



PO BOX 30014
 LANSING, MI 48909 7514
 PHONE (517) 373 7515
 TOLL-FREE (800) FLINT-49
 FAX (517) 373 5817
 E-MAIL leugonzales@house mi gov

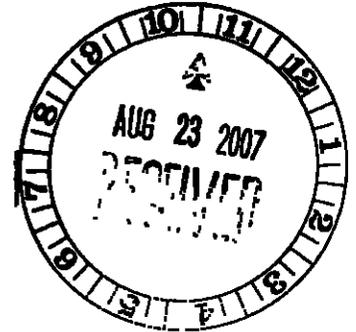
MICHIGAN HOUSE OF REPRESENTATIVES
LEE GONZALES
 STATE REPRESENTATIVE
 49TH DISTRICT

**APPROPRIATIONS
 SUBCOMMITTEES**
 TRANSPORTATION (C)
 HIGHER EDUCATION (VC)
 JOINT CAPITAL OUTLAY

August 21, 2007

Commissioner Charles D Nottingham, Chairman
 Commissioner W Douglas Buttrey, Vice Chairman
 Commissioner Francis P. Mulvey, Board Member
 Surface Transportation Board
 395 East Street, S W.
 Washington, DC 20423-0001

ENTERED
 Office of Proceedings
 AUG 23 2007
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 Public Record



RE: Finance Docket #s: 35063 – Michigan Central Railway, Llc *- 220128*
 35064 – Watco Companies, Inc. *- 220129*
 35065 – Norfolk Southern Railway Company *220130*

Dear Surface Transportation Board Commissioners,

As Chair of the Michigan House Transportation Subcommittee on Appropriations, I am deeply concerned with the pending sale of Norfolk Southern rail lines to a Class Two (formerly Class Three) railroad operator, Kansas-based Watco Companies. This sale will no doubt impact Amtrak's Wolverine service as well as the Detroit-Chicago corridor, which is an important

Michigan freight rail line. This operator change, I believe, will negatively affect constituents and businesses not only in my district but in the state of Michigan overall.

Selling Norfolk Southern to a smaller operator has many negative ramifications that need to be acknowledged and addressed. First, it would jeopardize the safety of transporting large cargo and hazardous material. Second, smaller operators do not have the money and resources to properly maintain a rail line, putting the safety of our constituents at risk. Lastly, given Michigan's high unemployment rate, we cannot afford this potential sale to threaten 230 United Transportation Union jobs. Selling off rail lines to companies who do not offer the same level of professionalism and care is irresponsible and is a precedent we do not want to start.

Furthermore, Amtrak's Blue Water line, which runs through my district, is a source of pride in the Flint area serving as a catalyst to increase tourism and economic development. I know my constituents and I would oppose any portion of this line being sold to a company who would not maintain it at the highest level of safety possible - Norfolk Southern is no different.

I respectfully request the Surface Transportation Board put in place conditions that are favorable to Michigan businesses and take into consideration our local companies and communities as well as how this sale could potentially change businesses and tourism in our great state. It is imperative this high speed rail corridor be treated with the utmost sensitivity and not be neglected. We must continue to be served with a First Class railroad operator - one that can uphold the standards of safety and good track maintenance.

I would be pleased to discuss these concerns with you further at your convenience. If you have any questions, please contact Vicki Baron in my office. Thank you for your time.

Sincerely,


Lee Gonzales

State Representative

49th District

cc: Honorable Carl Levin
Honorable Debbie Stabenow
Honorable Dave Camp
Honorable John Conyers, Jr
Honorable John D. Dingell
Honorable Vernon J. Ehlers
Honorable Peter Hoekstra
Honorable Dale E. Kildee
Honorable Carolyn Cheeks Kilpatrick
Honorable Joe Knollenberg
Honorable Sander Levin
Honorable Thaddeus G. McCotter
Honorable Candice S. Miller
Honorable Mike Rogers
Honorable Bart Stupak
Honorable Fred S. Upton
Honorable Tim Walberg