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AUG - 2 2010

**SURFACE
TRANSPORTATION BOARD**

July 30, 2010

The Honorable Ann K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

FD 35399

Swanson Rail Transfer, Lease
BDB Acquisition
DeMento Continue in Control

Office of Proceedings
AUG - 2 2010
Public Record

Dear Acting Secretary Quinlan:

Enclosed please find three Notices of Exemption related to the development of a transload and transportation operation on a former railroad yard property in Philadelphia. The first is to retroactively approve the sale of the property by Conrail to BDB Company, a Pennsylvania general partnership of which B. Robert DeMento and Baggio Herman DeMento are the partners. The second is to approve the lease of the property to Swanson Rail Transfer, a Pennsylvania Limited Partnership which is controlled by the DeMento brothers. The final is to allow the DeMento brothers to continue in control of both BDB and Swanson.

There is a loose original and eleven stapled copies of each notice of exemption. There is no CD disk as we have been unable to scan the exhibits and in color and black and white the maps are not legible. Also enclosed, please find two checks for \$1,800 for the filing fees for the acquisition and the lease and \$1,700 for the continue in control. Please note that this transaction does not seek a land use permit as to the extent the carrier to be formed will handle waste it has been fully permitted by the State.

Should there be any problems with these submissions please call me.

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**SURFACE
TRANSPORTATION BOARD**

Thank you for your attention to this matter.

Very truly yours,

John F. McHugh

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BEFORE THE

SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 35399

SWANSON RAIL TRANSFER, L.P.

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Office of Proceedings

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Part of
Public Record

NOTICE OF EXEMPTION

LONG TERM LEASE OF ACTIVE RAILROAD PROPERTY FROM BDB COMPANY

Swanson Rail Transfer, L.P. (hereinafter "SRT") a non carrier, has filed a notice of exemption pursuant to 49 CFR §1150.31(a)(2) to enter into a long term lease of active railroad property for the ultimate purpose of commencing the operation of common carrier rail service upon said property (hereinafter the "Property").

a. The property is owned by BDB Company. BDB purchased the lands in issue from Conrail in April, 2005 and by notice of exemption being filed simultaneously is seeking authority to become a rail common carrier due to its ownership of active railroad property. SRT is a Pennsylvania Limited Partnership, the full partner of which is SRT, LLC owned by B. Robert DeMento, Jr. and Baggio DeMento who are the only partners in BDB Company, a Pennsylvania general partnership. SRT was created to develop and operate a common carrier truck-rail transfer facility and to transport material on the nation's rail system as a rail common carrier in railcars it owns or controls. The transload, facility to the extent it will handle waste products,

has been fully licensed by the State of Pennsylvania. Beyond the transloading activity SRT will provide common carrier rail transportation services to the general public on the nation's railway system to and from the Philadelphia facility.

b. SRT is represented in this matter by John F. McHugh, Esq. 6 Water Street, New York, N.Y. 10004, 212-483-0875

c. SRT has entered into a long term lease with BDB wherein SRT has the right to construct transloading facilities on the parcel of land which BDB purchased from Conrail. SRT also succeeds BDB under a track maintenance agreement with Conrail which facilitates maintaining a certain industrial siding which is on the property so as to continue to provide rail service as requested by Philadelphia Southeast Wastewater Treatment Plant (the "PSEWTP") until such time as SRT is capable of providing that service directly:

1. The Property is a parcel of railway yard land, known as the Swanson Rail Yard, running between Pattison Avenue, and a Delaware River Port Authority right of way which is used for the Walt Whitman Bridge approach which carries Interstate 76, all within the City of Philadelphia.

2. The Property is approximately 159.54 feet wide (East/West) and approximately 2,063 feet long (North/South). The land is somewhat narrower at the north end since it does not include land under Conrail's Through Track, known as the Swanson Street Lead described in paragraph 4, below. The Property is adjacent to said Swanson Street Lead track which is west of the Property. The lead track and the lands here in issue were formerly part of the Philadelphia Belt Line Railroad.

3. The Swanson Street Lead begins at a switch in the Delaware Extension Yard Track, Conrail Line Code 1143 (also referred to as the Delaware Extension) at Milepost 7.5, which switch is located about 750 feet south and west of the southwestern corner of the Property.

4. The Property contains a service track (hereinafter the "Service Track") which runs from the Swanson Street Lead to the, PSEWTP which is adjacent to and East of the Property. The Service Track is connected to the Swanson Street Lead approximately 2,400 feet north and east, along the Swanson Street Lead from Delaware Extension MP 7.5. The Service Track crosses the Property on a diagonal from northwest to southeast. SRT by Conrail will continue to provide rail service as requested by PSEWTP and upon completion of construction and the commencement of operations SRT will undertake that service itself.

5. The Property was part of the Swanson Rail Yard which, in turn, was part of the Philadelphia Belt Line Railway. All yard track had been removed prior to the installation of the Service Track.

6. SRT, in a separate proceeding before this Board will be seeking authority to construct a transloading facility and related rail infrastructure on the property which will include the installation of about 2,300 feet of main track and a holding yard for loaded and empty rail cars. The facility is to be capable of handling, solid waste and other bulk commodities. The planned solid waste facility has been fully permitted by the State of Pennsylvania.

d. The name of the rail service operator will be Swanson Rail Transfer, LP, a rail common carrier.

1. No prior carrier provided common carrier transloading services on this property. BDB did not operate. The address of the common carrier which last provided rail services utilizing this property was Conrail, 1000 Howard Blvd., Mt. Laurel, NJ 08054.

2. The main track to be operated on the Property will be confined to the State of Pennsylvania, City of Philadelphia and run: (a) from the property line separating the Property from Conrail's Swanson Street Lead at Pattison Avenue in Philadelphia, PA; (b) along the Property's western boundary, immediately east of the Swanson Street Lead; (c) to the Delaware River Port Authority right of way (Walt Whitman Bridge approach/Interstate 76).

3. As of the date of the transaction here in question there was no operating track on the premises other than the Service Track which is approximately 1,300 feet. There are no mileposts on this line. SRT's operations will be confined to service requested by "PSEWTP" via the Service Track until full development of the Property can be approved by this Board and achieved.

e. Neither construction nor operation will commence before:

(i) receipt of operating authority herein requested;

(ii) receipt of authority to construct the needed rail infrastructure, including an interchange with Conrail on the Swanson Street Lead which application will be filed upon;

(iii) receipt of all State and Local permits as may be applicable;

(iv) completion and approval of an environmental review by the Federal Railway Administration and by this Board;

(v) approval of financing;

Operation beyond the Service Track cannot commence until completion of construction.

f. A map of the Property



→North

A second map showing a wider area is attached hereto as Exhibit A

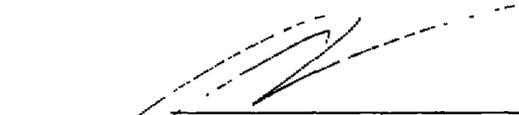
g. Applicant certifies that its projected revenues of Swanson Rail Transfer LP will not exceed five million dollars.

h. This transaction will not displace any railroad employees. Thus, no labor protection is required pursuant to 49 U.S.C. §11326(c).

i. This transaction qualifies for classification under 49 C.F.R. §1105.6(c)(2) and therefore, neither an Environmental Report nor a Historic Report is required as this application seeks approval of the lease and rail common carrier status only and neither construction or operation will be possible until a further application for construction authority has been granted, which will be subject to an environmental and historical review.

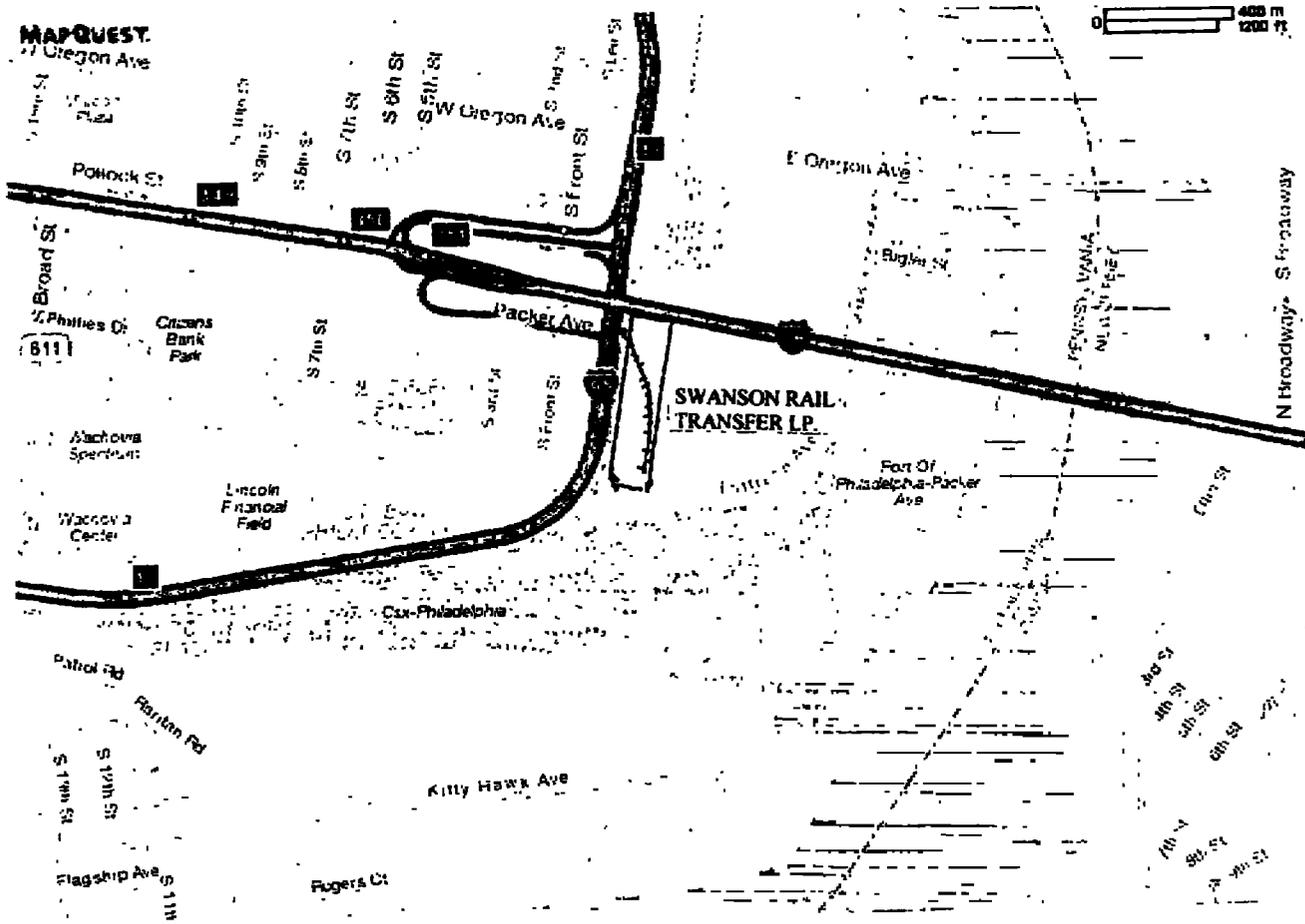
Dated, New York, N.Y.
July 29, 2010

Respectfully Submitted,



John F. McHugh
6 Water Street
New York, N.Y. 10004
212-483-0875

EXHIBIT A



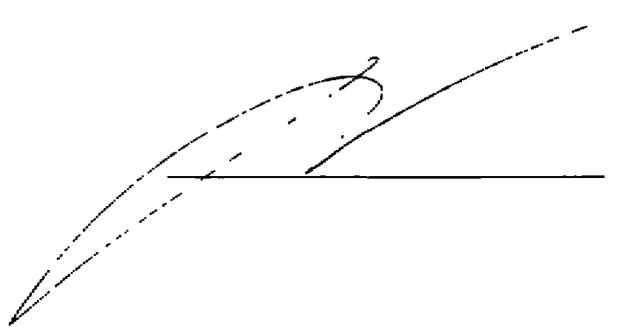
VERIFICATION

John F. McHugh declares pursuant to 28 U.S.C. §1746 that he is the attorney for Swanson Rail Transfer, LP and is authorized to make this declaration, and knows the representations hereinabove made in this Notice of Exemption are correct from his own knowledge and/or that he believes the information provided to be correct based upon the information known.

The undersigned declares under penalty of perjury that the forgoing is true.

Dated. New York, N.Y.

July __, 2010

A handwritten signature in black ink is written over a solid horizontal line. The signature is cursive and appears to read 'John F. McHugh'. A dashed line follows the curve of the signature above the solid line.

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35399

SWANSON RAIL TRANSFER, L.P.

NOTICE OF EXEMPTION

**LONG TERM LEASE OF ACTIVE RAILROAD PROPERTY FROM BDB
COMPANY**

CAPTION SUMMARY

Swanson Rail Transfer, LP, a Pennsylvania Limited Partnership (hereinafter "SRT") a non carrier, has filed a notice of exemption pursuant to 49 CFR §1150.31(a)(2) to enter into a long term lease of active railroad property. The property is owned by BDB Company a Pennsylvania general partnership of B. Robert DeMento, Jr. and Baggio DeMento. The property subject to the lease was formerly known as the Swanson Street Yard of the Philadelphia Belt Railroad, now Conrail, and is a 159.53 foot wide strip of land about 25 feet east of Rt. 95 lying between Pattison Avenue, and the Delaware River Port Authority right of way, known as the Walt Whitman Bridge approach which carries Interstate 76, all within the City of Philadelphia. The land is 2063 feet long and is accessed from Conrail's Swanson Street Lead by a switch located about 2400 feet north of M.P.

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**SURFACE
TRANSPORTATION BOARD**

7.5 of Conrail's Delaware Extension Yard Track, Conrail Line Code 1143. The track on the property is about 1,300 feet in length.

Dated, New York, N.Y.
July 30, 2010

John F. McHugh
Attorney for Swanson Rail Transfer LP
6 Water Street
New York, N.Y. 10004
212-483-0875
Fax: 212-483-0876