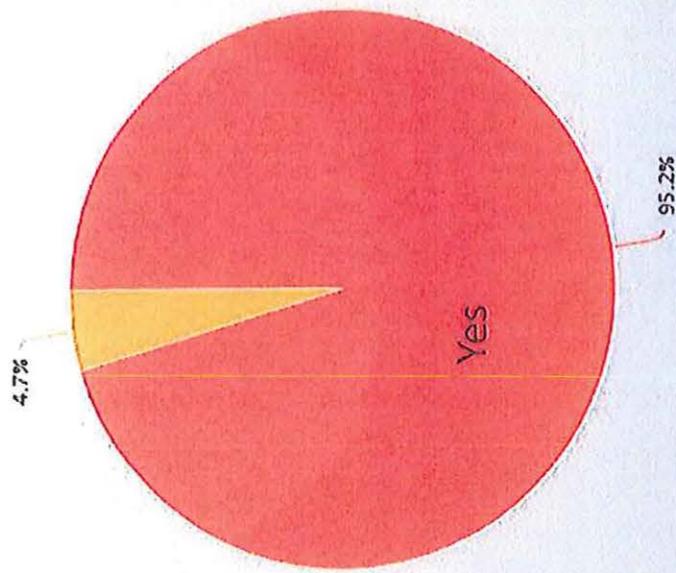
While all wineries including Woodinville wineries wanted to participate in the excursion train from Woodinville to Snohomish, there was stronger responses from wineries in Woodinville to start in Kirkland. 40% of the total thought it would help their wine business while 90% of the Woodinville wineries Thought it would help.

# Demonstrating Strong Interest



Winery respondents were so excited about the new excursion train that almost all wineries want more information about the Bounty of Washington Tasting Train. 69% of the wineries said they would write a support letter for public funding to rehabilitate the track.

# High Familiarity with Dinner Train



235008

Almost all wineries remember the Dinner Train



235008

December 10, 2012

Kirkland City Council  
King County Council

*Sent via email*

Re: S. Bellevue to Woodinville corridor – letter of support

Dear Kirkland and King County council members;

Ste. Michelle Estates would like to voice support of the Eastside Community Rail's (ECR) plan to run an excursion train down the Eastside rail corridor. The value increases with the addition of easier access to Seattle by adding platforms in North Bellevue and potentially Totem Lake.

We anticipate that the "Bounty of Washington: Tasting Train" will become a valuable way to enjoy the beauty of the region, combining the pleasure of train travel with outstanding local foods and wines. This special experience will be embraced by residents of the Puget Sound region and visitors from around the world.

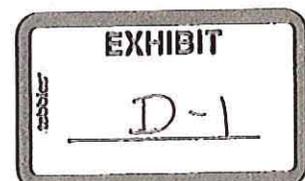
We are excited about the prospect of our wines possibly being showcased and poured on the "Tasting Train".

This is a unique partnership opportunity to create value for the region and our industry. We look forward to learning more about the plans for the "Bounty of Washington" train.

Sincerely,

*Carol Munro*

Carol Munro  
Director of Community Relations  
Ste. Michelle Wine Estates





235008

December 10, 2012

Kirkland City Council

King County

Re: S. Bellevue to Woodinville corridor -- letter of support

Dear Kirkland and King County council members;

The Columbia Winery would like to offer our support to the Eastside Community Rail's (ECR) planned to run down the Eastside rail corridor. The value increases with the addition of easier access to Seattle by adding platforms in North Bellevue and potentially Totem Lake.

We anticipate that the "Bounty of Washington: Tasting Train" will become a valuable way to enjoy the beauty of the region, the pleasure of train travel and our outstanding local foods and wines -- a perfect blend! This special experience will be embraced by both the residents of the Puget Sound region and visitors from around the world.

We are interested about the prospect of showcasing and pouring our wines on the "Tasting Train".

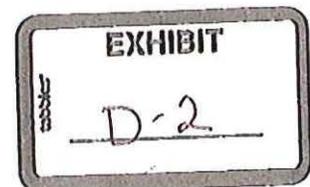
This is a unique partnership opportunity to create value for the region and our industry and we are pleased to support its success.

Sincerely,

John Sportelli

Senior Manager

Columbia Winery



## **Bounty of Washington: Tasting Train Proposed Schedule**

### **Wednesday & Thursday Tulalip Special: Without winery tour**

235008

12 p.m. Leave Tulalip

12:30 p.m. Arrive Snohomish

12:30 to 2:30 p.m. Lunch and Shopping in Snohomish

3:00 p.m. Embarkation Snohomish: Appetizers and wine tastings

4:00 p.m. Return from Woodinville: Dessert and wine tastings

5:00 p.m. Disembark Snohomish

6:00 p.m. Arrive Tulalip

Base Price: \$100 including bus service

### **Wednesday & Thursday Tulalip Special: With winery tour**

12 p.m. Leave Tulalip

12:30 p.m. Arrive Snohomish

12:30 to 2:30 p.m. Lunch and Shopping in Snohomish

3:00 p.m. Embarkation Snohomish: Appetizers and wine tastings

4:00 p.m. Return from Woodinville: Dessert and wine tastings

5:00 p.m. Disembark Snohomish

6:00 p.m. Arrive Tulalip

Base Price: \$120 including coach service

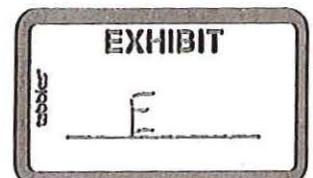
### **Friday Cruise Special or Mid-week Convention**

1:00 p.m. Coach leaves Seattle

2:00 p.m. Arrive Woodinville, Embark in Woodinville Small Appetizers and wine tasting

3:00 p.m. Disembark Snohomish: Shopping

4:30 p.m. Embark Snohomish, Small Plates and wine tasting



5:30 p.m. Arrive Woodinville

6:30 p.m. Coach arrives in Seattle

Base Price: \$110 (with coach service)

Friday Evening Happy Hour: Late Fall to early Spring

235008

5:00 p.m. Embark Woodinville: Appetizers and Wine tastings

6:00 p.m. Disembark Snohomish: Entertainment and shopping

7:00 p.m. Embark Snohomish: Small Plates and Wine tastings

8:00 p.m. Arrive Woodinville

Base Price: \$75

Saturday and Sunday Afternoon (dependent on demand In Late fall to Early Spring, every weekend  
Late Spring to Early Fall)

1:00 p.m. Embark Woodinville: Snacks and beer or wine tastings

2:00 p.m. Disembark Snohomish

3:30 p.m. Embark Snohomish: A small plate and beer or wine tastings

4:40 p.m. Arrive Woodinville

Price: \$65

Extra fees for premium winemakers and other special events

Saturday evenings: Winter Late Fall to early Spring

Optional Winery tour before embarkation

6:30 p.m. Embark Woodinville: Small Plates and Wine tastings

7:30 p.m. Disembark Snohomish: Entertainment

8:30 p.m. Embark Snohomish: Small Plates and Wine tastings

9:30 p.m. Arrive Woodinville

Base Price: \$85

All evenings: Late Spring to Early Fall

Optional Winery tour before embarkation

6:30 p.m. Embark Woodinville: Small Plates and Wine tastings

7:30 p.m. Disembark Snohomish: Entertainment

8:30 p.m. Embark Snohomish: Small Plates and Wine tastings

9:30 p.m. Arrive Woodinville

235008

Base price: \$85



235008

March 25, 2013

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Room 1034  
Washington, DC 20423-0001

Dear Ms. Brown:

I would like to stress the importance of restoring rail service to the rail line segment between Woodinville and Bellevue, Washington via a rail line that is currently railbanked.

CalPortland is a major building materials and construction/services provider to the Western United States and Canada. We provide construction services and materials to a multitude of projects in the State of Washington generally, and in the area of Seattle, Washington, specifically.

There are several major highway and secondary roadway projects scheduled in the area of Bellevue, Washington over the course of the next several years which will necessitate the import of hundreds of thousands of cubic yards of construction aggregate materials to produce buildings, developments and roadways that are in strict accordance with all specifications for engineering parameters. We are currently targeting projects on I-405 and SR520 for the 2013 and 2014 construction seasons. Additionally, we anticipate ongoing projects in the future, on a regular basis.

In view of the proximity of these various projects to Bellevue, Washington, restoration of rail service to Bellevue is critical. Restoration of rail service from Woodinville to Bellevue is critical to the efficient transportation of these various construction materials. Use of an already overburdened highway system via truck transportation is neither efficient or very cost-effective.

The opportunity to utilize Eastside Community Rail as a viable option for the movement of these materials is a very advantageous option for this region of the Puget Sound. We look forward to a strong future for the economic growth in the Bellevue, Kirkland, Redmond and Snohomish County areas. The ability to help lower traffic congestion while still servicing the market with the necessary construction material needs by allowing rail to be utilized will allow



Ms. Cynthia T. Brown  
March 26, 2013  
Page 2

235008

CalPortland, Ballard Terminal Railroad and Eastside Community Rail to service the community in the most efficient business methods possible for the Snohomish and east King County region. The addition of rail access would also promote the responsible reduction in truck fuel emissions and wear to the regions roads.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Michael Skrivan', written over a horizontal line.

Michael Skrivan

Aggregate Sales Manager  
Materials Group -- Northwest Division  
CalPortland



235008

August 16, 2013

Mr. Douglas Engle  
Managing Director  
Eastside Community Rail

Dear Mr. Engle,

The opportunity to utilize Eastside Community Rail as a viable option for the movement of construction aggregate materials is a very advantageous option for this region of the Puget Sound. We look forward to a strong future for the economic growth in the Bellevue, Kirkland, Redmond and Snohomish County areas. The ability to help lower traffic congestion while still servicing the market with the necessary construction material needs by allowing rail to be an option will allow both CalPortland and Eastside Community Rail to service the community in the most efficient business methods possible for the Snohomish and east King County region. CalPortland utilizes the movement of construction materials throughout the Puget Sound via barge to various sites in Everett, Kenmore and Seattle which reduces Truck and trailer traffic on the regions roads by eliminating 167 truck and trailers per barge load. The addition of Rail in this ability to service the Eastside corridor would continue this responsible reduction in fuel emissions and wear to the regions roads.

Sincerely,

*Michael Skrivan*

Michael Skrivan  
Aggregate Sales Manager  
Materials Group – Northwest Division  
CalPortland



December 7, 2012

The Honorable Conrad Lee  
Bellevue City Council  
PO Box 90012  
Bellevue, WA 98009-9012

235008

Dear Mayor Conrad and Councilmembers,

**The Cascadia Center for Regional Development and All Aboard Washington urge the City of Bellevue to initiate a multi-stakeholder regional study of the feasibility for the temporary use of the Eastside Rail corridor to bring construction equipment and material in and out of proposed major public and private development projects in Bellevue slated for the next few years.**

The severance of the Eastside Rail line at the Wilburton Tunnel as part of the WSDOT widening of I-405 and the lack of rail connection between the southern terminus of the line at Gene Coulon Park and the BNSF north south mainline in Tukwila dictates the exploration of this transportation option north from Bellevue to Woodinville and the Snohomish intersection with the BNSF Stevens Pass line. Any further track removal of the Eastside line would be held in abeyance pending the results of the study.

Funds could be secured through applications to the state freight rail assistance program or requests in the state capital budget. Freight is currently being hauled on the Snohomish to Woodinville section of the Eastside Rail corridor. In addition, Congestion Management Air Quality (CMAQ) funds through the Puget Sound Regional Council could be sought for the study. The study would be proposed in partnership with other corridor stakeholders.

Alternatively, or in concert funds from the federal Department of Energy, Environmental Protection Agency, and Federal Railroad Administration could be sought to explore the use of natural gas powered locomotives as a pilot project. Railroads are increasingly exploring natural gas as a more fuel efficient and emission reducing environmental option to traditional diesel powered locomotives. Canadian National Railway estimates that retrofitting diesel-electric locomotives with natural gas produces 30 percent less carbon dioxide and 70 percent less nitrous oxide emissions.

The former owner of the line, Burlington Northern Santa Fe Railway, is also conducting tests of natural gas powered locomotion. Westport Innovations and Caterpillar formed a partnership this year to apply Westport's high pressure direct injection (hdpi) technology on Caterpillar's Electro-Motive Diesel locomotives and should be invited to participate in the project.

The alternative is the use of hundreds of thousands of double dump trucks for major projects such as Sound Transit's East Link tunnel, Bel-Red Corridor development and expansion of Lincoln Square among others. The cumulative impacts of diesel truck emissions, traffic

congestion and wear and tear on local roads and state highways – on top of the current SR520 and I-405 projects – is daunting. The Final EIS for North Link documents hundreds of trucks per day in use in the 16 months of tunnel construction for removal of spoils and many more daily truck trips for periods of heavy concrete pouring. **We are lucky to have a rail option adjacent to the Bellevue projects and should take advantage of a greener transportation alternative consistent with the Puget Sound Regional Council and Port of Seattle policies on transportation and climate change.** 235008

In addition to potentially reducing costs to taxpayers and consumers from the use of rail, public health is a major consideration. According to the Puget Sound Clean Air Agency, *"diesel exhaust is a significant source of fine particle pollution, as well as a combination of more than 40 substances that are listed as hazardous pollutants. Because of their microscopic size, these fine particles can become trapped in the small airways of the lungs when they are inhaled...particulate matter from diesel exhaust overwhelmingly presents the highest health risk in the Puget Sound area, making up an estimated 78 percent of the potential cancer risk from exposure to outdoor air toxics. Diesel particulate matter is also linked with health effects including heart problems, aggravated asthma, chronic bronchitis and premature death."*

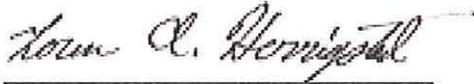
The Cascadia Center and All Aboard Washington have many other reasons (as documented in our attachments) to retain and rehabilitate the existing rail track (as a more cost effective option to tearing out and rebuilding new tracks in the future) while jointly developing an adjacent trail. The hundreds of rail *and* trail projects in the country today illustrate how one depends on the other.

These are issues that can be addressed in the regional planning process proposed by King County. Exploration of the environmental benefits of interim use of the Eastside Rail line would also require modification of the 2013 timeline for removal of rail tracks by the City of Kirkland.

**The costs of a potentially temporary realignment of a local trail do not outweigh the potential benefits to the central Puget Sound region from construction savings in tax dollars, enhancements to public health, air and water quality and reductions in impacts to roadways from hundreds of thousands of double dump trucks in and out of construction sites.**

We trust you agree.

Sincerely,

	
Bruce Agnew Director, Cascadia Center for Regional Development	All Aboard Washington

CC: Steve Sarkozy, Bellevue City Manager

Dennis McLerran, EPA Region 10 Administrator

235008

# C Sales Inc

7227 W BOSTIAN RD

**T** WOODINVILLE WA 98072-6008  
Ph (425) 483-0101 Fx (425) 485-9131

**October 1, 2013**

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street SW, Room 1034  
Washington, DC 20423-0001

235008

**REF: STB FINANCE DOCKET NO. 35731**  
BALLARD TERMINAL RAILROAD COMPANY, LLC  
ACQUISITION AND EXEMPTION, WOODINVILLE SUBDIVISION

Dear Ms. Brown,

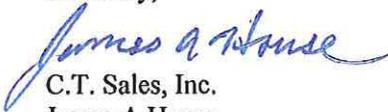
Our company, CT Sales, Inc. has offices and a fab shop located alongside the tracks of the former BNSF Woodinville Subdivision, currently served by Ballard Terminal Railroad (BTR). We are writing to urge the Board to preserve and enhance the freight rail service along this line by granting BTR's pending petition to extend their operations south of Woodinville by reactivating that rail-banked line to Bellevue.

CT Sales has existed in its present form since 1981. We fabricate steel reinforcing bars (rebar) from straight mill stock, cutting and bending the bar to meet the specifications of various concrete construction projects in the region. Last year we processed and shipped about 8,300 tons of finished re-bar, but this is still down from our high of about 14,000 tons in 2007. This year we will do about \$10M in business. We employ roughly 20 people in family-wage jobs.

Much of our bar stock is purchased directly from Cascade Steel Rolling Mills in McMinnville, Oregon. That mill is served by the Union Pacific Railroad. It is our understanding that they could ship product to us directly by rail via UP, BNSF & BTR, with a savings in freight charges as compared with trucking. We estimate that each rail car of re-bar would replace about 2.5 truckloads. Receiving rebar via rail will allow us to more easily handle longer lengths for construction projects. It is conceivable that we could also ship finished fabrications out to Bellevue and more distant customers by rail, although more research is needed. In any event, we are actively pursuing receiving rebar by rail, which would help us bolster the revenue picture for BTR, while lowering our cost of goods sold. The fact that we would also be helping to reduce air pollution and truck congestion on I- 5 between Oregon and Washington is a plus.

We hope that the STB will see fit to grant Ballard's petition to reactivate freight rail service into Bellevue. Meantime, please contact me with any question you may have about our operations, or about how we believe our business economics would be improved by adding the ability to receive raw materials and ship product by rail.

Sincerely,



C.T. Sales, Inc.  
James A House  
President

## Eastside Rail Now!

June 18, 2013

Ms. Cynthia T. Brown, Chief  
Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, SW, Room 1034  
Washington, DC 20423-0001

235008

*In re:* STB Finance Docket No. 35731, Ballard Terminal Railroad Company, L.L.C.,  
Acquisition and Exemption, Woodinville Subdivision

Ms. Brown:

Eastside Rail Now! is a nonprofit association organized by citizens in 2007 in order to safeguard critical rail infrastructure and crucial environmental values consistent with the Washington State Environmental Policy Act and implementing state regulations, with mandatory requirements for “least cost planning” pursuant to RCW 47.80.030, and with applicable state decisional law, *inter alia*, through its activities wholly conforming with 501(c)(4) status as granted under federal law.

ERN! supports rail-and-trail uses of the Renton to Snohomish rail corridor to the extent that dual usage is compatible with maintaining critical rail infrastructure and crucial environmental values.

ERN! supports Ballard Terminal Railroad’s proposals for preservation of existing rail, ties and ballast as presently in place, for upgrading such structures, and for resuming freight service over the line at issue, herein, pursuant to filings now pending before the Surface Transportation Board, as above identified, including but not limited to its motion to enjoin the City of Kirkland’s plans for removal of said essential rail facilities in willful violation of legal obligations undertaken by that city, voluntarily, to comply with the Washington State Environmental Policy Act, completely, in order thereby to receive \$1.97 million in cash from all taxpayers of the State of Washington, as a *quid pro quo* for full compliance with all SEPA requirements, by means of a formal contract legally executed with the Washington State Public Works Board (Contract No. SD12-963-139).

Given that the City of Kirkland is now, and has for an extended period of time been, operating in intentional violation of its legally indisputable contractual obligations to the State of Washington to comply with all SEPA requirements, it should not be allowed by the Board to purport contrary legal positions in any matter pending herein as above referenced, necessarily in *mala fides*, and a minimum sanction legally appropriate would appear to be a striking of all of its filings submitted to this date and a preclusion of any further filings while it is violating its lawful duties to its state.

This misconduct before the Board, herein, continues the City of Kirkland’s earlier fraud on a U.S. District Court in *Ballard Terminal Railroad v. City of Kirkland*, under Cause No. 2:2013cv00586, by withholding from Honorable Marsha J. Pechman, on May 3, 2013, its patent responsibility to perform an environmental review under SEPA – **as an explicit contractual duty negotiated by it for \$1.97 million** – in order to avoid a temporary restraining order to halt further track removal.

Therefore, bad faith by the City of Kirkland, as documented *via* its intentional misconduct, would appear to be considered by the Board, appropriately, in acting on all relief requested by Ballard Terminal Railroad, including its proposal to acquire rail assets at their approximate ~~235008~~ salvage value.

No reasonable doubt can exit regarding immense dirt-and-spoilage hauling needs during the near term along much of the rail corridor at issue, herein, as documented both by support letters from transport professionals referencing 4-million cubic yards of such materials from construction in the local area for private development projects and for regional transit, and also by the extensive documentation of immediate tunneling plans there by Sound Transit (a regional transit authority).

Nor can any reasonable doubt exist respecting the great utility of rail for hauling of heavy loads, such a dirt-and-spoilage, since Peter Kirk founded the City of Kirkland as the “Pittsburgh of the West” in the 19<sup>th</sup> century with foundational reliance on rail within the corridor at issue, herein, so as to haul coal, iron ore and related industrial materials based on that utility well known even then.

Nor can any reasonable person avoid the utter insanity of ripping out an existing rail line, and of so robbing the region of said well-known utility, as immense spoils amass on the near horizon.

Nor can the City of Kirkland’s elected officials and senior managers deny knowledge that it has explicitly committed legally – pursuant to Public Works Board Contract No. SD12-963-139 – to full compliance with the “State environmental policy, Chapter 43.21C RCW” (at its page 16), in return for \$1.97 million in state taxpayer dollars to facilitate its “Site preparation” (at its page 21); and, yet, despite the clear *quid pro quo* undertaken voluntarily to receive nearly \$2 million, it has unlawfully removed approximately 100 yards of track in that city, at its Railroad Avenue, without undertaking the required environmental review to which it has specifically obligated itself legally.

Nor can said misfeasance or such malfeasance avoid the fact that quintessential utility questions shall be at the heart of the environmental assessment to which it has squarely committed itself – in return for \$1.97 to be received from all state taxpayers – given fully patent legal obligations to analyze “the cost of and effects on public services” with therein-stated *foci* upon each deleterious effect for “utilities, roads, fire, and police protection” (WAC197-11-440[6][e]), as is documented further in submissions earlier made to said City, attached hereto and hereby incorporated herein.

Indeed, only by defrauding the Chief Judge of the U.S. District Court for the Western District of Washington, and only by following that wrongdoing with an attempt to defraud this Board now, can the City of Kirkland even attempt to avoid both the physics of haulage as dictated by gravity and by other central principles of physics and also the federal and state law that controls herein.

Respectfully submitted,

EASTSIDE RAIL NOW!

By: Will Knedlik, its president

Eastside Rail Now!

Box 99, Kirkland, Washington 98083

# EB5 Capital Partners.us, LLC

3145 Chory Lane • Northbrook, IL 60062 • Tel: 847-951-7245 • [dltb@eb5capitalpartners.us](mailto:dltb@eb5capitalpartners.us) • 224-422-0772 [dco@eb5capitalpartners.us](mailto:dco@eb5capitalpartners.us)

August 21, 2013

235008

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Room 1034  
Washington, DC 20423-0001

REF: STB FINANCE DOCKET NO. 35731

BALLARD TERMINAL RAILROAD COMPANY, LLC.

ACQUISITION AND EXEMPTION, WOODINVILLE SUBDIVISION

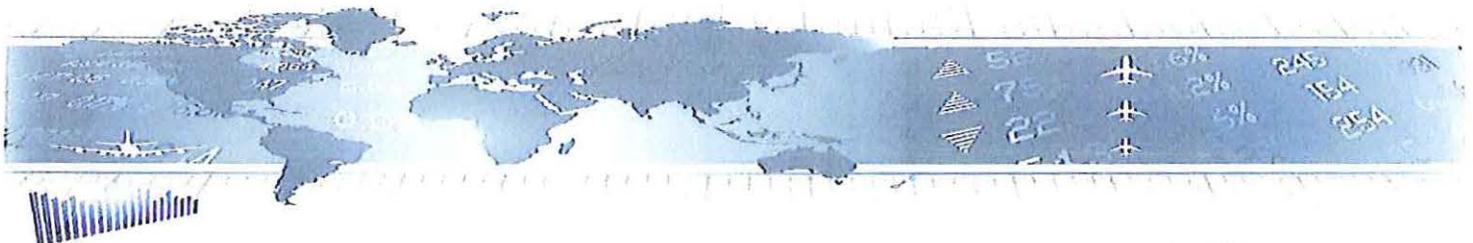
Dear Ms. Brown,

In connection with evaluating the investment opportunity of the Eastside Rail Corridor, I discovered that there is substantial potential for a viable transload business, construction materials and spoils hauling, as well as incubating additional carload freight traffic, as a result of emerging demand in the area.

Assets, in the form of a three track yard, located behind Lowe's and the International Paper facilities exist to support substantial transload operations in Bellevue, augmented by the ease of the adding an access and maintenance of way road along most of this rail corridor, further facilitating existing and new rail traffic.

This area has substantial in-place rail infrastructure, in the form of switches and rail sidings into buildings, offering the option of rail to shippers that would no longer exist, if the line were severed.

In addition, due to the demographic and market attributes of the area, the line offers substantial opportunity to re-establish a previously proven and commercially successful excursion train, further increasing the line's economic viability and value to both its existing and future rail shippers.

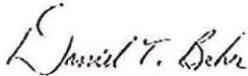


# EB5 Capital Partners.us, LLC

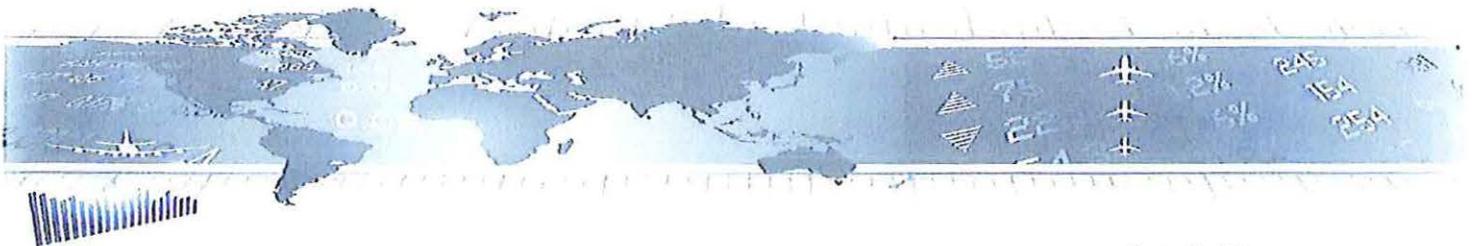
3145 Cherry Lane • Northbrook, IL 60062 • Tel: 847-951-7245 • [d1b@eb5capitalpartners.us](mailto:d1b@eb5capitalpartners.us) • 224-422-0772 [dco@eb5capitalpartners.us](mailto:dco@eb5capitalpartners.us)

I would like to impress upon the Board the importance of restoring rail service between Woodinville and Bellevue, Washington, which is currently "rail-banked". After conducting two onsite inspections of the line and learning of the existing and emerging rail traffic opportunities, EB5 Capital Partners.us is prepared to become engaged by the principals, in a business advisory capacity, to advise them on securing finance to help make the Ballard Terminal Railroad Company line to Bellevue a success. As part of the business case, we would work with the principals on determining their capital needs to acquire Kirkland's 5.75-mile portion of the corridor, should that option be necessary. Ensuring that this portion of the line is preserved and operable is crucial to and further enhances the business case for an economically viable and important rail asset to the area.

Very truly yours,



Daniel T. Behr  
Principal – EB5 Capital Partners.us, LLC.





# EASTSIDE COMMUNITY RAIL BRIDGING THE GAP

2013 August 21

235008

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Room 1034  
Washington, DC 20423-0001

Re: STB Finance Docket No. 35731  
Ballard Terminal Railroad Co., LLC  
Acquisition and Exemption, Woodinville Subdivision

Dear Ms. Brown:

Eastside Community Rail, LLC ("Eastside") requests that the Board reconsider its August 1, 2013, decision on Ballard Terminal Railroad Company, LLC's ("Ballard's") Motion for Preliminary Injunction. Contrary to the contentions of the governmental entities opposing the injunction, the Woodinville-Bellevue line has demonstrable freight potential and financing to support multiple uses. Moreover, Ballard is a bona fide railroad with a proven ability to turn-around short line railroads spun off by BNSF, and Ballard is in process of completing the handling carrier process for this line with BNSF.

As the Board is aware, I am the managing member of Eastside, which has partnered with Ballard in the efforts to reactivate the Woodinville-Bellevue line. I am also a Certified Business Intermediary and member of the International Business Brokers Association. I possess an M.B.A. in finance, and I have specific training in both Return of Investment and business valuations. I trained under one of two hundred certified turnaround professionals, I have worked with countless senior executives on strategy, finance, mergers and acquisitions, and I have managed various strategic initiatives and projects.

In assessing the business opportunities associated with reactivation of the Woodinville-Bellevue line, I interviewed dozens of stakeholders and iteratively decomposed the business cost structure and revenue streams. I created an integrated financial business model, which is unique to this situation, looked at all aspects of the business, and "tuned-in" a detailed financial model including all operational costs and individual revenue sources underlying Ballard's opportunity. Ballard's business approach is conservative, verifiable and mitigates substantial risk. Given STB approval for reactivation, in-depth analysis supports the conclusion that the line will have a positive cash contribution in its second year of operations.

Ballard's business prospects are favorable, widely supported, and justify status as a bona fide rail operator based on its demonstrated 15-year history of turning around short line railroads, ownership's financial commitment, and business prospects. A diverse group of private investors

Ms. Cynthia T. Brown  
August 21, 2013  
Page 2 of 6

have come together to keep this line alive and have put more than \$500,000 into the effort over the past several months. Investment funds are available from ownership, typical railroad financing programs, and private investment sources. It is my opinion that Ballard's 235008 petition before the Board is verifiable, sound, and executable.

**COST OVERVIEW** – The success of this rail corridor is based distributing right of way costs across (see Attachment A):

1. Freight
2. Trail (maintenance of way road)
3. Excursion train
4. Future commuter rail

Multiple uses of the corridor provide synergy; freight, excursion, a trail, and future commuter and transit-oriented development. The synergy from joint use also lowers the individual investment requirement and operating costs for all. Freight maintenance of way ("MOW") costs are significantly reduced, which enables Ballard's freight operations to more easily profit and allows Ballard further investment capabilities in new rail business. All users of the rail corridor will have similar benefits.

Importantly, it is in Ballard's best interest to support the construction of a MOW road for use as a public trail. The railroad gets non-disruptive access to the right of way (ROW) and lowers its MOW and operating costs. Rails and trails peacefully coexist around the world and on Ballard's other two lines.

**BULK FREIGHT** – The economic recovery and new markets make rail service once again viable for the foreseeable future.

A large bulk of freight opportunities have emerged in Bellevue and Kirkland since BNSF abandoned the Bellevue and Redmond lines, which have changed the freight market. Several specific projects have been verified with building permits from Bellevue's municipal government, while other private projects in the works have also been confirmed with general size and scope. A third group of public works is unknown, but general estimates can be made based on other related or similar projects. I agree with Bobby Wolford's conclusion that three million cubic yards of spoils will need to be removed from Bellevue over the next several years with a reasonable likelihood of this volume continuing in subsequent years (see Attachment B).

A business does not have to be on the rail line to utilize the freight rail service. Some of CalPortland materials come from Canada on barges and can be directly loaded to railcars via conveyor and shipped on this line. Ballard will load or receive materials and trans load them directly

Ms. Cynthia T. Brown  
August 21, 2013  
Page 3 of 6

within the Bellevue right of way, which is over three tracks wide. Although additional width of the right of way would be nice, it is not required for planned operations.

An old shipper is returning – General Mills is requesting service to the <sup>235008</sup> Safeway bakery in Bellevue, which previously received rail shipments of flour and milk. The spur into the Safeway facility still exists, and is north of any potential interference with Sound Transit's operations. Ballard's management and I have spoken many times over the past several weeks to General Mills. A request from General Mills to initiate service is in final legal review as I type, and they want service immediately.

RJB Wholesale, a pipe distributor in Kirkland has also come forward since this matter came before the STB. Presently, its pipe comes via rail, and then is trans loaded in Seattle for shipment back to Kirkland, which adds unnecessary cost.

A new shipper on the existing line has been identified – CT Sales, a rebar fabricator for construction projects. They receive out of state rebar via truck, but could have it shipped via rail. They are asking Ballard for rail service to Bellevue as well, which will allow them to bid on the same construction projects as CalPortland and Wolford.

Now that this STB matter is in the press, shippers and property owners have begun stepping forward. Given Ballard's success on its Meeker Southern line with trans loaders and the availability of property along the right of way, I believe there are favorable conditions for a trans load operation with reactivation of the line to Bellevue.

Two of the petitioning stakeholders, CalPortland and Salmon Bay Sand and Gravel, and Ballard's owner Paul Nerdrum, have been in business for over a century. Wolford and RJB have over forty years each. They know their markets and businesses. These successful businesses disagree that freight opportunities on the Woodinville-Bellevue line are "remote, speculative and uncertain." The reactivation efforts have been time consuming, particularly in light of the discovery and deposition obligations, and required a significant cash investment by all concerned. No rational businessperson would invest such time and money if there were not a profitable reason to do so. It is clear that ample businesses desire to utilize the rail line to Bellevue for on-going freight mobility.

**EXCURSION TRAIN** – A rail excursion train on this line was proven by the 15-year run of the Dinner Train, a \$10M/yr business, which only ceased operations because a key bridge was removed to widen I-405. New operations will be north of this bridge. Since excursion will have more "car miles" than freight, freight benefits more. The highly successful Napa Valley Wine Train and Cuyahoga line are other good analogies to this situation. The new Tasting Train will be based out of Woodinville with its vast tourism and operate to historic Snohomish.

Kathy Cox's Bounty of Washington Tasting Train enjoys great regional support, except by King County and Kirkland.

COMMUTER – Sound Transit’s 2008 study showed that commuter use of the line is “viable.” The situation has only improved with more jobs in Bellevue today than in 2008. The Washington Department of Transportation is currently finishing the state rail plan. King County is presently conducting their regional corridor study, albeit without rail consideration. Kirkland does not have a master plan and staff would not allow railroad presentations to city committees. Commuter on this line is inevitable. The only question is when. Freight operations can be adjusted to accommodate other traffic on the line, which further benefits the cost structure of all rail users.

POLITICS – The politics of this situation are intense, pitting regional public agencies against each other. In these circumstances, it is difficult to conclude that certain public entities, such as Kirkland, are being harmed while others, such as Bellevue and Woodinville, are not. When the Board assesses the public interest considerations associated with reactivation, I believe it will find that the greater good lies in sustaining the interstate rail system. A trail next to the track can easily be constructed as is underway in Snohomish County within the rail corridor. Kirkland never communicated the possibility of rail service returning to their business community, and simply wants to rapidly tear up the tracks. In fact, Kirkland officials have repeatedly stated that the tracks would be removed, therefore scaring away any potential business interests that would have interest in shipping by rail. The Kirkland Chamber of Commerce has not spoken in favor of rail removal, nor has any other regional business group. Overall, there is no business support for Kirkland’s destruction of existing rail infrastructure.

Beyond Ballard and the shippers seeking service, the upper Eastside cities of Woodinville and Snohomish, Snohomish County and several state representatives vehemently disagree with Kirkland’s decision and the harm it will cause a larger number of taxpayers. Though Snohomish County harbors 12 miles of the corridor, Snohomish County, along with the cities of Bellevue, Woodinville and Snohomish, were excluded from King County’s “regional” process, as were interested railroads. In reconsidering its decision on the injunction, I believe the Board should examine the multi-use opportunities associated with the line which best promote the public interest. The *trail only* advocates of the right of way are a minority who do not represent the interests of the public.

The state senate has put forward \$65 million in the transportation budget for rail and trail in this corridor (see Attachment C). State legislation with bi-partisan support is in process for this next session to make financially partnering with railroads easier, which would directly benefit this line and all shortlines in the state.

Removing the track in Kirkland will only make it more expensive for state and local taxpayers to rehabilitate the line unless the Board acts now to stop the unnecessary removal of the track. The greater good should prevail, which by federal law is sustaining the interstate rail system when there is a bona fide railroad and freight customers.

**THE FOX IN THE CHICKEN COOP** – King County owns the reactivation rights to this line, yet it is committed to never allow the resumption of freight operations. King County Councilmember Jayne Hague, who is leading the Eastside Rail Corridor Regional Advisory Committee, said “freight is a non-starter” multiple times, once to me, (as heard ~~235008~~ by Agnew, Director, Cascadia Center), and also in a meeting with the Mayor of Snohomish, Karen Guzak, and Kathy Cox of Marketing Philharmonic. Ms. Hague is leading the “Owners” of rights in the Eastside Rail Corridor, which excludes only the railroad. Additionally, in December 2009, King County Executive Project Manager Pam Bissonnette, at the closing table with the Port, BNSF and GNP, stated to GNP “we will never allow you south of Woodinville.”

**HYPOTHETICAL HARM** – TODAY, Kirkland’s residents are using the corridor to walk and ride mountain bikes along the rail. Citizen groups are maintaining sections of the right of way, after the city created an “adopt a trail” program for dozens of corridor segments. Steel prices are only going up, so Kirkland would likely gain financially if they renegotiate the track removal next year. Leaving the rail in place until the Board properly considers freight reactivation is absolutely no burden and causes no “harm” to Kirkland residents.

King Co has not paid the Port of Seattle for its acquisition of line segments, and after meeting with the Director of King Co’s Department of Natural Resources & Parks, it will be six years before King Co could begin to physically develop trails. Surely working out a joint rail and trail solution can be worked out in less time. King County can show NO harm by working to re-establish freight service on this line as is their responsibility by holding the reactivation rights.

The inferred harm to Puget Sound Energy (PSE), a utility easement holder, is simply wrong. Ballard has been working with them for 15-years on three lines. Utility companies and railroads have a long history of cooperation, and there is no expectation that this will change. Witness PSE is not a party to this action.

Additionally, the Port of Seattle recently withdrew from this matter.

In my 10-hour deposition under oath, I made it clear that Ballard and ECRR want to work with Sound Transit and keep out of their way. Ballard’s freight operations would be a financial benefit to Sound Transit’s new East Link construction project, which will save them and taxpayers substantial money. All of the East Link public documents and diagrams allow for future use of freight through their short section of the corridor in Bellevue. In fact, the East Link line primarily crosses over the freight line with a very short parallel run (about one-half mile). Additionally, Sound Transit has not selected a location for their East Link rail yard. There are two possible sites in Bellevue and another on the west side of Lake Washington in Lynnwood. Further, at this Bellevue site, Sound Transit has already studied three viable site options, including; the east side of the track, the west side, and straddling it. Sound Transit cannot demonstrate “harm” by reactivating the line as they don’t even know if they will be using the track where trans loading operations will occur, and they certainly have not discussed or studied the benefits of having rail service! Their “harm” is totally hypothetical, and based entirely on their lack of willingness to even discuss the situation.

Ms. Cynthia T. Brown  
August 21, 2013  
Page 6 of 6

ENVIRONMENTAL – Importantly, removing the track in Kirkland has significant issues: environmental, quality of life, and carbon fuel savings that were not considered by the Board. It is quite ironic that these three public agencies have totally ignored these vital aspects in their discussions. However, other parties have raised this concern. Eastside did a basic analysis to demonstrate how Ballard's solution with trucks and rail is vastly superior to truck only for construction projects on and near the line (see Attachment D). 235008

Approximately 85,000 gallons of fuel will be saved, which also means substantially less air pollution. Fewer truck miles means less road wear and less traffic congestion, which improves the quality of life in the region. The factors should be an important consideration by the Board in their decision.

Snohomish County will be building a new dyke to help with salmon recovery. The construction spoils from Bellevue are a match for the materials required for this new dyke. (see Attachment E). Additionally, Snohomish County wants construction spoils to help construct their new trail system inside the corridor. Side dump railcars easily make this possible, and unfit spoils can be managed separately. What could possibly be more environmentally positive than reusing materials versus dumping them in a hole?

IN SUMMARY -- There is investment capital is available from private parties, and there is SBA and public railroad financing programs available to make this line's reactivation successful. It is clear that Ballard wants to help the public agencies get their trail, because doing so lowers the MOW cost for all corridor users. Any actual "harm" is hypothetical and of their own making by not including the railroad in any of their "process" or discussions.

Ballard is not only capable, an entire team of people and businesses are ready, willing and able make this reactivated segment of interstate infrastructure viable again. The business plan is financeable, executable and has state, county, cities, NGO, tourism, public and business support. Preserving the rails in Kirkland will make it possible to reactivate this line and quickly bring it back into service, while removal of the track will be detrimental to the railroad's business.

Thank you for your consideration.

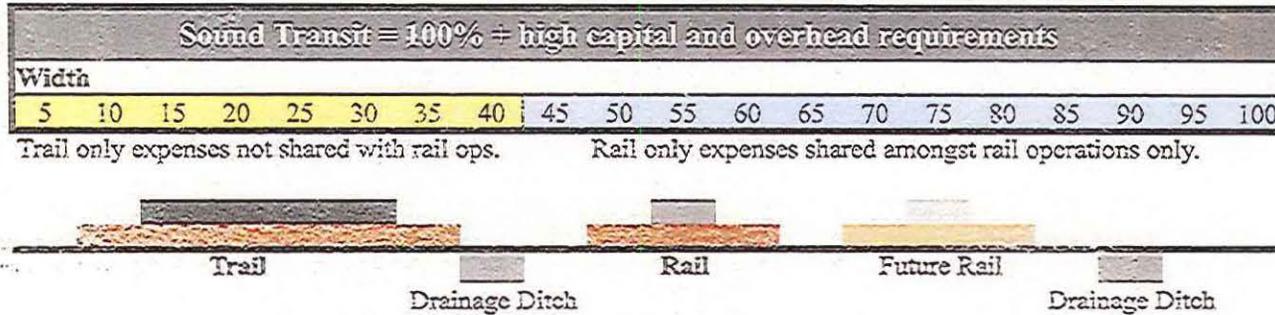
Very truly yours,



Douglas Engle, MBA, CBI  
Member IBBA  
Eastside Community Rail, LLC Managing Member

Eastside Community Rail  
 Corridor Alignment - Cost Sharing Example  
 As of 2013 May 3

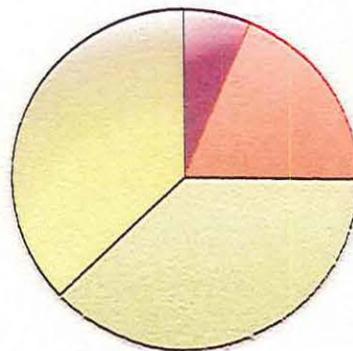
235008



Trail expenses do not include rail structure costs.

	Net		Gross Vehicle Miles	
	6%	Freight	50,000	10%
	19%	Excursion	150,000	30%
	38%	Commuter	300,000	60%
<b>Trail 37%</b>				
<b>Rail 63%</b>	63%	TOTAL	500,000	100%

**Cost Sharing = Lower Operating Costs**



- Freight
- Excursion
- Commuter
- Trail

ECRR is a zero-sum entity, with excess year-end funds added to the ECRR capital sinking fund.

## *Ballard Terminal Railroad Company and Eastside Community Rail*

### *Analysis of comparative cost of hauling excavation spoils, Truck vs. Railroad*

235008

May 2013

**Summary.** Eastside Community Rail (ECRR), established in 2012, leased freight rail operations to Ballard Terminal Railroad Company (BTRC) along the northern third of the Burlington Northern Santa Fe Railway's (BNSF) former Woodinville Subdivision, which ran from Renton to Snohomish, Washington. This line, now locally known as the 'Eastside Rail Corridor' (corridor), was railbanked by BNSF circa 2009 and acquired by the Port of Seattle. The Port still owns the segment between Snohomish and Woodinville, and has sold off the remainder of their acquisition to various governmental entities.

After taking control of the freight service on the Snohomish-Woodinville rail line, ECRR began a search for additional freight customers in order to enhance the line's viability. One opportunity that appeared is in Bellevue. It became clear that massive amounts of excavation spoils and demolition materials would be generated by various private and public projects in and around Bellevue over the coming decade. *Further, CalPortland sees an opportunity to transfer aggregate directly from barges to railcars in Everett for Bellevue delivery as a lower cost alternative, but beyond this analysis.* BTRC and ECRR's current spoils only volume estimate is three million cubic yards. In a case of serendipity, there is also a need for a large quantity of fill material to construct a maintenance-of-way road/trail alongside of the currently operating rail segment, centered on Maltby. BTRC and ECRR therefore modeled spoils hauling scenarios to compare the cost of hauling and disposal via conventional trucking with the cost of doing so by rail. This analysis lays out the assumptions underlying the modeling and highlights the benefits of the rail option.

**Trucking Assumptions.** One of the biggest problems to solve when disposing of excavation spoils by truck is legal dumping. At this time, there are few qualified, large disposal sites anywhere near Bellevue. For purposes of this study, it was assumed that the nearest sites of reasonable capacity are in the vicinity of Monroe, Washington, about 25 miles away. Consequently, a round trip (cycle) by conventional dump truck and trailer from an excavation site in downtown Bellevue of 2 hours 30 minutes (2.5 hrs), including tipping time, was estimated by ECRR's trucking consultant, *Bobby Wolford Trucking* (Wolford). Dumpsite operators currently charge \$4-6 per ton for disposal space; this analysis uses \$4/CY.

The other factor to consider is the excavation contractor's desired daily production volume, which determines the number of trucks needed on the job. BWT stated that a large building excavation project would target removing 2000 cubic yards per day. Given a capacity of 24 CY/truck and trailer combination, 83 truck loads per day would be needed to move this volume. This calculation assumes an eight-hour workday, that translates to just over 9 trucks per hour, or just over 6 minutes per truck loading time. Since each truck could only complete three round trips per day, 27-28 trucks would be needed in the contractor's fleet, without allowing for breakdowns or other interruptions, to keep the excavator busy. The included spreadsheet shows the resulting extended costs in 2013 for removing 3,250,000 CY, roughly equivalent to all of the expected Bellevue excavations over the next decade. For reference, a quarter-block building excavation about 45 feet deep would generate a little over 250K CY of spoils, e.g. Lincoln Center.

**Railroad Assumptions.** The excavation job design would be different from the trucking approach. Basically, a string of rail cars would be spotted on the rail line near (<2 miles) the excavation site, and trucks would make a short cycle between the job site and railroad.

For purposes of this analysis, it was estimated that a truck (tractor) and side-dump trailer of 23 CY capacity could complete a round trip every 24 minutes, or 0.4 hours. The trucks would simply create a windrow of material alongside the stationary rail cars. A large wheel loader would then transfer the material into the side-dump rail cars. See picture 1.

In order to meet the 2K CY/day production volume stated above, it would be necessary to load and remove two trains of 1K CY each, or 17 side-dump cars of 60 CY capacity each. That means that there would have to be 50 truck cycles per trainload, or 100 per day. However, due to the short cycle time, each truck could make up to 20 trips per day. Therefore, as few as five trucks could keep the excavator busy; versus 27-28 truck-trailer combinations.

In the rail alternative, there typically would not be a fixed dumpsite for the spoils, and no dump fees. By using side-dump cars, the spoils could be placed wherever needed along the corridor for maintenance-of-way road construction, trail creation, embankment reinforcement, and so on. For estimating, the trains were assumed to run to Maltby. Nonetheless, a fixed trans-load site could be used, e.g., to supply Snohomish River dike construction materials. See pictures 2,3.

**Analysis.** Using the assumptions outlined, local costs for trucking were obtained from Wolford in Maltby, who removed spoils from Lincoln Center. Trucking costs were \$120/hr for dump truck and trailer combinations, and \$110/hr for tractor and side-dump trailer. These rates include operator, fuel, insurance, overhead and profit; there is no per mile charge. From their experience, a conversion factor of 1.3 tons/CY was used to calculate dump fees, based on \$4/CY. The truck trips needed was calculated, and the rates above applied to develop gross cost figures for each alternative. In the trucking case, cost was added for supervision/dispatch and a 10% contingency. These unit costs may be low as demand has been relatively flat from 2008-2012, but is expected to increase sharply as more projects start.

The rail alternative was approached a little differently since there was no 'everything included' hourly rate available. Instead, individual components, such as crew time, locomotive cost, rail car leases, supervision, overhead and profit were estimated and totaled. There are certain unique costs for the railroad trans-load site, also, e.g., site preparation and maintenance, overnight security for the railroad equipment, etc. Finally, since the railroad transportation would be managed by BTRC, supervision, overhead and profit items were also added. (Note that the railroad's profit would be computed at the STB's 'Revenue Adequacy Rate of Return', about 11%.) All of these items are computed and totaled in the spreadsheet.

**Conclusions.** As can be seen in this spreadsheet, moving large quantities of spoils out of the Bellevue area by rail would be considerably less expensive than doing so by truck. However, this analysis only considers the direct costs. Indirect benefits, such as reduced wear and congestion on the state's highways, reduced air pollution and consequent reduced health impacts, and lessened in-city traffic accident potential from elimination of 'extended reach' dump truck trailers, are significant. Another benefit is that the rail line remains viable for any and all other uses, such as importing bulk construction materials, which are also to provide similar savings. Unfortunately, estimation of the value of those benefits, which are considerable, is beyond the scope of this report.

**Eastside Community Rail  
Bellevue Spoils Hauling Comparison**  
as of 2013 July 12

**Conventional Truck Disposal Option**

**Assumptions:** Reference site in NE quadrant of Bellevue Way and NE 4th St., Bellevue  
Area: 2.95 acres, excavated to average depth of 45 ft.  
Dirt volume in place: 5,782,590 cu. ft.= 214,170 cy  
Swell factor 20%, yields 257,004 cy on trucks; USE 250K cy  
Total est. Bellevue spoils vol. 3,000,000 CY  
Capacity, dump truck & trailer 24 CY  
Daily production 2000 CY  
Unit weight of 1 cy spoils, loaded 1.30 tons  
Disposal site: vicinity of Monroe; approx. 50 mi. R/T  
Est. roundtrip travel + dump: 2 h 30 m= 2.5 hr

235008

	Quantity	Units	Time	Rate	Totals	
Trucks	125,000	trips	2.5	\$ 120	\$ 37,500,000	
Tipping fee	3,000,000	CY		\$ 4	\$ 12,000,000	
Supervision	1,500	days		\$ 200	\$ 300,000	Dispatch, etc.
subtotal					\$ 49,800,000	
Contingency				10%	\$ 4,980,000	
<b>Total</b>	<b>Trks/Day</b>	<b>83</b>			<b>\$ 54,780,000</b>	<b>\$ 18.26 /CY</b>
WSST				9.50%	\$ 5,204,100	

**Rail & Trail Disposal Option**

**Assumptions:** Quantities, production same as above  
Capacities, side dump truck trailer: 23 cy, side dump rail car 60 cy  
Transload site: alongside railroad tracks south of NE 8th St.  
Est. roundtrip travel + dump: 0 h 24 m= 0.4 hr  
Transload equipment e.g., CAT 966H wheel loader w/5 cy side dump bucket  
2 trainloads per day to RR access road sites in vicinity Maltby

	Quantity	Units	Time	Rate	Totals	
Trucks	130,435	trips	0.4	\$ 110	\$ 5,739,130	Single vs double
Transloading cost	600,000	cycles	0.02	\$ 110	\$ 1,320,000	End loader
Load site preparation	8	LS		\$ 8,500	\$ 68,000	Mobilize, clear
Site maintenance	1,500	days	8	\$ 36	\$ 432,000	Laborer
Water truck	1,500		8	\$ 110	\$ 1,320,000	Dust control
Water	1,500	days		\$ 8	\$ 12,000	Per day
Supervision	1,500	days		\$ 200	\$ 300,000	Trucking
Train crew	1,500	days	12	\$ 73	\$ 1,314,000	Crew hours w/ dumping
Locomotive	1	each	120	\$ 4,500	\$ 540,000	Mon. lease, GP38
Loco. Operation	1,500	days	12	\$ 36	\$ 648,000	
Locomotive fuel	1,500		460	\$ 4	\$ 2,760,000	Incl. Lubricants
Side dump cars	17	cars	77	\$ 3,900	\$ 5,105,100	Monthly lease
Security, rail equip.	300	weeks		\$ 2,500	\$ 750,000	Overnight, wknd
ECR Direct	1,500	days		\$ 1,458	\$ 2,187,000	Managers
ECR Indirect OH	1,500	days		10.0%	\$ 2,249,523	Incl MOW
subtotal					\$ 24,744,753	
Contingency				10%	\$ 2,474,475	
STB RARR				11.22%	\$3,053,997	
<b>Total</b>	<b>Trns/Day</b>	<b>2</b>		<b>\$ 594</b>	<b>\$ 30,273,226</b>	<b>\$ 10.09 /CY</b>
WSST				9.50%	\$ 2,875,956	

**Potential savings, rail over trucking: \$ 24,506,774 44.7%**

235008

**Bellevue Projects**  
**Construction Spoils**  
as of 2013 July 12

#	Project	Address	Developer	Permit #	Start Date	loaded vol/wt soil swell CF/CY Parking Floors	CY	Loaded Vol. (CY)	Load Wt. (tons)	railcars/consyst	
										CY/truck-trailer	CY/railcar
							35%				17
							20%				24
							27				60
1	Bellevue Park II Apts.	88 102 <sup>nd</sup> Ave. NE	Canterra Dev. Group.	I11-119405GD		3 lev.	22,000	26,400	35,640	440	1,100
2	Bellevue at Main	15 Bellevue Way SE	SRM (CBA?)	13-109737GD		2 lev.	81,300	97,560	131,706	1,626	4,065
3	Alley 111	11011 NE 9 <sup>th</sup> St.	Alley III-LLC	12-126956GD		3 lev.	29,640	35,568	48,017	593	1,482
4	Alamo Manhattan Main St.	10505 Main St.	AMMS, LLC	13-106069GD	Jul-13	319	39,330	47,196	63,715	787	1,967
5	Lincoln Square Expansion	410 Bellevue Way NE	KDC	12-132832GD		6 lev.	385,000	462,000	623,700	7,700	19,250
6	Bellevue Center	10833 NE 8 <sup>th</sup> St.	Beacon Cap. Partners	13-112826BV/GC		7 lev.	216,000	259,200	349,920	4,320	10,800
7	Bellevue Apts.	204 111 <sup>th</sup> Ave. NE	LiHi Bellevue LLC	13-105956G			3,062	3,674	4,960	61	153
8	GRE Bellevue	2070 NE Bel-Red Rd	GRE*Bel-Red LLC	13-107208GD		2-3 le.	90,000	108,000	145,800	1,800	4,500
<b>Total Spoils</b>							<b>866,332</b>	<b>1,039,598</b>	<b>1,403,458</b>	<b>17,327</b>	<b>43,317</b>

City of Bellevue Review Issued

The Summit, Bldg. C	320 108 <sup>th</sup> Ave. NE	Bentall						200,000		
Pacific Regent Ph. II	919 109 <sup>th</sup> Ave. NE	Sunrise Devel.								
?NE 4 <sup>th</sup> St. Extension?		COB								

Bellevue Projects under Construction (Q1 2013)

SOMA Towers Ph. I	200 106 <sup>th</sup> Ave. NE	Su Development						300,000		
Park Metro	11017 NE 12 <sup>th</sup> St.	Evergreen Pt. Devel.								
Marriott Hotel	200 110 <sup>th</sup> Ave. NE	Marriott								
SR-520 Eastside Transit & HOV	10819 NE 37 <sup>th</sup> PL			13-113220GD						
SR-520 Eastside Transit & HOV	10700 Northrup Way			13-113218GD						

Large Bellevue Projects Pipeline (Q1 2013)

415 Office Bldg.	415 106 <sup>th</sup> Ave. NE	Schnitzer NW						1,500,000		
Bellevue Cadillac	1001 106 <sup>th</sup> Ave. NE	UDR								
Bellevue Sq. SE Cor.Expan.	701 Bellevue Way NE	KDC								
103 <sup>rd</sup> Ave. Apts.	1025 103 <sup>rd</sup> Ave. NE	HSL Properties								
Rockefeller Bellevue Tower, Ph. I	10605 NE 8 <sup>th</sup> ST.	NBBJ (arch.)								
Main Street Gateway Center	10328 Main St.									
East Link Light Rail		Sound Transit								
Bellevue-Redmond Road corridor		Bellevue								
Spring District		Wright Runstad								

## Bellevue Spoils

3,062,000 CY		<b>U.S. Football Field</b>	
27 CF/CY		Width	53.33 yds
82,674,000 CF		Width	160 ft
		Length, incl end zones	360 ft
Avg Story Ht of Columbia Ctr	10.8 ft	1 U.S. Football Field =	57,600 sq ft
<b>Building</b>	<b>133 floors</b>	<b>Height of Field</b>	<b>1,435 ft</b>
<b>Landmark Buildings</b>		<b>Centurylink Stadium</b> adj	
Sears Tower, including spires	1,450 ft	Roof	200,000 70% add open area
Chicago, IL	1.0 ea.	Roof (adj)	285,714 sf
Columbia Center	937 ft	Height	200 -20% no arches
Seattle, WA	1.5 ea.	Height (adj)	160 ft
Lincoln Ctr	450 ft		1,693,122 CY
Bellevue, WA	3.2 ea.	<b># of Stadiums</b>	<b>1.8 ea.</b>

[http://en.wikipedia.org/wiki/CenturyLink\\_Field](http://en.wikipedia.org/wiki/CenturyLink_Field)

Rank	Building	City	Country	Height (m)	Height (ft)	Floors	Built
1	Burj Khalifa	Dubai	UAE	828	2,717	163	2010
2	Makkah Royal Clock Tower Hotel	Mecca	Saudi Arabia	601	1,971	120	2012
3	One World Trade Center	New York City	USA	541	1,776	104	2013
4	Taipei 101	Taipei	Taiwan	509	1,670	101	2004
5	Shanghai World Financial Center	Shanghai	China	492	1,614	101	2008
6	International Commerce Centre	Hong Kong	Hong Kong	484	1,588	118	2010
7	<b>BELLEVUE SPOILS (in Football Fields)</b>	<b>Bellevue</b>	<b>USA</b>	<b>437</b>	<b>1,435</b>	<b>133</b>	<b>2014</b>
7	Petronas Tower 1	Kuala Lumpur	Malaysia	452	1,483	88	1998
7	Petronas Tower 2	Kuala Lumpur	Malaysia	452	1,483	88	1998
10	Willis Tower (Formerly Sears Tower)	Chicago	USA	442	1,450	110	1973
111	Columbia Center	Seattle	USA	285	937	87	1985

[http://en.wikipedia.org/wiki/List\\_of\\_tallest\\_buildings\\_in\\_the\\_world](http://en.wikipedia.org/wiki/List_of_tallest_buildings_in_the_world)

Transportation Projects Comparison – Snohomish Co. 0285008		
	Cilbborn Proposal (6/10/13) \$7.8 billion in expenditures over 12 Years	King Proposal (6/10/13) \$8.06 billion in expenditures over 10 Years
<b>State Highway Projects</b>		
SR 9 Snohomish River Bridge	\$109 million	\$136.2 million
I-5 Marysville Interchanges	\$42 million and \$5 million	Not funded
I-5 northbound Marine View Dr to SR 528 (Everett to Marysville) -- Peak use shoulder lane	\$34.38 million	Not funded
US 2	\$15 million	Not funded
SR 529/I-5 Interchange	\$1.8 million	Not funded
41 <sup>st</sup> to West Marine View Drive	\$1.5 million	Not funded
Lake Forest Park Highway Planning Study	\$500 thousand	Not funded
SR 9/SR 204 Interchange	\$56 million	\$58 million
SR 526 Hardeson Rd Interchange (Palne Field)	\$44 million	Not funded
SR 524 Widening	\$14 million	Not funded
SR 522 Paradise Lake Road	\$10 million	Not funded
US 2 Trestle	\$10 million	Not funded
Poplar Way Extension Bridge Lynnwood	\$2.2 million	Not funded
City of Everett 41 <sup>st</sup> Street to W Marine View Dr. (Freight Corridor Improvements )	\$1.5 million	Not funded
Construction Engineering Design to 35 <sup>th</sup> Ave SE Mill Creek	\$500 thousand	Not funded
subtotal	\$347.38 million	\$194.2 million
<b>Bike/Ped/Transit</b>		
Sunset Ave Walkway Project	\$700 thousand	Not funded
subtotal	\$0.7 million	\$0
<b>Rail</b>		
Eastside Rail and Trail Project	Not funded	\$130 million (assume ½)
Cascades Corridor Slide Prevention	\$91 million for slope stabilization improvements	\$30 million
subtotal	\$91 million	\$95 million
<b>Ferries</b>		
Mukilteo Ferry Terminal Replacement	\$119 million	\$114 million
subtotal	\$119 million	\$114 million
<b>TOTAL</b>	<b>\$558.08 Million</b>	<b>\$403.2 Million</b>

 denotes -Strategic Infrastructure Investments Identified as a priority by the Washington Aerospace Partnership in their Winning the Boeing 777x for Washington State Strategy

Eastside Community Rail

Road Wear Comparison

	TRUCKS	Rail/Truck	Rail	
Spoils (cy=cubic yards)	866,332	866,332	866,332	
cy/Vehicle	15	15	100	
Trips	57,755	57,755	8,663	
Vehicles/Trip	2	1	17	
Trips	truck w/ trailer 28,878	truck only 57,755	side-dump rail car 510	
Distance (miles)	30	2	30	
Gross Miles	866,332	115,511	15,288	15.1%
Actual Mile Savings		750,821		
"pup"/trailer	2	1		
Effective Vehicle Miles	1,732,664	115,511		
Road Wear Loaded (vs automobile)	19	19		
Adj Wear Miles	32,487,450	2,165,830		
Road Wear Empty (vs automobile)	6	6		
Adj Wear Miles	10,829,150	721,943		
Total Adj Wear Miles	43,316,600	2,887,773		6.7%
Vehicle Wear Miles Savings		40,428,827		
Length of I-405 Corridor		30		
Equivalent trips saved over length of corridor		1,347,628		

Rated at 80,000 lbs Federally, calculation assuming 60,000 lbs. (20,000lbs for dry truck, plus an additional 40,000lbs for spoils at 2,600lbs per cy X 15cy) Versus a Toyota Camry at 3,200 lbs

Empty Truck/Trailer  
Conservative Estimate at 20,000lbs (no trailer)  
<http://cn.visionerv.com/cgi-bin/md/M10414/s1.pl>

**PUBLIC ROADS BENEFIT**

**TRAFFIC CONGESTION BENEFIT**

Fuel Comparison

	TRUCKS	Rail/Truck	Rail
Gross Miles	866,332	115,511	15,288
Miles per Gallon	6.50	6.50	0.50
Gallons of Diesel	133,282	17,771	30,576

<http://www.lrb.org/media/reports/200319.pdf>  
Assumes 6.5 miles per gallon average

000000Bellevue Spoils Hauling Comparison

235008

Total Fuel (gallons)	153,282	48,547	
Fuel Savings (gallons)		84,935	63.7%

	\$	4.00 /gallon
Fuel Cost Savings	\$	339,738

Pollutants	grams/gallon		
CO2	5.954	1,129	
CO	15.0215	2,848	
Particulates	1.313	249	
Nox	55.9845	10,614	
		14,839	lbs

**PUBLIC HEALTH SAVINGS**

LNG locomotive saves \$0% more

<http://www.cpa.gov/otaq/consumer/420f08027.pdf>

Pollutants	grams/mile		
CO2	0.916	1,535.16	
CO	2.311	3,873.10	
Particulates	0.202	338.54	
Nox	8.613	14,434.87	
		20,182	lbs
Pollutants Saved from Air		17,511	Avg

**Driver Cost Comparison**

	TRUCKS	Rail/Truck	Rail
Trips/day	2.50	12.00	
Days	11.551	4.813	
Days Saved		6.738	

guesstimate - Ernie

Hourly Pay	17	\$	22.10
Gross Driver Savings	\$	1,191,303	

Yearly Dump Truck Salary (<http://www.indeed.com/salary/Dump-Truck-Driver.html>) @ \$34,000/2000 (hours in work year)=\$17.00

Rail Labor Adds:			
Locomotive Engineer	\$	50,603	
Conductor	\$	50,603	
Front-End Loader	\$	40,482	
Traffic Mgmt	\$	30,362	
Additional Rail Labor Costs	\$	172,049	

Net Labor Savings	\$	1,019,254
-------------------	----	-----------

Fuel and Labor Savings	\$	1,358,992
------------------------	----	-----------

**DEVELOPER BENEFIT**



**Snohomish County**  
**Public Works**

235008

**John Lovick**  
County Executive

3000 Rockefeller  
Everett, WA 98201

(425) 388-3488  
FAX (425) 388-6494

August 21, 2013

Doug Engle  
Managing Director  
Eastside Community Rail  
1340 Lombard Street, Suite 606  
San Francisco, CA 94109

Re: Material for Smith Island Dike Project

Dear Mr. Engle,

Thank-you for your inquiry about material needs for the County's proposed Smith Island project located in the Snohomish River estuary, northeast of the City of Everett. The project will require approximately 270,000 cubic yards of material for construction of a new setback dike. Construction is scheduled to begin in 2014. This schedule is dependent on obtaining permits and completion of an environmental review under the State Environmental Policy Act (SEPA), including resolution of any appeals.

A review of the geotechnical information you provided for sites in Bellevue indicates that some of the material to be excavated will likely meet the dike material specification. One project indicates that material will be excavated to 75 to 85 feet below existing grade. Material descriptions for Bore Log GEI-1 indicate that material between 40 feet and 50 feet depth has over 20% fines and would therefore likely be suitable. The silty sand above 40 feet may also be suitable, but unfortunately the log does not give percent fines so we cannot make an assessment of that material at this time.

The silty fine to medium sands discussed in the geotechnical reports prepared for other sites with excavation depths of some 10 to 30 feet are potentially suitable for dike construction. Further assessment of the fines content would be required before suitability can be confirmed.

The Smith Island project will be subject to public bidding and, as part of the project specifications, the County will specify the material to be used. It will be the responsibility of the successful bidder to arrange material source and transportation to the Smith Island site. 235008

Sourcing suitable material for this important project is a challenge that is yet to be overcome. We therefore appreciate you making us aware of this possible source.

Sincerely,



Stephen Dickson  
Special Projects Manager



.....  
GENERAL MILLS

September 26, 2013

235008

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Room 1034  
Washington, DC 20423-0001

REF: STB FINANCE DOCKET NO. 35731  
BALLARD TERMINAL RAILROAD COMPANY, LLC  
ACQUISITION AND EXEMPTION, WOODINVILLE SUBDIVISION

Dear Ms. Brown:

I am writing in support of requests to restore rail service direct to Bellevue, Washington. We currently deliver bulk truckloads of flour to a large customer there, and delivering by rail would be a large environmental and competitive benefit.

Thank you for your consideration.

Very truly yours,

Brenda Mengelkoch

Bakery Flour Sales Supervisor  
General Mills



**MASTER BUILDERS  
ASSOCIATION**  
*of King and Snohomish Counties*

228035

September 17, 2010

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street SW  
Washington DC 20423-001

235008

**ENTERED**  
**Office of Proceedings**

**OCT 21 2010**

**Part of  
Public Record**

Re: Issaquah Subdivision (Redmond Spur) reactivation - Docket # FD 35407

Dear Ms. Brown;

We are the Master Builders Association of King and Snohomish Counties (MBA). The Association was founded in 1909 by a group of Seattle builders who saw a need to unite to address the many concerns and issues affecting the housing industry. They shared technology and jointly solved construction problems, and they actively worked with government to develop laws that protected the environment while still providing attractive, affordable communities and homes for the families of the Puget Sound region.

With more than 3,500 member companies, representing all facets of housing construction, the MBA has grown to become the largest local home builders association in the United States. The Association provides services, programs, legislative representation and membership opportunities unparalleled by any other trade association.

We are writing in support the petition of GNP Railway to restore the rail line between Woodinville and Redmond, WA to active operation. It is our understanding that GNP has been authorized by the federal Surface Transportation Board to operate a rail line between Snohomish and Woodinville that was formerly owned and operated by BNSF

MBA of King and Snohomish Counties  
335 116th Avenue SE  
Bellevue, Washington 98004  
- 425.451 7920 . 425 646 5985  
[www.masterbuildersinfo.com](http://www.masterbuildersinfo.com)

Railway Company. I also understand that GNP desires to reactivate the branch off the Snohomish-Woodinville line that extends over to Redmond that would serve many lumber, drywall, building supply and other vital building interests in the Willows Rd./ Redmond corridor. Anything that can assist in the re-invigoration of the construction industry would be vital to our national economic recovery. This branch has been in the process of being converted to recreational use as a rail trail, but we have indications that many building industry suppliers in and around the line desire the reinstatement of freight rail service.

In conclusion, we urge the Board to grant GNP's petition to reactivate this rail line.

Sincerely,



Don Davis, Government Affairs Director

Master Builders Association of King and Snohomish Counties

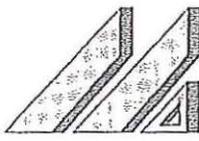
cc.

John Heffner, 1750 K Street,  
N.W., Suite 200, Washington, DC 20006;

Charles A. Spitulnik, Kaplan Kirsch &  
Rockwell LLP, 1001 Connecticut Avenue, N.W., Suite 800, Washington, DC 20036;

Craig Watson, Port of Seattle, Pier 69, P.O. Box 1209, Seattle, WA 98111; and

Kristy Clark, BNSF Railway Company, 2500 Lou Menk Drive, AOB-3, Fort Worth, TX  
76131.



# MATHEUS LUMBER COMPANY, INC.

September 30, 2013

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street SW, Room 1034  
Washington, DC 20423-0001

235008

RE: STB Finance Docket No. 35731  
Ballard Terminal Railroad Company, L.L.C.  
Acquisition and Exemption, Woodinville Subdivision

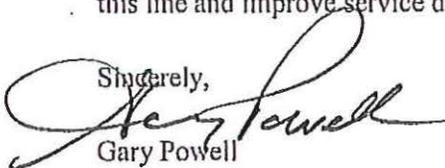
Dear Ms. Brown,

Our company, Matheus Lumber Company, Inc, is in favor of the continuation and enhancement of freight rail service in the so called "Eastside Rail Corridor" currently served by Ballard Terminal Railroad (BTR). We urge the board to preserve freight rail service along this line by granting BTR's petition to re-activate freight service between Woodinville and Bellevue.

Matheus was established in 1932 and we continue as a wholesaler of lumber and plywood products to commercial builders throughout the U.S. We predominately sell to the multi family and infrastructure markets. Our sales this year will be over two hundred million dollars and we have six offices in four states with over eighty employees. Our headquarters and main inventory yard is located just south of Woodinville on the rail line that is known as the BNSF Issaquah spur. We are interested in reactivating this line in order that we could use rail service to receive railcar loads of lumber and plywood directly to our yard. We would need a new industrial spur at our location for us to directly receive freight service. Currently we receive three to four rail cars per month at the Scafo Corporation rail spur in Woodinville from large mills throughout the Northwest. We also use rail service to receive materials at reloads near projects we are supplying throughout the U.S. Each rail car replaces three truck shipments and represents a saving of around \$1,000 in freight costs not to mention it keeps three trucks off the highways. There is also savings in buying in railcar quantities.

A few years back when the rail line adjacent to our location was used for rail freight and the Spirit of Washington dinner train it seemed to me that it could have also been used as a shared line for trolley and a trail for general use. I personally went on the former Spirit of Washington dinner train and have fond memories of that service. We support the reactivation of the rail line between Bellevue and Woodinville as this would allow the BTR to increase their revenue and use this to continue to support customers along this line and improve service delivery. Please grant BTR's petition for reactivation of this line.

Sincerely,



Gary Powell  
President

P.O. Box 2260 ☉ 15800 Woodinville-Redmond Road NE ☉ Woodinville, WA 98072-2260  
425-489-3000 ☉ 1-800-284-7501 ☉ Fax: 425-822-4028 ☉ [www.matheuslumber.com](http://www.matheuslumber.com)

June 15, 2013

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Room 1034  
Washington, DC 20423-0001

235008

Dear Ms. Brown:

Our shortline railroad company, Ballard Terminal Railroad Company, LLC (BTRC,LLC), was formed in 1996. Today we own and operate two small, freight only, shortlines in the greater Seattle area. In the Ballard industrial district we have the Ballard Terminal Railroad (BDTL), and in the Puyallup area we have the Meeker Southern Railroad (MSN). Both lines were spun off from the BNSF Railway, one in 1997, and the other in 2000. In addition, we recently took steps to solidify our position as the freight railroad providing the common carrier service on the Snohomish to Woodinville line segment, for East Side Community Rail.

In late 2009, in a well intentioned joint venture with Mr Tom Payne's GNP Railway, both BNSF, and the Port of Seattle approved BDTL as the common carrier freight service provider on the 14 mile Snohomish to Woodinville segment of the Eastside Rail Corridor, which the Port of Seattle subsequently purchased, in late 2009. We ran our first freight train on the East side line in January, 2010, and continue to do so today, with twice weekly service, between East Snohomish Junction and Woodinville, WA. Currently we have four customers on the 14 mile line.

I would like to impress upon the Board the importance of restoring freight rail service between Woodinville and Bellevue, Washington, a distance of about 12 miles, which is currently railbanked. The northern portion of the Eastside Rail Corridor is our third shortline in the Puget Sound area, and we are ready, willing and able to make the Eastside line to Bellevue a success.

I am the majority shareholder of Ballard Terminal Railroad Co. (Ballard) and silent partner to Byron Cole, our General Manager, for the past 15 years. My family has owned and operated Salmon Bay Sand and Gravel Co. in Seattle for over 100 years, where I am currently Vice President. Salmon Bay S&G is a major concrete and building materials provider to the greater Seattle Area. We currently receive direct rail shipments of dry bulk cement to our inner city ready mix concrete plant, via BDTL, who interchanges with BNSF. Our annual revenues are significant, and we are profitable witness to our many years in business and operational growth.

BTRC,LLC is a viable business as well. BTRC,LLC qualified for and received, a \$300,000.00 interest free loan, for track rebuilding, from the Washington State Department of

Ms. Cynthia T. Brown  
June 14, 2013  
Page 2

Transportation Rail Office, in 1997, when we acquired the first railroad, and paid it back, in full, on time. In 2000, we qualified for, and received, a \$350,000 loan, for track rebuilding at the second railroad (MSN), which we are currently close to paying off. In 2009 we had no difficulty in financing the purchase of a third \$150,000 locomotive. In 2010, we qualified for and received a modest Washington State grant of \$62,000, to help finance a new industrial spur we constructed into a new transload facility, on our Meeker line. 235008

We expect no difficulties in funding the necessary track rehabilitation for freight operations on the 12 mile, Woodinville to Bellevue segment of the Eastside Corridor. We have inspected it, and find it to be close to "Excepted" condition for much of the route. It is premature to seek any financing without first obtaining the rights to operate the line from the Board.

We are not a company or people to pursue risky ventures, and we believe there is a viable market for our freight railway services between the BNSF mainline in Snohomish and Bellevue, otherwise why would we invest our time and resources on this costly and arduous path to reactivate this vital segment of railroad?

The region has been fortunate with companies like Microsoft, Expedia, Google, Nintendo, AT&T Wireless, Verizon, and many other thriving enterprises on the Eastside. We look forward to a continued future of economic growth in the Bellevue and Kirkland areas.

Since Eastside Community Rail acquired the freight easement and running rights in December 2012, Ballard for the first time has had an opportunity to market the line and bring new opportunities to bear. Over a dozen construction projects worth in excess of \$15 billion are being permitted in Bellevue, Washington, and timely restoration of rail service to Bellevue is critical. Reactivation of rail service from Woodinville to Bellevue is vital to the efficient transportation and removal of 4-million cubic yards of construction spoils, delivery of aggregate fill from barge to railcar, delivery of fabricated rebar, and various other construction materials. Two respectable and successful regional companies, CalPortland and Wolford Trucking, have affirmed this market. The future has even more projects lending to rail service.

These projects were not foreseeable when BNSF abandoned the line, but they have emerged as Ballard's opportunity today.

At the Meeker Southern line, we are just completing an expansion of one of our Meeker transload facilities to support our growing business and partnerships with Optimus Transport, Inc and Sound Delivery Services there. Comparable transload opportunities very likely exist on the Woodinville to Bellevue line segment provided time to develop them.

As a lifelong resident of the area, I have watched our highways become overburdened, including truck transportation that is neither efficient nor cost-effective sitting in constant traffic. The opportunity to utilize the Eastside Rail Corridor as a viable option for the movement of these materials is a very advantageous option for the region. The railroad has the ability to help lower traffic congestion, reduce road wear, and improve air quality while still servicing the market with the needed construction materials with the most efficient logistic methods possible.

Ms. Cynthia T. Brown  
June 14, 2013  
Page 3

Ballard has recently been approved by BNSF to be a Handling Carrier on the Eastside. (the best, most efficient business model for small shortline railroads). Further, the American Shortline & Regional Railroad Association has recognized Ballard 15 consecutive times with the Jake award for completely accident-free, annual operations. 235008

To summarize, Ballard is a bona fide railroad that is ready, willing and able to assume freight operations and develop the obvious business opportunity at the end of the Woodinville to Bellevue segment of the Eastside Rail Corridor.

Thank you for your consideration.

Very truly yours,

  
Paul Nerdrum

Majority Owner -- Ballard Terminal Railroad Co.  
Vice President -- Salmon Bay Sand & Gravel Co.



17 June 2013

235008

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Room 1034  
Washington, DC 20423-0001

**REF: STB FINANCE DOCKET NO. 35731**  
**BALLARD TERMINAL RAILROAD COMPANY, L.L.C.**  
**ACQUISITION AND EXEMPTION, WOODINVILLE SUBDIVISION**

Dear Ms. Brown,

RJB Wholesale Inc., established in 1973, is the Western United States leading supplier of steel and PVC pipe to the wholesale distributor market. Our complete line of fittings meets the needs of a diverse group of industries. Additionally, RJB Wholesale supplies a full line of water well casing and drilling products. In 2012 our gross revenue exceeded \$15 million. Please refer to our Web-site at [www.RJBWholesale.com](http://www.RJBWholesale.com). Our company headquarters site, including warehouses and storage yard, adjoins the southerly right-of-way line (railroad east) of BNSF Railway's former Woodinville Subdivision, just east of 124<sup>th</sup> Ave. NE, in Kirkland, Washington.

We recently became aware that Ballard Terminal Railroad is attempting to save these tracks and resume freight service on the line. So, we are writing to the Surface Transportation Board in support of Ballard's above-captioned petition to reactivate the Woodinville Subdivision between Woodinville and Bellevue, Washington. We support this reactivation because we would like to start using that rail line for receiving our product inventory, and possibly for shipping completed orders to customers. Last year we sold and distributed about 10,000 tons of pipe and other materials. Much of our bulk product is initially shipped from the manufacturer by rail, but it must currently be trans-loaded to one of our flatbed trucks in either Kent or Puyallup. Last year, we received about 26 rail cars of product. We expect 2-3 carloads per month going forward. To bring this material to our Kirkland yard, RJB trucks make over 90 trips to the trans-load sites annually, taking on average 2.5-3 hours each. Considering the constant congested traffic conditions in King County, it would save us a lot of money to be able to have those same rail cars of pipe delivered directly to our Kirkland yard. Obviously, that would make our business more competitive. It would also help us do our part towards reducing local traffic congestion and air pollution. Surely preserving and using the existing railroad infrastructure has a much higher economic return to our region than removing it and turning it into yet another expensive trail, as the City of Kirkland proposes.

We respectfully request that the STB grant Ballard's petition to reactivate this segment of rail line. We would be happy to answer any question you may have about our operations and our interest in shifting to freight delivery by rail to our facility.

Sincerely,

*Nick Beck*  
by: *[Signature]*  
Nick Beck  
President

Enclosure: Site Map, RJB Wholesale

PIPE

(425) 823-1444  
FAX (425) 821-7353

P. O. BOX 2849  
12410 N.E. 124TH ST.  
KIRKLAND, WASHINGTON 98003

# RJB Wholesale site



NCI 2008 King County

COMMENTS: Attachment to letter to STB supporting reactivation of Woodinville Subdivision from Woodinville to Bellevue

The information included on this map has been compiled by King County staff from a variety of sources and is subject to change without notice. King County makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such information. This document is not intended for use as a survey product. King County shall not be liable for any general, special, indirect, incidental, or consequential damages including, but not limited to, lost revenues or lost profits resulting from the use or misuse of the information contained on this map. Any sale of this map or information on this map is prohibited except by written permission of King County.

Date: 6/13/2013 Source: King County IMAAP - Property Information (<http://www.metrokc.gov/GIS/IMAAP/>)



# RJB Wholesale site

235008

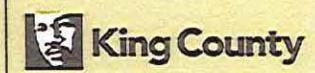
-  County Boundary
-  Mountain Peaks
-  Highways
-  Forest Production District Boundary
-  Agricultural Production District Boundary
-  Urban Growth Area Line
-  Incorporated Area
-  Streets
-  Highway
-  Arterials
-  Local
-  Lakes and Large Rivers
-  Streams
-  Tribal Lands

-  Parcels
-  Parks
-  Unincorporated KC Zoning
-  A-10 - Agricultural, one DU per 10 acres
-  A-35 - Agricultural, one DU per 35 acres
-  F - Forest
-  M - Mineral
-  RA-2.5 - Rural Area, one DU per 5 acres
-  RA-5 - Rural Area, one DU per 5 acres
-  RA-10 - Rural Area, one DU per 10 acres
-  UR - Urban Reserve, one DU per 5 acres
-  R-1 - Residential, one DU per acre
-  R-4 - Residential, 4 DU per acre
-  R-6 - Residential, 6 DU per acre
-  R-8 - Residential, 8 DU per acre
- (cont)

- Legend**
-  R-12 - Residential, 12 DU per acre
  -  R-18 - Residential, 18 DU per acre
  -  R-24 - Residential, 24 DU per acre
  -  R-48 - Residential, 48 DU per acre
  -  NS - Neighborhood Business
  -  CS - Community Business
  -  RB - Regional Business
  -  O - Office
  -  I - Industrial
  -  Other
- 2009 Color Aerial Photos (6in)
- 2009 Color Aerial Photos (12in)

The information included on this map has been compiled by King County staff from a variety of sources and is subject to change without notice. King County makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such information. This document is not intended for use as a survey product. King County shall not be liable for any general, special, indirect, incidental, or consequential damages including, but not limited to, lost revenues or lost profits resulting from the use or misuse of the information contained on this map. Any sale of this map or information on this map is prohibited except by written permission of King County.

Date: 6/13/2013 Source: King County iMAP - Property Information (<http://www.metrokc.gov/GIS/iMAP>)





20 August 2013

235008

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street SW, Room 1034  
Washington, DC 20423-0001

**PETITION FOR RECONSIDERATION**

**REF: STB FINANCE DOCKET NO. 35731/ Docket No. AB 6(Sub-No. 465X)  
BALLARD TERMINAL RAILROAD COMPANY, L.L.C.  
ACQUISITION AND EXEMPTION, WOODINVILLE SUBDIVISION**

Dear Ms. Brown,

RJB Wholesale, Inc.(RJB), hereby notifies the Board that we are petitioning for reconsideration of the Board's decision of 1 August denying Ballard Terminal Railroad Company's (Ballard) request for an injunction to prevent the City of Kirkland, Wash., from salvaging 5.75 miles of track over which Ballard is seeking authority to reinstitute freight rail service. We allege that the Board erred in not considering the impact on RJB of removing the rails which adjoin our facility, when we have previously stated to STB our interest in obtaining freight rail service from Ballard over these very tracks. It is inconceivable to us that the Board would even consider allowing the rails to be removed by Kirkland prior to the Board's full consideration of the reactivation request and circumstances. We further allege that it was error for the Board to partially base its decision on Kirkland's unsubstantiated claims of possible harm from further delay of the decision on the requested injunction. Contrary to the Board's conclusion, we believe that Ballard has in fact demonstrated adequate support for delaying a ruling on its preliminary injunction request, or alternatively, granting the injunction immediately.

In June, we wrote to the Board in support of Ballard's proposed rail line reactivation and expressed our interest in receiving our product inventory by rail. The Board in its decision failed to mention us as a 'prospective shipper', even though our business is located on the Line and is a 'conventional' rail customer. Our current product volume exceeds 10,000 tons/year. As we pointed out, most of our pipe already ships from factories by rail, requiring additional cost to transload to our trucks for delivery to our distribution yard. So, the Board is in error in stating (on P. 6) that the record fails to show that there actually are "...customers "ready willing and able" to use freight rail service". We are such a customer, in an industrial zone, yet Kirkland never inquired about our potential use of the adjacent rails. While we may not have a rail spur into our facility today, we are quite ready and financially able to participate in the cost of such an improvement to our facility . In fact, we would welcome that opportunity to upgrade our distribution operations with rail shipping.

Regarding Kirkland's claim of financial and other harms that would befall it if they were required to wait to begin salvage operations, it seems questionable to us. Kirkland is located in an area of the Pacific Northwest with a temperate, marine climate. We are a construction-related business. Low technology construction activity, such as rail salvage, can be conducted virtually year-round here. Considering that the City went through a public bidding process to select a salvage contractor, we are quite sure that the chosen firm would gladly extend their offer a few months in order to hold on to the rail removal contract, which would be quite lucrative to them. The Board also repeats Kirkland's claim that a "delay in proceeding with these plans will result in costs to the City's taxpayers..." In today's climate of extremely

235008

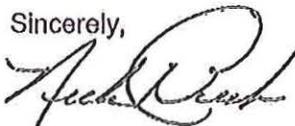
low interest rates and negligible inflation of construction costs, this appears unlikely, too. Besides, people are already walking along the tracks today. And trails co-exist with trains in freight rail corridors in many locales. We don't see any real harm to the City from a slight delay in your overall decision regarding reactivation vs. track removal. On the contrary, we see real harm to local industry's freight mobility from the threatened loss of rail service, which Kirkland falsely claims isn't feasible.

The potential 'harm' to King County and Sound Transit is even harder to quantify. Nothing in Ballard's reactivation proposal would substantially interfere with those agencies' plans. Ballard has made clear that they support 'Rails with Trails', and so do we. Consider also that an intact Woodinville Subdivision rail line offers the possibility of future (circa 2023) commuter trains feeding customers to Sound Transit in Bellevue. What is the real harm to other interested parties? We submit that there isn't any. Where is the proof of the parties' claim, restated by the Board, that they have "invested years and millions of dollars of public funding toward their interim trail use and other public projects in the area the Line traverses"? King County only consummated their purchase of a portion of the Line's right-of-way this year. They still have not completely paid for it, and don't expect to for a few years. King County also doesn't yet have a Master Plan or trail design for their part of the corridor. We submit that the Board erred in giving credence to their arguments.

We appreciate that a case such as this presents the Board with many competing interests and arguments. However, it appears to us that Ballard's request for authority to reinstate freight rail service on this Line and expand its service territory is sound, and comes from a bona fide and solvent rail operator. Considering the extreme financial barrier to entry that would be posed by prior removal of the rail assets, it is vital for the STB to protect them during these proceedings. Shouldn't that be the Board's default position on these matters? For the reasons stated herein, we therefore respectfully request that the STB grant this petition for reconsideration of its August 1<sup>st</sup> decision in this matter, and immediately enjoin Kirkland from instituting any further salvage operations on or along the Line, pending the Board's final action on Ballard's Acquisition and Operation Exemption request.

Thank you for your consideration of our petition and of our interest in obtaining freight rail service from Ballard Terminal Railroad into our trackside facility in Kirkland.

Sincerely,



Nick Best  
President



# CITY OF SNOHOMISH

*Founded 1859, Incorporated 1890*

116 UNION AVENUE SNOHOMISH, WASHINGTON 98290 TEL (360) 568-3115 FAX (360) 568-1375

235008

February 26, 2013

Sen. Rosemary McAuliffe  
403 Legislative Building  
PO Box 40401  
Olympia, WA 98504-0401

Dear Hon. Sen. McAuliffe:

Thank you for meeting with City Councilmember Dean Randall, City Manager Larry Bauman and me in your Capitol office on February 14. We appreciate your interest in the Eastside Rail Corridor's potential for improvements that will make public passenger services feasible as well as help to preserve the corridor for freight use and trail development.

We want to reiterate and provide additional information that supports our request for \$6.26 million in state capital funding needed to upgrade the Eastside Rail Corridor, which is owned by the Port of Seattle and other local governments in the region. We believe that it is important for state leaders to understand that no private company will invest in publicly owned rail infrastructure because it cannot be used as collateral to secure the investment. However, until such public investment is found to upgrade these tracks, passenger service is not feasible due to deteriorated track conditions that must first be repaired.

The \$6.26 million will be used along nearly 15 miles of track between Woodinville and Snohomish. This is a great short term jobs program and is a financial bargain: to lay more ties for a smoother ride, upgrade 11 bridges, 10 crossings, and do the ditching and brush cutting required to run passenger trains up to 30 miles/hour. That averages about \$400,000 a mile – a fraction of the cost of highway upgrades.

Furthermore, the potential exists for easily achieved multi-modal uses of the corridor. Sufficient rights of way exist in nearly all sections of corridor to provide ample room for rail and trail uses to exist side by side. Connecting this corridor to such trail systems as the Tolt-Pipeline Trail and Centennial Trail offers exciting opportunities to expand one of the fastest growing personal transportation and recreational developments that is transforming our region. Snohomish County is currently exploring funding options to purchase the northern section of this rail corridor for combined rail and trail uses.

Eastside Community Rail, the current operator that is working under agreements with the Port of Seattle to provide freight service and initiate excursion services on the rail corridor, is committed to ongoing track maintenance costs of \$1.1 million annually once these tracks are upgraded to passenger rail status. Our city government sees the Eastside Rail Corridor as a nearly unprecedented opportunity for public use of a rail system that in recent decades has been

underutilized. The ultimate vision and future goal of our local government and many others in the region is to see this corridor developed and extended to provide commuter rail services between Bellevue and Everett. This can be achieved at a fraction of the capital costs of Sound Transit's existing commuter rail services. That is why we need your support and efforts this legislative session.

Improving the tracks now will pave the way for future expansions of passenger services for this rail corridor. The risks of allowing this corridor to deteriorate and be carved up or severed at this time are significant. Your involvement at this time could be the most important action that could be taken to ensure that the broadest public uses of these rails will be possible both near term and in the decades to come.

The recently formed Eastside TRailway Alliance—composed of local governments, business associations, wineries, and various groups committed to both rail and trail development—is devoted to seeing the Eastside Rail Corridor improved and expanded for public benefit. Few public projects in our region have attracted as much public support and interest as has this corridor. Few corridors of this type provide such opportunity for public benefit.

We would appreciate your active support in helping our region maximize the public investments that have already occurred on the Eastside Rail Corridor. Devoting \$6.26 million in state funds at this critical juncture might just be one of the best investments the state could possibly make during this legislative session—or possibly any other session, at least in recent times—for cost-efficient transportation services.

Please let us know if we may be able to provide additional information that would support this request or assist you in your work on behalf of the people of our state.

Best regards,



Karen Guzak  
Mayor

c: Snohomish City Council  
Woodinville City Council  
Bruce Agnew, Cascadia  
Eastside TRailway Alliance  
Eastside Community Rail



**Snohomish County  
Executive Office**

**Aaron Reardon**  
County Executive

(425) 388-3460  
FAX (425) 388-3434  
MS #407  
3000 Rockefeller Avenue  
Everett, WA 98201-4046  
235008

March 21, 2013

To Whom It May Concern:

Snohomish County strongly supports multiple purpose use of the Eastside Rail Corridor, including trail, commuter rail, excursion rail, and freight. Snohomish County demonstrated its support for this corridor in 2009, granting GNP Railway the right to operate on the portion of the corridor owned by Snohomish County in the City of Snohomish. Snohomish County hosted a Rail Summit in 2011 that gathered community leaders to discuss the positive use and impact of actively using the rail corridor. Snohomish County is actively engaged in the regional discussion of the corridor, participating in the TRailways coalition and attending the advisory council created by King County.

Snohomish County's Centennial Trail is the crown jewel of the county's trail network, used by many thousands each year. The Centennial Trail starts at the border with Skagit County and currently ends in the City of Snohomish. We, and the City of Snohomish, are excited by the prospect of connecting the Centennial Trail to the Sammamish River and Burke Gilman Trails in King County by acquiring and building a trail adjacent to the track in the Eastside Rail Corridor from Snohomish to Woodinville. Snohomish County is actively negotiating the purchase of a trail easement in the Snohomish County portion of the rail corridor. The Port of Seattle and the County have exchanged letters of intent, and we expect to close the purchase in a few months. The County is moving forward with project financing for both the acquisition and the development of the trail. We look forward to demonstrating that rail and trail can happily co-exist adjacent to each other, as it does in Marin County and Escondido, California. Connecting the Centennial Trail to the Sammamish River and Burke Gilman Trails will be a major benefit to the entire region.

Several hundred jobs in Snohomish County currently depend upon rail access for freight. These jobs are important for our community and we strongly support maintaining the corridor for freight.

Approximately half of the Snohomish County residents who commute to King County reach their jobs in King County by travelling south down I-405. Using the Eastside Rail Corridor for commuting would reduce vehicular congestion, improve air quality, and reduce the region's carbon footprint. Whether diesel motor units or other types of rail cars are used, the corridor is an exciting opportunity to develop and implement commuter transportation far faster and cheaper than usual in Puget Sound.

Excursion rail service, such as proposed by Eastside Community Rail, is an exciting opportunity for economic development along the corridor. The service would tie the wine district of Woodinville to historic Snohomish, substantially increasing tourism in both King and Snohomish County. Excursion service is important to Snohomish County and we strongly support action to start the service.

Eastside Community Rail advises Snohomish County that it would like to assist development projects in the Bellevue area by providing economical and environmentally friendly freight rail service, specifically to transport construction spoils from large excavation projects. Community Rail could use these spoils to create a maintenance-of-way road alongside the track in Snohomish County, which could then serve as the base for the trail linking Snohomish to the Sammamish River Trail. This synergy saves money and substantial time in creating the trail.

Two significant barriers impede the start of excursion rail service and the fastest, cheapest rail development from Woodinville to Bellevue: the condition of the track and Kirkland's intent to remove the rails in Kirkland. The track is currently classified as "excepted", precluding passenger traffic. Community Rail desires to upgrade the track to class 2, which would allow passenger rail traffic up to thirty miles per hour. Community Rail estimates the cost of upgrading the track from excepted to class 2 status at almost \$6 million.

Although Snohomish County cannot practically or legally fund this work, Snohomish County strongly supports Community Rail's attempts to obtain grants for the track upgrade. The track needs to be improved to achieve the community's vision.

Kirkland has repeatedly and publicly stated its commitment to maintain the corridor for both commuter transportation and a trail. Kirkland is moving forward with its trail and additional planning because the citizens of Kirkland voted to tax themselves to create a trail. Snohomish County acknowledges and respects the decision of Kirkland citizens to develop its portion of the corridor as expeditiously as possible.

Kirkland's removal of the rails would obviously break the line, preventing rail service into and south of Kirkland, whether for excursion, commuter or freight. Although we wish it were otherwise, commuter rail does not appear to be feasible until the project is included in Sound Transit's list of projects approved by the voters. An additional impediment to commuter service from Snohomish County is the fact that Sound Transit's territorial jurisdiction ends at the King

County/Snohomish County border in Woodinville. While it is possible for an entity other than Sound Transit to provide commuter rail service (e.g., Community Rail using diesel motor units), such commuter service could not occur in any event unless and until the tracks are upgraded and unless and until a sufficiently capitalized entity is willing to provide the service. Kirkland will not remove the ballast, but will merely remove the track. Kirkland has publicly assured the corridor community that it supports contemporaneous rail use and will support rail use as soon as a feasible, practical plan is put forward. 235008

Freight use of the corridor for removal of construction excavation spoils from Bellevue would benefit Snohomish County and Snohomish County therefore supports such use. Although freight service from Bellevue north will be problematic if Kirkland picks up the track, the rail line in King County is railbanked. The rail corridor through Kirkland could be reactivated as soon as a practical, feasible, tangible and economically viable plan for freight use of the track is brought forward.

In summary, Snohomish County supports use of the Eastside Rail Corridor for freight, excursion and commuter rail service and for a trail. Snohomish County is moving forward to develop a trail and supports grant requests to upgrade the track. Snohomish County will continue to work with other agencies to develop this important public asset.



Peter B. Camp  
Executive Director



Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Room 1034  
Washington, DC 20024

235008

Re: Finance Docket No. 35731: Ballard Terminal Railroad Company, LLC—Acquisition and Operation Exemption—Woodinville Subdivision  
Docket No. AB-6 (Sub-No. 465C): BNSF Railway Company—Abandonment Exemption—in King County, Washington

Dear Ms. Brown:

I'm writing you today to express Economic Alliance Snohomish County's strong support for retaining the Eastside Rail Corridor rail and express our significant concerns over the potential loss of Eastside rail infrastructure as planned by the City of Kirkland.

The Eastside Rail Corridor represents an irreplaceable opportunity for the communities along the Corridor and the region. This unique, typically 100-foot wide strip of land can at once:

- Provide opportunities for economic development in existing industrial-zoned lands supporting our County's robust aerospace and advanced manufacturing sectors;
- Increasing opportunities for recreation in east Snohomish and King Counties;
- Serve the region's growing freight and passenger transportation needs; and,
- Foster sustainable, vibrant, and attractive communities.

We support the retention of the Eastside Rail Corridor track and thus support a moratorium on all removal of track in the entire Eastside Rail Corridor, specifically Kirkland's 5.75 mile portion. Kirkland's portion is critical to the long-term goal of providing commuter rail connecting Snohomish County to communities along the eastside of Lake Washington.

We believe the rails and trails concept provides the most public benefit and is consistent with the public's intent when purchasing the line in 2009. King County's existing easement for the rail line articulates the intent "that the property be used for regional recreational trail and other transportation purposes, including...rail." In a 2010 court deposition, then Port of Seattle Commissioner Gael Tarleton stated that "the reason for that paragraph was to make it explicit that the rail had to be preserved; that you couldn't have just a recreational trail."

Our highways and rails are important assets to protect to generate economic development and provide transportation for the public. Maintaining and upgrading publically owned transportation lifelines is always a high priority for the public. The Eastside Rail Corridor is a precious asset that has been owned by the public since 2009 and must be preserved. To this end, we also support the \$6.2 million funding for the first phase of maintaining the Eastside Rail Corridor.

Thank you for your time and consideration of this issue.

Sincerely,

Troy McClelland  
President & CEO



**Spectrum Glass Company**

05/01/2013

235008

To whom it may Concern,

Spectrum Glass has been operating in Snohomish County for over 30 years. We are the leading manufacture of stained glass in the World, and have customer on every continent, save Antarctica. We currently have over 100 employees, 60 of which been with Spectrum for over 10 years. We are also the leading manufacture of glass for glass blowers; we supply a number of local glass blowers, which range from production shops like Glassbaby to schools like Pilchuck Glass School and the Museum of Glass in Tacoma.

We rely on rail freight to bring in our two largest raw materials of Sand and Soda Ash. Without Sand or Soda Ash, none of our manufacturing is possible. We believe adding additional uses to the rail line are the best way to guarantee its future viability. These uses could include commuter rail, excursion trains, and non-motorized traffic. We are fully in support of an expansion of the uses for this rail line.

We also are working with Eastside Community Rail, and Ballard Terminal Railroad to investigate the viability of a transloading operation at our secondary facility in the Maltby area.

I am exciting to see the work that the Eastside Community Rail team has done, and the direction they are heading in. We fully support them in their endeavors.

Sincerely,

Kyle Barker  
President  
Spectrum Glass Company

State of  
Washington  
House of  
Representatives



235008

April 2, 2013

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Room 1034  
Washington, DC 20024

Re: Finance Docket No. 35731  
Ballard Terminal Railroad Company, LLC-Acquisition and Operation Exemption—Woodinville  
Subdivision

Docket No. AB-6 (Sub-No. 465C)  
BNSF Railway Company—Abandonment Exemption—in King County, WA

Dear Ms. Brown,

We are writing to you as members of the Washington State Legislature concerned about preservation of Washington's rail infrastructure. While we appreciate the depth and breadth of the community engagement that the City of Kirkland has embarked upon in the last few years, we encourage the joint development of rail freight, commuter, and excursion uses in conjunction with trail uses on the Eastside Rail Corridor.

Our concerns stem from our belief that existing transportation infrastructure must be retained. We share the concerns of the Eastside TRailway Alliance as expressed by co-chairs, Snohomish Mayor Karen Guzak and Woodinville Councilmember Les Rubstello. Specifically, the imminent removal of the 5 mile section of track by Kirkland is counter to facilitating Snohomish-King County discussion on coordinated investments in rails and trails.

We believe that the Eastside Rail Corridor represents an irreplaceable resource and opportunity for the communities along the Corridor and throughout the region. We are also mindful of the efficiencies and carbon offsets inherent in rail transport. Specifically, there are numerous public and private projects in Bellevue that could use this rail corridor to reduce emissions and wear and tear on roadways. Put simply, this unique right-of-way provides opportunities for both economic

State of  
Washington  
House of  
Representatives



235008

development and recreation while fostering vibrant communities and serving the region's growing transportation needs.

Community and business interests have pointed out to us that the Eastside Rail Corridor is a community asset of great potential value once existing sections are restored sufficiently. In light of these numerous benefits, we support the effort to improve rail between the cities of Snohomish and Woodinville as a first step in realizing this potential.

As strong supporters of integrating trail and rail links, and all of the opportunities they provide, within and between our communities, we encourage a complete and inclusive dialogue between all stakeholders along the Eastside Rail Corridor.

Sincerely,

Rep. Luis Moscoso

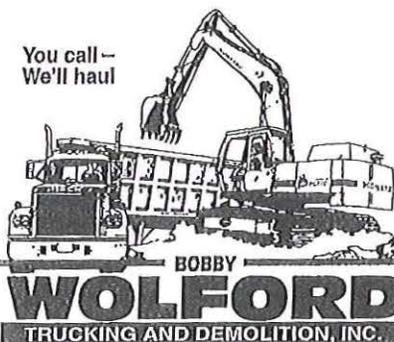
Sen. Rosemary McAuliffe

Rep. Gael Tarleton

Rep. Mike Sella

Rep. John McCoy

22014 West Bostian Rd.  
Woodinville, WA 98072  
(425) 827-7530/481-1800  
FAX # (425) 486-6613



- 40 / 50 yard Debris Trailers
- Lowboys
- Belly Dumps
- Track Hoes, Loaders & Dozers

235008

March 27, 2013

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Room 1034  
Washington, DC 20423-0001

Dear Ms. Brown:

Bobby Wolford Trucking (BWT) was founded in 1972 to provide general demolition and trucking services, primarily to the real estate development industry. Since then we have added full recycling service for construction debris (such as concrete), land clearing debris, and the like. We are a Snohomish County certified "Intermediate Solid Waste Handling Facility" and processor of these materials. Our processing yard is located in Maltby (Snohomish County), alongside the BNSF railroad's former Woodinville line, now known locally as the Eastside Rail Corridor (ERC).

I am writing to stress the importance of restoring rail service to the next segment of the ERC, between Woodinville and Bellevue, Washington, a rail line that is currently inactive and rail-banked. We very much support continued freight use and enhancement of the entire ERC. In fact, we have started planning with the current railroad operator, Ballard Terminal Railroad (BTR), to construct a spur track from the main rail line directly into our recycling yard. This would allow us to both receive material to be recycled from up and down the corridor, as well as to economically ship out sorted and processed materials by rail to their final disposal point, e.g., land fills in southern Washington.

Ms. Cynthia T. Brown  
March 26, 2013  
Page 2

There are several major highway and secondary roadway projects scheduled in the area of Bellevue, Washington over the course of the next several years. These projects, plus multiple new high-rise buildings, will necessitate the export of hundreds of thousands of cubic yards of excavated materials, building demolition waste, and roadway grading spoils. We are currently targeting projects on I-405 and SR520 for the 2013 and 2014 construction seasons. A future light rail system with a tunnel and "cuts" are within one mile of the railroad, and will also require substantial movement of spoils and raw materials. Additionally, we anticipate ongoing construction projects in the future, on a regular basis. We estimate the volume of these projects at over three million cubic yards of construction spoils over the next several years.

We need to have the rail line intact to provide this service and to be able to bid on these important projects. We have already estimated that our bid would be at least 15% less expensive to our clients than the trucking option. For us to provide competitive and viable bids, we need the rail intact and active.

We have consulted with Eastside Community Rail (ECRR), the owner of the rail freight easement in the corridor, about the logistics of moving large quantities of excavated material from construction projects in King County by rail for direct placement as road or trail base alongside their existing railroad embankment, mainly in Snohomish County. BWT has extensive experience hauling for excavation contractors. We agree with ECRR that using rail to replace thousands of long truck hauls to dump sites would greatly reduce traffic congestion and wear on the region's highways, and would obviously reduce air pollution from diesel exhaust, too. Since the ERC runs right through areas of King County where there will be many large construction projects, it makes sense to use rail cars to move excavated material out of and some bulk construction materials in to those project areas. In view of the proximity of these various projects to Bellevue, Washington, restoration of rail service from Woodinville to Bellevue is critical to the efficient transportation of construction materials. Sole use of an already overburdened highway system, which is one of the worst in the country, via truck transportation is neither efficient, cost-effective nor particularly safe.

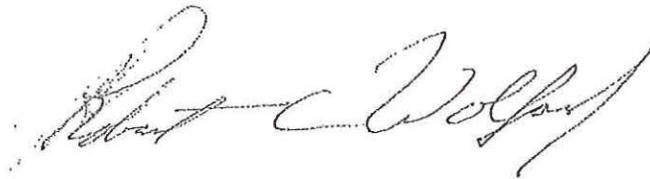
Ms. Cynthia T. Brown  
March 26, 2013  
Page 3

In conclusion, even though we are a trucking company, we see the benefit to all of us of <sup>235008</sup> maintaining a functioning, thriving railroad through the east side of both King and Snohomish Counties, and keeping our communities connected by rail to the rest of the country. We also support the multiple uses of this public corridor, like trails, or some form of passenger rail services, that so many other agencies are planning. The opportunity to utilize the Eastside Rail Corridor as a viable option for the movement of construction materials is very advantageous for this region of the Puget Sound. We look forward to a strong future for economic growth in the Bellevue, Kirkland, Redmond and Snohomish County areas. The ability to help lower traffic congestion while still servicing the market with the necessary construction material needs by allowing rail to be utilized will help CalPortland, Ballard Terminal Railroad, Eastside Community Rail and others provide service to the community in the most efficient manner possible. The resumption of rail service to Bellevue would also promote the responsible reduction of truck exhaust emissions and wear to the region's roads.

Thank you for considering our position to reactivate the rail corridor for our business and for the community.

Very truly yours,

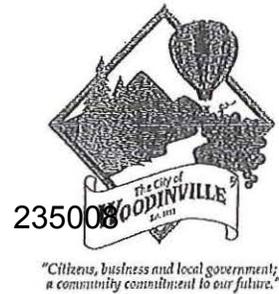
Bobby Wolford



Owner  
Wolford Trucking and Demolition

March 8, 2012

The Honorable Kirkland City Council  
123 5th Avenue  
Kirkland WA, 98033



Honorable City Council:

Re: Eastside Rail Corridor

The Eastside Rail Corridor has been identified as a regionally important dual use "rails and trails corridor" that could provide crucial long-term public transportation, freight, and excursion train links; as well as unsurpassed regional non-motorized recreational trail links.

It has come to our attention that Kirkland intends to remove the existing railroad tracks within the portion of the corridor owned by Kirkland to build a non-motorized pedestrian/bicycle trail. While we respect Kirkland's ownership position and desire to expedite the benefits of this corridor for its citizens; we ask that you consider delaying removal of the tracks until later this year. This corridor, particularly through Kirkland, is of great importance to Woodinville and the region.

As you know, the Eastside Rail Corridor Regional Advisory Council, of which Kirkland is a member, is currently discussing and planning the future of the corridor. We understand the Advisory Council will present its recommendations in Summer 2013 and request that Kirkland consider delaying removal of the tracks until these recommendations are known. At that time, Kirkland can determine if it is in the best interest of its citizens and the region to remove the tracks, after full consideration of regional issues and impacts.

We appreciate your consideration of our request. We offer to host a Kirkland-Woodinville Joint City Council Meeting to further discuss this matter as soon as it can be arranged.

We look forward to your response.

Sincerely,

Bernard W. Talmas, Mayor

Cc: Kirkland City Council  
Kirkland City Manager  
Woodinville City Council  
Woodinville City Manager