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Attorney at Law  
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New York, NY 10004



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**FILED**

AUG - 2 2010

**SURFACE  
TRANSPORTATION BOARD**

July 30, 2010

Of Counsel  
W. Patrick Quast  
P.O. Box 444  
20 Harrison St.  
Waldwick, N.J. 07463  
201-444-5990  
Fax 201-444-5094

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

227555

FO 35400

Swanson Rail Transfer, Lease  
BDB Acquisition  
DeMento Continue in Control

**FEE RECEIVED**

AUG - 2 2010

**SURFACE  
TRANSPORTATION BOARD**

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.

**Thank you for your attention to this matter.**

**Very truly yours,**

**John F. McHugh**

**FEE RECEIVED**  
AUG - 2 2010  
SURFACE  
TRANSPORTATION BOARD

227555



BEFORE THE  
**SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35400

**NOTICE OF EXEMPTION OF B. ROBERT DeMENTO AND BAGGIO  
HERMAN DeMENTO TO CONTINUE IN CONTROL AFTER LEASE OF  
RAILROAD PROPERTY AND RIGHTS OF BDB COMPANY TO  
SWANSON RAIL TRANSFER, LP**

**CAPTION SUMMARY**

B. Robert DeMento, Jr. and Baggio Herman DeMento, the partners of BDB Company (hereinafter "BDB"), a Pennsylvania general partnership which has applied for retroactive approval of its acquisition of lands devoted to rail common carriage, have filed a notice of exemption pursuant to 49 CFR 1180.2(d)(2) to continue in control of BDB (landlord) and Swanson Rail Transfer LP (Swanson) (tenant) in each of which they will hold a controlling interest. Swanson is seeking authority to lease the property and right to operate common carrier rail transloading service on the lands owned by BDB Company and to transport material as a rail common carrier in rail cars it owns or controls.

The lands in question and proposed transloading operation will be confined to a 2,063 ' by 159.53' parcel of land in Philadelphia, Pennsylvania located between Pattison Avenue and the Walt Whitman Bridge parallel to and about 25' east of Route 95. Construction of facilities on the property will not occur until such construction has been approved in a second proceeding following an environmental assessment.

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AUG - 2 2010  
SURFACE  
TRANSPORTATION BOARD

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



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



**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

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FINANCE DOCKET NO. \_\_\_\_\_

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**NOTICE OF EXEMPTION OF B. ROBERT DeMENTO AND BAGGIO  
HERMAN DeMENTO TO CONTINUE IN CONTROL AFTER LEASE OF  
RAILROAD PROPERTY AND RIGHTS OF BDB COMPANY TO  
SWANSON RAIL TRANSFER, L.P.**

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Robert B. DeMento, Jr. and Baggio Herman DeMento the partners of BDB Company (hereinafter "BDB"), a Pennsylvania general partnership, which has applied for retroactive approval of its acquisition of lands devoted to rail common carriage, have filed a notice of exemption pursuant to 49 CFR 1180.2(d)(2) to continue in control of BDB (landlord) and Swanson Rail Transfer LP (SRT) (tenant) of which they will hold a controlling interest. SRT is seeking authority to lease the property and right to operate common carrier rail service based on said lands (hereinafter the "Property") owned by BDB Company, and leased to SRT.

a. 49 CFR 1180.6(a)(1)(i): SRT is a non carrier which has simultaneously filed a notice of exemption to lease and eventually to operate rail transportation services on a parcel of land formerly owned by Consolidated Rail Corporation (hereinafter "Conrail"), a common carrier, within the City of Philadelphia, PA and purchased from Conrail by BDB in April, 2005. BDB is a general partnership formed under the laws of Pennsylvania with an address at 225 North Olive Street, Media, Pennsylvania 19063, which is also filing a notice of Exemption for authority to acquire such property from Conrail and to continue its railroad use. BDB is a partnership between B. Robert DeMento, Jr. and Baggio Herman DeMento (applicants). Neither BDB nor

applicants now control or own any other railroad or rail operation. BDB's railroad land is to be leased to SRT in which the applicants will have a controlling interest. The name of the rail service operator on the property will be Swanson Rail Transfer, LP. Swanson's address is 225 N. Olive Street, Media, PA 19063.

b. BDB is represented by John F. McHugh, 6 Water Street, New York, N.Y. 10004, 212-483-0875, Fax 212-483-0875.

c. 1180.6(a)(1)(ii) Operation of any rail service on the subject leasehold other than on a service track (see below) by Conrail will not commence until after:

(i) approval of an exemption or petition for authority to construct the needed facilities and tracks on the property,

(ii) approval of an environmental assessment by this Board

(iii) completion of the construction of all facilities.

(iv) service to other industries on the Swanson Street Lead must await negotiation of an agreement with Conrail.

d. 1180.6(a)(1)(iii) The purpose of this transaction is to allow applicants to continue in control after their partnership becomes the landlord of the limited partnership in which they will control the general partner which limited partnership will use 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/Interstate 76, all within the City of Philadelphia as a transload facility and the base for transportation of materials on the nation's railway system in railcars owned or controlled by SRT and to perform switching services for other customers on the Swanson Street Lead under an anticipated agreement with Conrail.

1. BDB did not operate any service on the property therefore the address of the common carrier which last provided service utilizing a service track is which crosses this property is Conrail, 1000 Howard Blvd., Mt. Laurel, NJ 08054.
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 the Swanson Street Lead, described in paragraph 4, below.
3. Conrail continues to own and operate a through track adjacent to and West of the Property, which was formerly part of the Philadelphia Belt Line Railroad and currently known as the Swanson Street Lead. 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. An industrial siding (hereinafter the "Service Track") runs from Conrail's Swanson Street Lead to the Philadelphia Southeast Wastewater Treatment Plant ("PSEWTP"), a rail customer 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. BDB has agreed to have Conrail continue to provide rail service as requested by PSEWTP and will continue to provide service as needed as construction of the new facility and operation takes place.

5. The Property was part of the Swanson Rail Yard which, in turn, was part of the Philadelphia Belt Line Railway from which all yard track had been removed prior to the installation of the Service Track.
  6. Upon acquiring the Property BDB entered into a track maintenance agreement with Conrail with the intention of maintaining the Service Track so as to continue to provide rail service as requested by PSEWTP and SRT succeeds to that agreement which will continue until SRT is capable of providing this service with its own equipment.
  7. Applicants formed, SRT, with an address at 225 N. Olive Street, Media, PA 19063, for the purpose of permitting and developing the Facility. In addition to transloading, SRT will transport materials handled by rail in railcars it owns or controls. It is anticipated that SRT will provide switching service to other industries on the Swanson Street Lead. SRT's services will be available to the general public based upon uniformly applied rates.
  8. SRT will not endeavor to construct the transload Facility before obtaining all required state and local permits, licenses and approvals, and an appropriate order to construct the required rail infrastructure from the Board, which will be sought through a separate petition which SRT intends to file at the appropriate time. In that regard SRT has approached the Section for Environmental Analysis and has obtained necessary State permits. No land use permit from this Board will be required.
- e. 49 CFR 1180.6(a)(5) the property in issue is in Pennsylvania.
- f. A map of the property is here and a second map is attached as Exhibit B:



**→ North**

**A larger map is attached as exhibit A**

g. The revenues from the contemplated rail service are projected to be less than \$5,000,000 per annum.

h. As stated above, an environmental assessment is being conducted by the Federal Railroad Administration and it is assumed that the Section for Environmental Analysis will be a full participant in that Assessment, thus the requirements of 49 C.F.R. §1105.1 et seq. will be met.

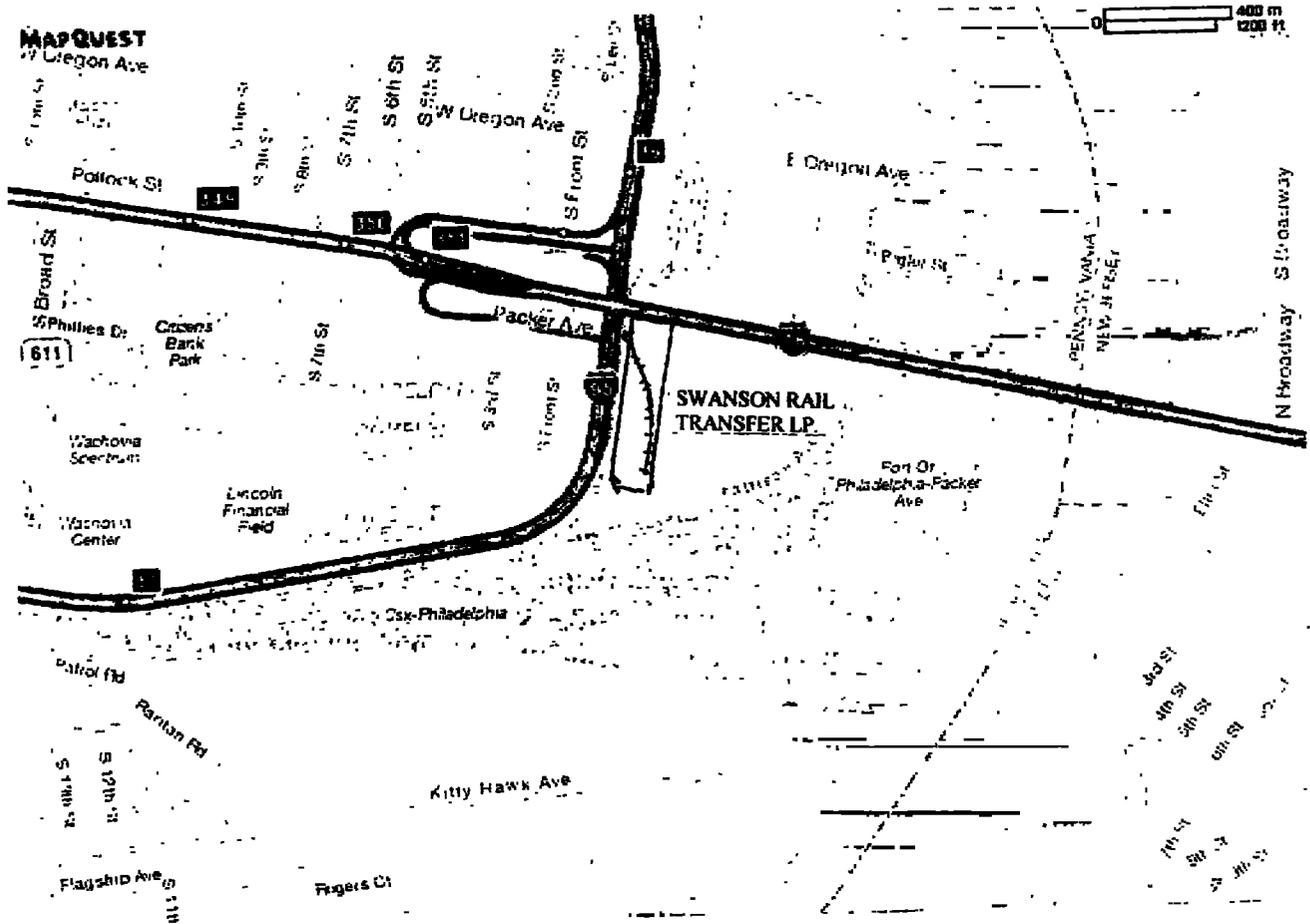
g. This transaction will not displace any railroad employees. Thus, no labor protection is required pursuant to 49 U.S.C. §11326(c).

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



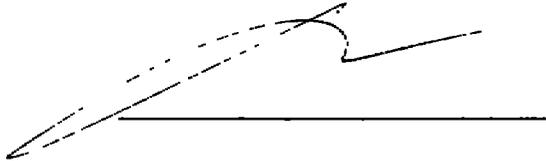
VERIFICATION

John F. McHugh declares pursuant to 28 U.S.C. 1746 that he is the attorney for BDB Company 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, consisting of a series of loops and a long horizontal stroke, is positioned above a solid horizontal line that extends across the width of the signature.