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1 propaganda blitz, and I also deplore the fact, the hypocrisy
2 of city hall. I have been telling them they have a far
3 worse noise, danger and blight situation down at the airport
4 which have they totally ignored. And I'll get to my point.
5 It sounds like it is off the subject, but I'm going back to
6 it in a moment.

7 They have totally ignored this blight and
8 danger at the airport. It is far worse. They had an
9 airplane crash into a school three weeks ago. Did you know
10 that? I mean a real accident, not a potential accident like
11 the train. They had a real accident. I'm not defending the
12 railroad on this.

13 My point is this. I wish to God the senators
14 had stayed here, because I'm an idea man. When I was a B52
15 pilot in the Air Force, I came up with one idea that has
16 saved the nation over a billion dollars already. A simple
17 little idea that anybody could have come up with. I came up
18 with it.

19 I think that these folks, the senators, I hate
20 to say city hall because I don't really trust them, but
21 these folks and the senators ought to sit down because they
22 are wasting over a hundred million dollars, and the city
23 counsel agreed to it, they are going to waste over a hundred
24 million dollars to build a military base right in the middle
25 of Reno, and nobody is talking about that. This military

1 base will be ten times worse, a hundred times worse than
2 anything this railroad could ever do. The noise and danger
3 and blight of that.

4 So I really suggest that you sit down with the
5 senators, and I'll be happy to join in and tell you my ideas
6 which I have been putting in the Reno Citizen for several
7 years now. Thank you.

8 (Applause.)

9 MS. WILSON: Minor Kelso, Tom Melancon, David
10 Kim Simpson.

11 FROM THE AUDIENCE: Mr. Simpson is one of the
12 folks out at the press conference.

13 MS. WILSON: What about Minor Kelso? Tom
14 Melancon?

15 Okay. Ken Coxey. And John Spitzner. Ken
16 Coxey? John Spitzner.

17 Several people have turned in cards that left
18 the meeting that we'll have from tonight. I don't believe
19 any of them are in the room right now.

20 At this point that concludes all of our cards.
21 I'd like to thank everybody for coming. It's been a long
22 afternoon.

23 You have got a few more to turn in. We'll be
24 glad to take them. We still have some time. Any other
25 cards?

1 MR. RINNE: Hello, folks. My name is Pete
2 Rinne, and I'm a retired airline pilot and came to Reno to
3 live in '81.

4 I look at this a little bit different than
5 other people do. This is a bad airport. It's in a bowl.
6 And we used to try to avoid this airport because if you are
7 on your way down and couldn't hold altitude or climb, you
8 had one shot at an approach. If you didn't make it, you
9 cleaned up the town maybe.

10 And there was an accident mentioned the other
11 day, little higher altitude. The big airplanes can't get in
12 and out of here, it is not a big enough airport.

13 Thinking back, I was born in 1919, started
14 flying in 1940. So I was -- it was 37 years till I started
15 flying, and I retired 39 years after I started flying.

16 Now we have got a railroad here that goes
17 through the middle part of the United States north and south
18 and starts the west and goes to east. Transcontinental.
19 And it's almost unbelievable to have to slow up to 30 miles
20 an hour going through town, or maybe 20. So it's kind of a
21 slow process.

22 Now Japan, they have trains going 90 miles an
23 hour, and I read, and the city don't seem to care. They
24 just keep it clear. Now they are getting trains to do 260.
25 And that will be part of the future.

1 And I think we ought to get out of the flood
2 area with railroad tracks, and I can't imagine somebody
3 building another railroad through town that's got railroad
4 tracks at the bottom of it. Maybe that way they could carry
5 twice as much water.

6 So I can't see building this thing underground.
7 That's the main reason I'm here today. At least it should
8 be maybe north out of the flood level.

9 MS. WILSON: Thank you.

10 MR. RINNE: The airport got water on it. So we
11 couldn't fly in and out of the airport. So now we're going
12 to build the trains under the water line? So that's just my
13 thought.

14 MS. WILSON: Thank you very much and thank you
15 for waiting.

16 (Applause.)

17 MS. WILSON: Mr. Napienski. Please come up to
18 the podium. We have a court reporter.

19 MR. NAPIENSKI: Frank Napienski. I have talked
20 to you a number of times.

21 One of the things I have noticed about most of
22 the meetings I have ever been to, PSC, this or any other ICC
23 hearing, is that we're mostly being addressed by people that
24 don't know what the hell they are talking about and who have
25 a hidden agenda. What I would like you to do is give a lot

1 more consideration to the railroad engineers that have been
2 up here speaking, and when I'm referring to the engineer,
3 I'm referring to the guy that's at the front of the train
4 that all the collapsing boxcars are going to hit if they do
5 something wrong or if something goes wrong.

6 What they are saying is there is a certain
7 amount of safety issues that have been brought up and
8 propagandized that are bull, and we all know it, but the guy
9 on the front of the train, he better know if it's true or
10 not. Those guys are telling us and told us today and have
11 told us at previous meetings that these trains are a lot
12 safer than people think they are, that the speeds are
13 attainable, that the slow downs are attainable, that at
14 certain times you are not going to be able to stop anyway,
15 and they are the ones who are going to have to live the rest
16 of their life having hit the kid that crossed the train
17 tracks. If they are willing to live with it, and willing to
18 live with being in the front of that train and being the
19 first one killed, usually, I would suggest that we would all
20 do well to listen and give a little extra respect to their
21 opinions.

22 That's all I have. Thank you.

23 MS. WILSON: Thank you very much.

24 This concludes our afternoon session. If you
25 do want to submit additional written comments, the address

1 has been provided in the material at the door, and we'll
2 take those until October 16th.

3 We are having another meeting here this
4 evening, and we'll be starting with people that haven't
5 spoken and new people that come tonight. It's the exact
6 same meeting. Thank you very much.

7 (Meeting adjourned at 5:19 p.m.)
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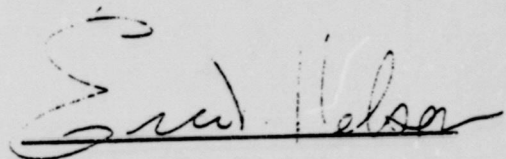
STATE OF NEVADA,)
) ss.
COUNTY OF WASHOE.)

I, ERIC V. NELSON, Certified Shorthand Reporter
and a notary public in and for the County of Washoe, State
of Nevada, do hereby certify:

That I was present at the Public Meeting of the
SURFACE TRANSPORTATION BOARD on Thursday, October 9, 1997,
and thereafter took stenotype notes of the proceedings, and
thereafter transcribed the same into typewriting as herein
appears;

That the foregoing transcript is a full, true
and correct transcription of my stenotype notes of said
proceedings.

Dated at Reno, Nevada, this 15th day of
October, 1997.

A handwritten signature in cursive script, appearing to read "Eric V. Nelson", written over a horizontal line.

ERIC V. NELSON, CCR #57

SURFACE TRANSPORTATION BOARD
SECTION OF ENVIRONMENTAL ANALYSIS

PUBLIC MEETING
October 9, 1997
Evening Session

Reno City Council Chambers
490 South Center Street
Reno, Nevada

Reported by: Lesley A. Clarkson, CCR #182

ORIGINAL

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A_P_P_E_A_R_A_N_C_E_S

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MANAGEMENT:

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OLIVIA PERREAULT
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Transportation/Transit
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Principal Transportation
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1 RENO, NEVADA, THURSDAY, OCTOBER 9, 1997, 7:00 P.M.

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3
4 MS. WILSON: Harold McNulty with the Section of
5 Environmental Analysis for the Surface Transportation Board.

6 MR. McNULTY: Good evening. Thank you all for
7 coming tonight.

8 We are here to hear your comments on the
9 preliminary mitigation plan that we have recently released.
10 And just to give you a little background to it, the purpose
11 of the study is to identify the environmental impacts of the
12 additional merger-related train traffic that will be going
13 through Reno in the near future.

14 The number of trains that we are actually studying
15 the impact of total 11.3 daily. We are to identify the
16 actions to reduce or eliminate the potential environmental
17 impacts of that train traffic, and we are also here, as we
18 have been in the past, to encourage negotiations to address
19 the existing train conditions that are already here.

20 A little study background. On November 30, 1995,
21 the Union Pacific and the Southern Pacific applied to the
22 Interstate Commerce Commission for authority to merge. The
23 Interstate Commerce Commission was succeeded by the Surface
24 Transportation Board, and on April 12, 1996, the Surface
25 Transportation Board released the environmental assessment

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1 for public comment.

2 On August 12, 1996, the Board approved a merger
3 with conditions, one of which directed the completion of an
4 18-month study here in Reno to determine what additional
5 mitigation measures should be imposed to mitigate the
6 increase in train traffic.

7 On September 12, the merger became effective. On
8 September 16 of this year we released our preliminary
9 mitigation plan for public comment.

10 The Board has authority to impose conditions in
11 rail mergers, but the authority is limited. The Board's
12 conditions must be reasonable. And we can only mitigate
13 those conditions which result from the merger.

14 In the main decision, Decision Number 44, the
15 Surface Transportation Board specifically stated that the
16 mitigation study would not address preexisting conditions
17 associated with hotels and businesses adjacent to the rail
18 line.

19 In a subsequent decision, Number 71, the Board
20 clarified that there would be two types of mitigation to be
21 considered. The first type is called tier one, which is
22 mitigation which the Board mandates and which is entirely
23 funded by the Union Pacific railroad. Tier two is a more
24 far-reaching kind of mitigation, and which requires voluntary
25 agreements to be reached and joint funding by interested

1 parties. An example of that is the depressed trainway, where
2 the benefits would go beyond what we can order.

3 These parameters were established by the Board and
4 guided the Preliminary Mitigation Plan preparation. We will
5 be discussing this in more detail later if we have the time.

6 We have a number of speakers tonight, and I'll let
7 Kay Wilson get started with it.

8 MS. WILSON: Thank you. I'm Kay Wilson, and I'm
9 going to be the moderator for tonight's meeting. And I'd
10 like to introduce the rest of the study team that worked on
11 the Preliminary Mitigation Plan.

12 This is Dave Mansen. He's the project manager for
13 the third-party independent contractor that worked with the
14 Section of Environmental Analysis to prepare the plan.

15 Olivia Perreault, a member of the study team.

16 Gul Shearin, engineer on the study team.

17 Winn Frank, the project director.

18 What I would like to do just quickly is summarize
19 some of the public agency input and the process that we use
20 during the preparation of the Preliminary Mitigation Plan.

21 We have consulted with a lot of agencies and
22 members of the public and community during the preparation of
23 the plan, and we received a lot of comments on what things
24 should be covered in the plan and what items should be, which
25 are of key importance to the city.

1 In terms of agency consultations, some the key
2 agencies that have been involved include the city of Reno,
3 Washoe County, the Nevada Department of Transportation, the
4 Nevada Public Service Commission, the Federal Railroad
5 Administration, and the U.S. Fish and Wildlife Service.

6 In February we had public meetings here, some of
7 you may have participated in those, and that was sort of our
8 early identification meeting of what issues were to be
9 studied in the plan.

10 The Section of Environmental Analysis did form a
11 Reno mitigation task force. It had 19 members of it,
12 consisting of people from the city and county, the governor's
13 office, business and casino interests, the Union Pacific
14 Railroad, environmental and residential interests. And that
15 group worked over a multi-month period providing input to the
16 study and defining a number of issues that they felt should
17 be addressed.

18 I would like to just thank the task force for all
19 of their efforts. It was a long, hard process at times, and
20 we got a lot of good input from it.

21 Tonight is another opportunity for the public to
22 comment. And that's really what the purpose of our meetings
23 are tonight.

24 I would like to underscore that the public comment
25 period on this Preliminary Mitigation Plan, some of you may

1 have gotten your own copy of it or read it at the library,
2 ends on October 16. And at the door we gave you the address
3 to send in your written comments, and we welcome those
4 through October 16.

5 We also provided with you tonight a comment sheet.
6 And so if you prefer not to speak and want to turn in a
7 comment sheet, we will take those up here or in the box
8 outside.

9 Once the comment period is over, then the Section
10 of Environmental Analysis will prepare a final mitigation
11 plan. That will be available for public review and comment,
12 and then the Board decision in February or March of next
13 year.

14 Our purpose this evening is really to receive
15 comments on the Preliminary Mitigation Plan. We put up some
16 possible points you might want to bring up. Are there any
17 mitigation options that you support? Are there any
18 mitigation options that you would suggest? Are there key --
19 have all the key issues been addressed in the plan, and if
20 not, what issues would you suggest require further analysis?

21 Because we have a large crowd, we will be following
22 an agenda that you got at the door. We are anticipating an
23 approximate 20 minute presentation by Mr. Mansen. We would
24 like you to hold your comments through that, and then the
25 rest of the meeting will be dedicated to public comments.

1 When we get to the public comment portion, I will
2 give elected officials an opportunity to speak and then the
3 Union Pacific, and then we will open it up to the floor.

4 And we are taking speaker cards. So if you have
5 got a yellow card at the door, if you haven't turned it in,
6 we will still gladly take it. Raise your hand, we have
7 people and staff circulating, and we want to get all of your
8 cards turned in.

9 I would just say at that point, when we get to that
10 part of the meeting, we will ask people to come up to the
11 microphone, and we will take one speaker at a time. We ask
12 that you try to limit your side conversations. And we will
13 set some time limits once we see all the cards that we have.

14 So with that, I'll turn it over to Dave Mansen.

15 MR. MANSEN: Thank you, Kay.

16 Some of you have heard this before, I see some
17 familiar faces and some new faces. For those of you that
18 have heard it before, I apologize.

19 Let me take a few minutes to summarize what is an
20 extensive analysis of the impacts of the increased train
21 traffic in the city of Reno.

22 Our assignment, as we stated, was to look at the
23 increase in train traffic. As part of the application for
24 the merger, there were train traffic analyses and projections
25 done by Union Pacific using sophisticated models to determine

1 how many trains would pass through not only the city of Reno
2 but throughout the entire 34,000 mile system. And we
3 evaluated those projections.

4 They actually took into account the amount of
5 freight that was going from various origins and destinations,
6 they put those into train configurations, and the section of
7 the system that we are talking about is here in Reno.

8 The numbers for the Reno area in 1995 was 13.8
9 trains, and in the year 2000 is projected to be 25.1 trains.
10 That constitutes an increase, as a result of the merger, in
11 11.3 freight trains through the city of Reno daily.

12 We did review, the third-party consultant did
13 review this analysis done by Union Pacific and found it to be
14 reasonable.

15 What we are proposing in the Preliminary Mitigation
16 Plan, and what most of you at this point probably have heard
17 about, is increasing train speed as one of the mitigation
18 options for the effects of the merger in Reno.

19 We came out in February, early February, evaluated
20 a condition where there were 20 trains running daily as a
21 result of the Feather River flooding earlier, and we looked
22 at the relationships between the train traffic, the gate down
23 times and the vehicular traffic, and did some noise
24 measurements and so on. And from that information, we
25 developed some of the information that we put in the

1 Preliminary Mitigation Plan, and I want to briefly go through
2 that.

3 In terms of vehicular delay, the pre-merger
4 condition is estimated at, and we are not working, estimated
5 at 189 hours. At the crossings in Reno, the post-merger
6 traffic delay is estimated at 373 hours, without mitigation.

7 If you increase train speeds basically from 20 to
8 30 miles an hour in the area between Key, generally Keystone
9 and almost up to the Sparks yard, you have a traffic delay of
10 154 hours, which is a reduction in traffic delay to below
11 pre-merger levels, actually 35 hours less than merger levels.
12 And actually the analysis that we did assumed a train speed
13 in that stretch I was talking about, of 27.5 miles per hour.

14 As a result of the reduction in the vehicular
15 delay, you get a corresponding reduction in the air quality
16 or in the air emissions from the vehicles that are delayed at
17 those crossings.

18 One of the advantages of the increased train speed
19 proposal is that you get reduced delay, reduced traffic delay
20 not only at one or two locations, but actually at 13
21 locations, including some locations in downtown Reno, where
22 it would be very difficult to put in a grade separation.

23 What we have preliminarily proposed is for the
24 Union Pacific to be required to operate at 30 miles an hour
25 subject to safety considerations.

1 I want to make it clear that there are still
2 specific requirements for safety. One of them that the
3 federal regulation, or Federal Railroad Administration has
4 nationwide is that there has to be at least 20 seconds of
5 warning to, before a train comes through a crossing,
6 regardless of the train speed. So the train speed changing
7 does not change that 20 second warning, and in fact the
8 warning here in Reno is a bit more than 20 seconds.

9 We have put in other measures into the Preliminary
10 Mitigation Plan aside from train speed, and I will be
11 covering those in a bit.

12 Other alternatives that we looked at were grade
13 separations. We evaluated all of the crossings in Reno. We
14 actually selected seven of them to design. We selected them
15 on the basis of traffic in those areas and selected them on
16 the basis of some of the impacts. Some crossings were not
17 feasible.

18 With all seven of the grade separations that we
19 evaluated, there were traffic -- there were property impacts
20 that would be required, because we were applying the city of
21 Reno street standards, and it would require to take one side
22 or the other of the street. And those numbers are on the
23 Board here.

24 There will be full property acquisitions in some
25 cases, there will be partial property acquisitions, and there

1 will be long-term impairment of property access for each of
2 these seven. And we are not recommending a grade separation
3 as part of this Preliminary Mitigation Plan.

4 One of the reasons we get effective mitigation from
5 increasing the train speed, I have put a number up here about
6 the types of reduced traffic delays that you get from one of
7 the grade separations, and actually this is the most
8 effective of the grade separations. You get a 79 hour
9 reduction in traffic delay at Keystone Avenue, which is about
10 one third of the traffic delay benefit we get from increased
11 train speeds.

12 Another alternative that we considered, one that
13 has received a lot of support in the city of Reno, is the
14 depressed railway. It has, it's very effective mitigation.
15 It mitigates a number of the impacts that we looked at.
16 However, it does go beyond the authority of the Board in that
17 it mitigates not only the 11.3 trains that are the increase,
18 but also the preexisting train traffic in the city of Reno.

19 MS. WILSON: If you could please hold your
20 questions, we are going to call on everybody. Thank you.

21 MR. MANSEN: The 11.3 trains is the increase in
22 train traffic.

23 The city encourages continued negotiations. And
24 regarding this particular option, it is one that we are
25 calling as tier two, one that would require agreement from

1 various parties in terms of funding. And those negotiations
2 have occurred in the past, and we would still like to see
3 that, since it seems to be one of the alternatives that's
4 highly, highly desired.

5 Two other alternatives that we look at was an I-80
6 bypass. That alternative goes well beyond the jurisdiction
7 of the Board, would require a separate application and
8 additional environmental work.

9 There was some discussion about an elevated
10 railway, and the downtown business association felt that was
11 not a good solution because it divided the city, it creates a
12 visual barrier, and there was concern about hazardous
13 materials on an elevated railway.

14 Along with the increased train -- we did evaluate
15 11 subject areas in this Preliminary Mitigation Plan, and I'm
16 going to cover them quickly.

17 One of them was traffic delay. As I said earlier,
18 we did identify ways to measure that. And I have noted the
19 savings from the increased train speed.

20 A couple of numbers I would point out to you. The
21 average delay per vehicle, that's delayed at the tracks,
22 pre-merger is a little less than two minutes. Post-merger is
23 a little more than two minutes. And if we increase the train
24 speeds, that delay per vehicle is about one and a quarter
25 minutes or 1.27 minutes.

1 We also looked at the reasonableness of that speed
2 in downtown Reno and find it to be a reasonable speed.

3 There is a, pedestrian safety is obviously a
4 concern. And there have been four accidents in the last 25
5 years, four fatalities, and two injuries in Reno in the last
6 25 years. We understand there are major events in downtown
7 Reno, which is a concern. As a result we are proposing in
8 this plan to require Union Pacific to fund pedestrian grade
9 separations at the two busiest streets in downtown Reno,
10 Virginia and Sierra.

11 Also proposing an employee training program, and
12 again the 20 second warning would be in place, the minimum 20
13 second warning would be in place, not only for vehicles but
14 for pedestrians. And there is some fencing along the
15 right-of-way in the city of Reno.

16 Emergency vehicle access is an issue that has
17 received a lot of attention. Health and safety is an
18 important consideration to us. And we note, first of all,
19 there are existing facilities, existing health and safety
20 facilities on both sides of the tracks.

21 The total gate down time that we calculated will
22 increase between the pre-merger and post-merger conditions,
23 the average per train gate down time is 3.4 minutes for both
24 pre- and post-merger conditions. If you increase the train
25 speed, that was reduced to 2.28 minutes. And if you multiply

1 that out by the number of trains, what we are saying here is
2 that pre-merger you will have about 3 percent of the time
3 over the course of an entire day at one location, 3 percent
4 of the time the gates will be down. On the post-merger
5 condition, that number changes to 3.8 percent, so it's a .8
6 percent increase in the amount of time that the gates are
7 down.

8 We are also proposing the installation of train
9 location monitors in the dispatch center in a location to be
10 selected by the city of Reno, so that you can see where the
11 train is in Reno, when it's approaching the gate, when that
12 gate is down and so on. As well as video cameras showing the
13 right-of-way.

14 Accident rates were pre-merger, we are saying that
15 the probability, and this uses the Federal Railroad
16 Administration predicted formula, one accident every 15
17 months under the pre-merger condition; one accident every 13
18 months under post-merger condition. This is a major concern.

19 There is a national study that says one of the
20 reasons for these accidents occurring are people driving
21 around these crossing gates. We are proposing to put in what
22 they call four quadrant gates, where not only do you have it
23 the one side, you have it on the other side to prevent people
24 from driving around. If you assume that is a 15 percent
25 improvement in the accident rate, the condition then becomes

1 one accident every 14 months.

2 We are proposing the four quadrant gates at nine
3 locations in the city of Reno. We are also proposing
4 additional student training and downtown employee training
5 with regard to safety.

6 Hazardous materials. The Federal Railroad
7 Administration is currently conducting an investigation of UP
8 operations. That report is not yet available, but they are
9 conducting these on the basis of some recent accidents on the
10 Union Pacific system. We will take a look at that report
11 once it's available and incorporate those portions of it that
12 seem to make sense with regard to the Reno situation.

13 The amount of hazardous materials that will be
14 coming through Reno will increase with the merger. We are
15 taking a look at the probability of accidents, taking a look
16 at the probability of contamination of the Truckee River,
17 which is an important resource. It's the supply, a major
18 supply for water here in Reno. 80 percent of the supply
19 comes from surface water.

20 As a point of history, there were no spills on the
21 Truckee River since record keeping began in 1971. We are
22 going to take a careful look at the probability of an
23 increase for contamination of the river, and we are working
24 with the U.S. Fish and Wildlife Service. We have done an
25 evaluation in the Preliminary Mitigation Plan, but the U.S.

1 Fish and Wildlife Service has asked us to look at it a little
2 bit differently in terms of the impacts to some of the
3 natural resources in the river.

4 There are system-wide requirements that are already
5 in place. They were imposed as part of the decision,
6 Decision 44, by the Surface Transportation Board for
7 increased train inspections, upgrade of track quality and new
8 hazardous materials response plan. And Union Pacific has
9 located one of their hazardous material people here in the
10 city of Reno.

11 We are also proposing as part of this plan
12 additional train problem detection equipment. There are
13 various types of equipment that warn the engineer or
14 dispatcher when there are conditions that are dangerous,
15 including something called a hot box detector that lets the
16 engineer know that there is an axle that is hotter than it
17 should be, and the engineer will stop the train and go
18 inspect that.

19 There's also called a high wide shifted load
20 detector, which basically checks the envelope around the
21 train to see if some of the load has shifted. It could
22 potentially come off and create a hazard.

23 We are suggesting that those pieces of equipment be
24 added about three miles to the west of Reno.

25 We are proposing a committee to be, to include

1 Union Pacific, to talk about hazardous materials and other
2 ongoing issues with regard to the train here in the city.

3 And as I mentioned earlier, we will take a hard
4 look at the Federal Railroad Administration comments on UP's
5 safety record.

6 In the past helper engines have been added out in
7 the Woodland area of the city of Reno. These engines are to
8 help push the train over the pass. For a period of time the
9 addition of that helper locomotive blocked Woodland Avenue.
10 Union Pacific has discontinued that practice, and we are
11 proposing that that be a condition that they not ever
12 reinstitute that practice.

13 We sent out invitations to meet with the three
14 tribes, three Native American tribes here in the Reno area.
15 Chairman Melendez agreed to meet with us recently, and we
16 were able to discuss his issues and the Native American
17 issues as they concern some of their sacred lands, effects to
18 their fisheries and so on. And he also has expressed similar
19 concerns as were expressed by the city of Reno.

20 Biological resources, there are two. There's a
21 threatened endangered species in the Truckee River. We are
22 looking at ways to, we have talked about ways to mitigate the
23 likelihood of contamination of the Truckee River. As I said
24 earlier, we are coordinating with the U.S. Fish and Wildlife
25 Service on those discussions.

1 Noise levels. The Surface Transportation Board has
2 two criteria. We evaluated those two criteria. There will
3 not be an increase greater than three decibels over a 24-hour
4 period as a result of the increased train traffic.

5 The other criteria are, are there additional
6 properties that fall within a 65 decibel contour. There are
7 40 properties that would fall within this additional contour,
8 27 of which are hotels.

9 We have proposed mitigation, but the mitigation is
10 a Tier Two mitigation. The types of mitigation that could be
11 applied include directional horns, which is an experimental
12 technology, where the horns are placed at the intersection
13 rather than using the horn on the locomotive. That's been
14 looked at. It's still not a fully tested procedure, but it
15 may have some real promise here in Reno.

16 The federal government, the Federal Railroad
17 Administration is today required under federal law that the
18 train horns be blown as a matter of safety, but the same
19 federal law requires the Federal Railroad Administration to
20 put out regulations for what is called a quiet zone. And
21 once those regulations are out, there is the possibility that
22 the conditions here in Reno could be applied to those
23 regulations.

24 Actually, the addition of the four quadrant gates
25 they we are proposing could very well be a precursor to a

1 quiet zone in the city of Reno.

2 Vibration. We would not violate, would not exceed
3 any of the cosmetic or building damage criteria.

4 Air quality. As I said earlier, we have reduced
5 traffic delay as a result of the increase in train speeds.
6 As a result, the emissions from the idling vehicles is
7 actually below pre-merger levels.

8 There are still emissions that are coming out of
9 the locomotives, and I have given the percentages up here of
10 what those emissions consist of.

11 In the case of the VOCs, you have one quarter of
12 one percent of the county inventory from 24 trains. Now,
13 this is both pre- and post-merger.

14 You have 3 percent of Nox, 832 tons, 3 percent of
15 the county inventory. 5.6 tons of particulate matter, which
16 represents one-seventh of one percent of the county
17 inventory. And 48.5 tons of carbon monoxide, which
18 represents one-twelfth of one percent of the county
19 inventory.

20 There are system-wide mitigation measures again
21 imposed already as a result of the approval of the merger.
22 Those include various operating practices that UP must
23 follow, upgrading of the locomotives and a testing procedure
24 that is in place in the South Coast Air Quality Management
25 District in the Los Angeles area for smoke emissions.

1 So in summary, there are 17 recommended mitigation
2 measures at this point in the Preliminary Mitigation Plan.
3 Increasing of train speeds, train location color monitors,
4 video showing the rail right-of-way, discontinued use of the
5 helper engines out in the Woodland Avenue area, four quadrant
6 crossing gates at nine locations, enhanced rail safety
7 programs, two pedestrian grade separations, installation of
8 pedestrian skirts, which is to, an effort to prevent people
9 from sliding under the pedestrian crossing gates, electronic
10 signs at six locations for pedestrians, talking about giving
11 additional warning and information regarding the trains,
12 construction of a pedestrian grade separation in two
13 locations, which represent 90 percent, as we identified the
14 week we were out here, 90 percent of the pedestrians in
15 downtown being blocked by the train.

16 Prehistoric and historic surveys, should any
17 underground construction occur, whether it be a pedestrian
18 underpass, whether it be a depressed trainway, consultation
19 with Native Americans regarding any underground construction,
20 installation of this detection warning equipment that I was
21 talking about earlier, establishment of the community
22 advisory panel, and then certification to the Surface
23 Transportation Board that they have complied with these
24 requirements, once they are complied with, as well as
25 quarterly reports to the Surface Transportation Board about

1 the status of these mitigation measures.

2 Joint participation options, one where the parties
3 hopefully could come together and perhaps reach agreement
4 which could be ratified by the Surface Transportation Board,
5 the one I think is of most interest is the depressed
6 trainway. We have listed several others in here, including
7 rail-highway grade separations, elevated trainway and several
8 others.

9 Those Tier Two, as we call the mitigations, could
10 be put in place if there were agreement amongst the parties.

11 So that is a short summary of what is in the
12 Preliminary Mitigation Plan.

13 Thank you.

14 MS. WILSON: Thank you, Dave.

15 For those of who came in late, if you wish to
16 speak, please fill out a speaker card and raise your hand, we
17 have people that will collect them.

18 We are on Agenda Item Number 4 right now, and I'm
19 going to see if there are any elected officials that would
20 like to make any statements. I did not receive any cards,
21 but there might be someone that I overlooked.

22 Are there any elected officials at any level that
23 would like to make any comments?

24 The second item on your agenda, 4-B, is to hear
25 from the Union Pacific, and then we will turn to the cards.

1 And I need to go over a few things before we start that.

2 But Union Pacific, did you care to make any
3 statements?

4 MR. ROBERT STARZEL: Yes, please.

5 I'm Robert Starzel, the vice president of the
6 western region of the Union Pacific.

7 We have earlier today commended those who
8 participated in this effort, and we do so again, the members
9 of the task force and all those others who give their time.
10 We believe there have been a lot of thoughtful suggestions,
11 and we are very interested in the way you look at us and what
12 you think we should be doing.

13 We believe that the mitigation plan that has been
14 put forth as a preliminary overstates the mitigation
15 obligations of this railroad. We believe that the level of
16 traffic we will be returning to has been seen before in Reno,
17 has been seen in greater numbers in Reno. We are not doing
18 anything differently than we have done before.

19 This is still a railroad operating freight, along
20 the line, going along the same place. It's never been hidden
21 from anybody, and the opportunities have always been there
22 for the city to take care of the interferences or to come to
23 us and together we take care of the interferences.

24 We do not believe that we should shoulder as much
25 mitigation responsibility as the plan sets forth.

1 We also believe the plan does not clearly assume
2 the kind of safety improvements we have had. There has been
3 a lot of focus in the last few months on a few unfortunate
4 accidents on our railroad, which we lament more than any of
5 you. But overall, the safety record of railroads has been
6 very strong, and the Union Pacific's safety record has been
7 among the best. In this decade there has been an improvement
8 year after year on a 20 percent compounded average trend.
9 And this year, 1997, is no different. We are going to have
10 that same level of improvement in this year over 1996 that we
11 had in the years prior.

12 We think with that kind of safety record that the
13 PMP ought to recognize that, the Board ought to recognize
14 that and shouldn't penalize us on a safety basis.

15 If the price of mitigation gets too high, and we
16 cannot run our trains, the increased numbers of trains over
17 these tracks, you are going to see upwards of 27,000 trucks
18 on the highway. And if you compare the safety record of
19 trucks to trains, you will see that the interference with the
20 general population is enormously higher for trucks than it is
21 for trains.

22 Now, earlier we heard that the major mitigation
23 effort would be to increase the speed of trains. The Union
24 Pacific can commit that that is feasible and that if that is
25 what is ordered, we will do it. We believe that an increase

1 in the order that is put forth in the Preliminary Mitigation
2 Plan actually increases safety.

3 And for those of you who were not here before for
4 the earlier session, we have heard from engineers with
5 literally cumulative hundreds of years of experience on this
6 railroad telling people that, that if you go faster, up to a
7 level, 30 miles an hour is not a terribly fast speed, that
8 people pay more attention and get out of the way. When you
9 go slower people think that it's just fine to jump in front,
10 run across in front of trains.

11 One of the other things that was brought up that
12 you should be aware of was that the faster you can come
13 through town, the less the time the whistle is blown.

14 Now, we heard earlier two senators and a few other
15 witnesses say they thought that there ought to be grade
16 separations included, underpasses or overpasses, in the plan.
17 We also heard it said that it had been discussed before the
18 task force, and in fact it has.

19 But we do not believe that this task force has
20 before it, and therefore the Surface Transportation Board
21 will not have before it, a basis upon which to order a
22 priority of underpasses or overpasses to determine what it is
23 that the community wants. And they have before them the
24 stated opposition from the city to anything other than a
25 depressed trainway and no facts to assist them from the city

1 in setting out which would be advantageous, overpasses,
2 underpasses.

3 So we think it's improper for there to be any
4 consideration of underpasses or overpasses. And indeed, for
5 those who argued that this is a way for the city to obtain
6 leverage on the railroad, to make it more costly by inserting
7 the requirement for underpasses or overpasses is more than
8 improper, I believe it's unlawful. And we would urge that
9 the task force report go forward, as it has in the
10 preliminary plan, go forward as the final plan without that
11 consideration.

12 Frankly, we are ready to negotiate. We want to
13 negotiate, because we think it's better for the community.
14 We also think we can end up with a reasonable solution. We
15 know from a poll that the community wants a depressed
16 trainway, but they want the federal government and the
17 railroad to pay for it. We don't think that that's going to
18 happen and we don't think that's right.

19 We have been running trains through here, and the
20 city has been growing up, getting bigger and creating the
21 conflicts. We think that there's a lot to be said for a
22 depressed trainway, but we don't think that the major
23 obligation for a depressed trainway is ours.

24 The traffic which flows through Reno is not
25 high-priced traffic. You have heard thrown around 750

1 million dollars in profits that the railroad is going to earn
2 because of this merger. This merger came about to save a
3 railroad that was faltering, the Southern Pacific, with a
4 strong financial railroad, the Union Pacific. The merger has
5 not been completed, the merger is under way. It's very
6 expensive, it's very costly. It takes billion dollars of
7 capital expenditures to make this all work.

8 And that 750 million dollars you have heard touted,
9 that 750 million dollars are cost efficiencies. And if any
10 merger guidance comes to us from prior mergers, it is that
11 that money ends up in lower rates to the shippers. It does
12 not end up as usable pots of gold for projects such as this.

13 So when we come down to negotiate, we have limits
14 on us. We have limits about what is reasonable. And when we
15 stepped forward to make an offer, that in fact went beyond
16 reasonableness. And I say that only because I want to
17 underscore one thing as I end, and that is, we have hundreds
18 of employees who come among you in Reno. They want us to be
19 a good citizen. And we have thousands of employees
20 throughout our system who are good people who want us to be a
21 good citizen too.

22 And we will negotiate in good faith if we have an
23 opportunity, and we would like to see that happen. We would
24 like to see the city step forward with a realistic
25 negotiation. We will embrace that.

1 Thank you very much.

2 AUDIENCE MEMBER: I had a question for the
3 gentleman from the Union Pacific.

4 MS. WILSON: We are not going to take questions
5 now. Thank you. I'm going to get to that.

6 What we are going to do is go through these speaker
7 cards. For those of you that weren't here this afternoon, I
8 will explain. What we did, we will try to do the same thing,
9 and actually it worked quite well this afternoon. I think we
10 had about 98 percent cooperation. It was really a big help,
11 because we were able to the through all of the cards.

12 What we are going to do is take the cards in the
13 order that they have been brought up. We do have a few cards
14 of people that had to leave this afternoon, and they will get
15 to go first, and then we will start on the cards that were
16 turned in this evening.

17 We are going to follow the same type of format as
18 we did this afternoon, and we will have a 3 minute time
19 limit. I'll hold up a yellow card at about 2 minutes 30
20 seconds and I'll hold up a red card at 3 minutes. And if
21 everyone can honor the time limits, then we can get through
22 all the cards that we have.

23 Our focus is really to receive comments on the
24 Preliminary Mitigation Plan along the lines that I suggested
25 earlier. What we would like you to do is complete your

1 presentation, and if we have time to answer some of your
2 questions, we will. With the numbers of cards that we have,
3 we will not be able to answer them all, but we do have a
4 court reporter here, so all of your comments will be noted
5 for the record and considered in the final mitigation plan.

6 So I'm going to get started. And I'll call out
7 three names at a time. And these initial names are from this
8 afternoon.

9 And the first three names are Rich Houts, Randy
10 Karpinen and Mike Zielinski.

11 MR. RICH HOUTS: Thank you for the opportunity to
12 speak. I'm Rich Houts. I'm the executive director of the
13 Building Trades Council here in northern Nevada. I'll keep
14 my comments short.

15 About a month ago, as a matter of fact on September
16 10, we attended a little meeting down in Carson City at the
17 railroad museum. At that meeting we were told studies
18 sponsored by Union Pacific that the citizens of Reno don't
19 really care what happens with this merger. I would just like
20 to go on record as saying, and it's evident at the hearings
21 this afternoon and this evening, that the citizens do care.

22 As far as the mitigation, the Building Trades
23 Council supports I think a full-blown environmental impact
24 statement, a little bit more than Surface Transportation
25 Board has done to this point. And we do support also

1 negotiations with Union Pacific on some type of agreement on
2 depressing the tracks.

3 Thank you.

4 MS. WILSON: Thank you. Randy Karpinen.

5 MR. RANDY KARPINEN: My name is Randy Karpinen.
6 I'm Teamster with Local 372.

7 My concerns today go around a little bit of what
8 the representative from Union Pacific said and a lot of other
9 people and their comments going towards the line of the
10 railroads were here first. They have even gone as far as did
11 a study, a 42-page booklet to prove that the railroads were
12 here first.

13 I don't think anyone doubts that the railroads were
14 here first. I don't think they had to go to the trouble of
15 making a booklet to prove that.

16 My concern is -- their concern is the history. My
17 concern is the future, and the future is the safety of these
18 railroads. And I don't think the Board addressed the safety
19 issues as well as they should have.

20 I think, my personal opinion is they should hold
21 off on this Preliminary Mitigation Plan until they hear back
22 from the federal railroad association, who actually right now
23 has an official sitting in the Omaha office of Union Pacific
24 to watch over their safety record. There is an official
25 sitting right in that office right now watching over this.

1 I think we shouldn't go through with this
2 Preliminary Mitigation Plan until we hear back from the U.S.
3 Fish and Wildlife people. All this stuff should be in the
4 preliminary plan, and we should not go on until all those
5 reports are in and we can get all the safety issues out of
6 the way. That should be the number one concern, is the
7 safety issues.

8 So my response to the Surface Transportation Board
9 would be to wait until you get these reports, hold off on the
10 final mitigation report or plan, until you get all of this
11 information in.

12 Thank you.

13 MS. WILSON: Thank you.

14 MR. MIKE ZIELINSKI: Good evening. I appreciate
15 the opportunity to speak.

16 My name is Mike Zielinski. I'm with the
17 International Brotherhood of Teamsters, and the Teamsters
18 Union represents more than 2,600 workers and their families
19 at Union Pacific companies.

20 And we agree with the civic and community leaders
21 of Reno that the Preliminary Mitigation Plan as it stands is
22 inadequate and opens a floodgate to serious environmental
23 problems for the city.

24 We are particularly concerned because the PMP does
25 not mandate that Union Pacific pay to depress the rail lines

1 through Reno, and it does not require the railroad to submit
2 a full environmental impact statement on the Union
3 Pacific-Southern Pacific merger.

4 Earlier this afternoon we were treated to a very
5 poetic opening statement by the Union Pacific representative,
6 who compared the railroad to the wind and the rain, part of
7 the natural landscape here in Reno. Unfortunately Union
8 Pacific is not just the wind and the rain. It's also the
9 chlorine leaks, the sulfuric acid spills and the fatal train
10 derailments.

11 The UP representative also suggested that anyone
12 raising these safety concerns was somehow attacking about the
13 competence of the workers who run the trains. Nothing can be
14 further from the truth. The Union Pacific workers are
15 highly-skilled professionals who do their absolute best to
16 insure the safety of their trains.

17 The same, however, cannot be said for UP's
18 management. Just last month, the Federal Railroad Agency
19 issued a devastating critique of Union Pacific's safety
20 record. This was not, they were not going back a year or two
21 years or five years, they had their inspectors in there in
22 July and August of this, of just this past summer. And what
23 they found was widespread safety violations.

24 They randomly inspected, of the 57 percent -- of
25 the locomotives that they randomly inspected, they found

1 safety defects in 57 percent of them.

2 They also found a pattern of UP managers
3 intimidating workers who attempted to call attention to
4 safety problems. These workers were intimidated and forced
5 to stay silent on these issues by UP management. At the same
6 time, while Union Pacific Railroad has been making money hand
7 over fist, UP has downsized its work force, reducing the
8 crews on trains from four or five to two. This leads to
9 fatigue, which in turn creates accidents.

10 Union Pacific's dismal safety record has little to
11 do with its train crews, but much to do with the management
12 which employs defective equipment, provides inadequate safety
13 training and reduces its work force.

14 And for the UP representative to get up here and
15 say that their safety record has greatly improved requires an
16 active imagination that would be the envy of Stephen King.
17 When you come right down to it Union Pacific's safety record
18 is horrific.

19 I would refer you to the Wall Street Journal, which
20 is not known as being a pro labor publication or anti
21 business. Their headline here from September 10, "Union
22 Pacific's Safety Record is Rapped in a U.S. Report," and it
23 goes on to talk about the fact that federal regulators issued
24 a report urging sweeping changes in the company's rail
25 operations following a series of deadly crashes.

1 I'd like to make just one final statement if I
2 might.

3 A particular concern to all of us, and an issue
4 that I think has not been raised by previous speakers, is the
5 role of Union Pacific in creating the Surface Transportation
6 Board. The Teamsters have filed a Freedom of Information
7 request with the STB's Washington office, and as of now we
8 have not had any response to our request, even though under
9 the law we were to have received initial response within ten
10 days. And we just have a few questions that we would like to
11 put out there to make people aware of.

12 MS. WILSON: Your time is up.

13 AUDIENCE MEMBER: Let him take my turn.

14 (Many audience members speaking.)

15 MS. WILSON: Excuse me, please. This afternoon we
16 got a lot of comment after the meeting because I did not
17 enforce the time limit. I do intend to enforce the time
18 limit. You can go over a few minutes, but --

19 AUDIENCE MEMBER: We want to speak too.

20 MS. WILSON: Yes, and we have a full --

21 AUDIENCE MEMBER: Give him my turn.

22 AUDIENCE MEMBER: You set the rules, follow them.

23 MS. WILSON: I am following them.

24 You may make a closing comment. You're time is up.

25 AUDIENCE MEMBER: These are good points, we want to

1 hear them.

2 MR. MIKE ZIELINSKI: I would like to comment on the
3 relationship --

4 AUDIENCE MEMBER: I yield my time.

5 (Many audience members speaking.)

6 MS. WILSON: Excuse me, sir. Do you have a
7 concluding sentence?

8 MR. MIKE ZIELINSKI: Well, I heard a proposal to
9 yield some time here.

10 MS. WILSON: We are not going to yield time to one
11 speaker.

12 MR. MIKE ZIELINSKI: I will -- let me make one
13 concluding statement. And that is that the Teamsters Union
14 stands strongly behind the people of Reno, the elected
15 officials, the citizens and environmental groups that are
16 demanding that Union Pacific pay its fair share, that an
17 environmental impact statement be permitted, and that the STB
18 work in the interest of the people and not the railroads.

19 MS. WILSON: Thank you.

20 The next three speakers are Ken Lynn, Steven
21 Horsford and David-Kim Simpson.

22 Is there a Ken Lynn?

23 Steven Horsford.

24 MR. STEVEN HORSFORD: Good evening. My name is
25 Steven Horsford. I'm here speaking as a private citizen.

1 And first I want to say that my concern, my
2 opposition today is not with Union Pacific Railroad, it's
3 with you, the Surface Transportation Board.

4 I believe that your plan, your preliminary man is
5 woefully inadequate in serving the needs of our community.
6 You didn't listen to us during the task force meetings, you
7 didn't listen to the concerns that were raised by the
8 business community, that were raised by interested
9 environmental groups, by people who were concerned about our
10 health, water, air quality. All of these issues you have put
11 into a proposal that you say 30 miles an hour will solve.

12 You say it's reasonable. And I ask you, reasonable
13 to whom and for what? 30 miles an hour trains are not going
14 to solve air pollution, potential hazardous waste spills in
15 our Truckee River, which is our water source. It will not
16 solve the impact to tourism, which 35 percent of our economy
17 is based on in this community.

18 And so I have a few questions for you.

19 You say 30 miles an hour. Will they run all of the
20 time under all conditions? And if not, will people lose
21 their lives when emergency response vehicles can't get to
22 regional hospitals because trains are blocking the way?

23 The depressed trainway is the most effective
24 mitigation, yet you don't study it because you say it also
25 mitigates preexisting conditions. Well, if it's a win-win

1 situation, if Union Pacific proposed it and it benefits our
2 community, then why won't you consider it? That doesn't make
3 sense to me.

4 Why was the Con Rail merger is conducting an
5 environmental impact statement, and yet the impacts to those
6 communities are not as severe as the community here.

7 Your survey of tourists during February doesn't
8 mean anything to me, because February is a cold month. It's
9 a month when we don't have a lot of tourists, and it's a
10 month when our special events, such Reno Rodeo, Hot August
11 Nights and others are not going on. These are major events
12 for our community, special events that impact tourism, not
13 just gaming, but our entire economy, region wide.

14 So I ask you, how can you use that as a survey and
15 a guidepost on people who are being impacted by increased
16 trains?

17 And what is the precedent for not studying the
18 alternative depressed trainway? You say that it's a
19 preexisting, it also addresses preexisting issues.

20 You propose increasing train speed. But isn't it
21 true that when conditions don't warrant increased trains, 30
22 miles per hour, they won't be able to go that fast. And when
23 they won't go that fast cars, will be delayed. And when cars
24 are delayed, more carbon monoxide is in the air. When carbon
25 monoxide is in the air, our air quality suffers, and we may

1 lose federal compliance.

2 You say there's a potential of one in 13 accidents
3 in post-merger conditions. If hazardous waste spill occurs,
4 what will be the number of deaths that result?

5 These are the questions I have for you.

6 I urge those people who have not already commented
7 on this Preliminary Mitigation Plan, do so. Comment tonight,
8 write your comments down. If you are at home, write your
9 comments down and send them to the STB.

10 And I urge you as a task, as an entity supported by
11 taxpayers, to listen to our concerns and respond in the final
12 mitigation plan.

13 Thank you.

14 MR. DAVID-KIM SIMPSON: I'm a railroad buff from my
15 early teens. My comments are in the form of short questions
16 that need to be answered, not necessarily now, but very soon.

17 One, how is it possible to not have an
18 environmental impact study made as was originally required by
19 federal law?

20 Two, since Reno depends heavily on tourism, does it
21 seem reasonable -- does it seem worth the risk of having an
22 accident on the tracks inside the city of Reno? Remember
23 what happened during the flood of January 1, '97?

24 Why should any train be allowed to run faster when
25 proper safe operating procedures and traffic equipment

1 maintenance practices have yet to be implemented? How many
2 more accidents and deaths will have to be endured and
3 suffered through before true progress and benefits are made
4 for both the Union Pacific Railroad, the general public and
5 the environment can be made?

6 Why do we have to accept nuclear waste from other
7 states, and worse yet, from foreign countries?

8 Why is it necessary to abolish the Interstate
9 Commerce Commission and replace it with the new Surface
10 Transportation Board? As it stands now, it seems that the
11 STB should be put back under the jurisdiction of the Justice
12 Department as the previous ITT was.

13 Why is there so much conflict of interest generated
14 by interlocking directorships between the Reno
15 Gazette-Journal, Gannett Publishing Group, the Board of the
16 Union Pacific Railroad and members of the Surface
17 Transportation Board? And why doesn't the Reno
18 Gazette-Journal reveal the extent of its complicity with UP
19 and STB?

20 Why can't the northern branch of the railroad track
21 running from Winnemucca to Gerlach to Herlong be used for the
22 extra freight train?

23 What assurance would there be that the so-called
24 Reno trench wouldn't be subjected to water seepage during dry
25 times and to massive flooding during the high water level

1 flooding of the Truckee River.

2 If UP is so certain that the Reno trench is a
3 viable option, why won't they be willing to pay most of the
4 cost? After all, they stand to gain the most benefit and
5 profits.

6 Would the UP be willing to set up a fund
7 administered jointly by the city of Reno, Union Pacific and
8 the state of Nevada that would in effect assure compliance
9 with safety and environmental concerns, rules and
10 regulations?

11 I'm going to skip over a couple of questions.

12 At this point I kind of favor, as a humor, wouldn't
13 it be a good idea to have a hostage safety crew on each
14 rolling hazardous materials train. This crew would consist
15 of one from the Union Pacific board, one from the UP
16 executive management team, three from the UP middle
17 management group and one or two from the Surface
18 Transportation Board. It's almost a given -- it's almost a
19 given that caution will become the watch word and action by
20 this crew because their lives would be at stake.

21 I'm hoping that we don't wind up with a Bosnia type
22 of wars, that we can come up with a viable solution in a very
23 short time.

24 MS. WILSON: Thank you.

25 The next three cards are still from the afternoon

1 session. And they are Bob Fulkerson, Hugo Hernandez and
2 David Cameron.

3 MR. BOB FULKERSON: Thank you. You know, I
4 probably wouldn't be here if it weren't for the railroad
5 either. My great great grandparents came to help build it
6 out in Wadsworth a long, long time ago.

7 And so my beef is not with the Union Pacific
8 workers, it's not with the retirees, it's with the
9 strong-arming of my town, though, by a multibillion dollar
10 corporation. It's with the Surface Transportation Board,
11 which clearly is just a rubber stamp which has been bought
12 and paid for by Union Pacific's legions of lobbyists, as your
13 mitigation plan shows. That mitigation plan is nothing more
14 than an apology for a decision that was made by Union Pacific
15 a long time ago, a decision to give carte blanc to railroad
16 our town.

17 The community advisory board that you have proposed
18 as part of this mitigation, which you were just certain to
19 make sure that it had representation by Union Pacific and
20 other people, what kind of teeth would that have? Would that
21 be another toothless watchdog like the Surface Transportation
22 Board?

23 You talk about doing consultation with Native
24 American tribes, yet when we have the duly-elected chairman
25 of our local colony, he wasn't given the courtesy to come up

1 here and speak as an elected official. You sent out letters
2 to some certain tribes to ask them to participate. Did you
3 bother to follow that up with a phone call?

4 You have a lot to go, a lot to go on when it comes
5 to public participation.

6 You said there's been no spill since 1971. No
7 spills where? Along the Sacramento River, along the American
8 River? I don't think so. Maybe no spills along a little two
9 mile radius where you might have done your study.

10 You need to extend your comment period. You acted
11 in bad faith with this town. Your report came a day late.
12 It was a day late and it was more than a dollar short. It
13 was 180 million dollars short.

14 Given that, you need to extend the comment period.
15 Just give us that one little crumb, all right? Extend the
16 stupid comment period.

17 The other thing is that you should make Union
18 Pacific pay the full 180 million dollars. Why should my
19 sales taxes go up because of what a private corporation wants
20 to do to my town? Okay. So they don't make the full 750
21 million dollars in their first year in efficiency savings.
22 So they only make 570 million dollars in efficiency savings.
23 Doesn't seem like a huge sacrifice to me.

24 The purpose of an environmental impact statement is
25 so we can all as a community make informed decisions. Now,

1 that may be anathema to the STB, but it's not to the
2 democratic process and to informed decision making and public
3 participation that we have come to expect from our government
4 officials here in Nevada.

5 An EIS can help us make informed decisions about
6 how we are going to respond to the more tons of air
7 pollutants in our air. And what happens when we do go
8 further out of compliance with the Clean Air Act and we lose
9 federal highway funds, what happens when -- will we be
10 compensated for those losses?

11 Finally, one last point. Union Pacific has
12 demonstrated that it cannot be trusted to haul nuclear waste.
13 Its long and tragic record of accidents proves it has no
14 business moving a fleet of mobile Chernobyls through our
15 town.

16 So if Union Pacific's Pinkerton agents are out
17 there, the equivalent of modern Pinkerton agents, you can
18 tell them the James Gang is going to ride again, and we are
19 going to stop them. But this time it's going to be the
20 Progressive Leadership Alliance, it's going to be Citizen
21 Alert. We hope to recruit the Chamber of Commerce and our
22 elected officials, but we are going to win this time.

23 Thank you.

24 MS. WILSON: Hugo Hernandez and David Cameron.

25 MR. HUGO HERNANDEZ: It's kind of funny, how Union

1 Pacific, to the right of me, is kind of scaring people with
2 27,000 extra trucks that are going to be on the highway.

3 Sir, this is your annual report, isn't it? This is
4 your annual report? 1996 annual report.

5 Is it too costly when you acquired Southern Pacific
6 for 4 billion dollars, was it too costly when you acquired
7 Overnight Transportation, the largest LPL truck line in the
8 country, nonunion truck line in the country, for billions of
9 dollars.

10 I think when you start putting fear into people
11 that you are going to put your business on trucks, I think
12 you are giving them a false sense of fear. Because that's
13 not a good business decision, you know that as well. Because
14 it's a lot more costly to put trucks on a road than it is to
15 put them on a rail, a lot more costly.

16 I was employed by Overnight Transportation for
17 eleven years. I was a truck diver. So to give truckers a
18 bad name in that sense, I think it's bad. Because we are
19 professionals on the road, we are very strictly enforced by
20 the Department of Transportation. If we have bad equipment
21 on the road, we are dead lined. If we have a bad placard on
22 the road we are dead lined. We are fined on the spot.

23 But this Board has not composed any type of fines.
24 Are you going to be able to uphold this PMP process? How are
25 you going to police this? Are you going to have like police

1 watchdogs and giving them tickets every time they go over the
2 speed limit or any time they have a bad placard or something
3 that's not right in the rails, are you going to stop them and
4 fine them on the spot and dead line them like you do trucks?

5 So to put fear into people with these trucks is not
6 right. It's not right at all. You are giving them a false
7 sense of fear. Because I don't think that the professional
8 truckers of America would appreciate that comment, especially
9 coming from you. You own Overnight Transportation.

10 The Teamsters Union representing 2,626 workers and
11 their families at Union Pacific agree with the civic and
12 community leaders of Reno that this Preliminary Mitigation
13 Plan is inadequate and opens a floodgate to serious
14 environmental problems for the city. Teamster families of
15 Reno demand that the STB require Union Pacific to pay full
16 costs of depressing UP rail lines which will go through
17 downtown.

18 As the Reno Gazette-Journal pointed out in an
19 editorial dated September 17, 1997, citing the PMP, if this
20 report stands unaltered, the railroad will pay almost nothing
21 for mitigation and Reno will be shafted. Thus Union Pacific
22 will rake in additional profits from running more freight
23 lines through Reno without having to pay anything to help
24 Reno prepare for additional train traffic.

25 From the beginning of this dispute, Reno city

1 officials have made clear that the best solution for this
2 increased train traffic would be lowering the railroad tracks
3 through downtown.

4 Reno Gazette-Journal September 17, 1997, page 8-A,
5 unless the tracks are lowered, the increased train traffic
6 will result in traffic and pollution problems which could
7 severely hamper emergency vehicle response and undermine the
8 economic vitality of Reno. It is submitted that the cost of
9 depressing the Union Pacific tracks would be 183 million.

10 The railroad estimates the merger will save about
11 700 million in costs alone. The railroad already earns a
12 billion dollars in a year in profits, yet Union Pacific, in
13 negotiation with the city, offered a paltry 35 million
14 dollars to offset the problems which the trains will cause,
15 leaving 148 million for working families of this community to
16 pay.

17 United States Senator Richard Bryan said the STB
18 missed the mark by a mile. What they are requiring of the
19 railroad is even less than the railroad has offered to do by
20 the way of mitigation, yet the PMP didn't hesitate to side
21 with Union Pacific, recommending that the STB does not
22 believe it would be appropriate to require UP alone to absorb
23 the extensive costs.

24 We join the city of Reno in demanding that your
25 final report be explicitly mandate that Union Pacific depress

1 the railroad lines through Reno and that the railroad pay the
2 full costs of this necessary public safety project.

3 MS. WILSON: Your time is up.

4 MR. HUGO HERNANDEZ: And they brag about how many
5 billions they made in 1996. In revenues alone, they made
6 \$7,680,000,000. In operating income they made a
7 \$1,602,000,000. This is the railroad alone. That's not
8 including the rest of the companies that they own, including
9 Overnight Transportation, which you just gave a false sense
10 of fear to people here.

11 MS. WILSON: Excuse me, sir, your time is up.

12 MR. HUGO HERNANDEZ: Thank you.

13 MR. DAVID CAMERON: My name is David Cameron.

14 Madam Chairwoman, board members, thank you for this
15 opportunity to talk to you.

16 I also am with the Teamsters Union. We represent
17 1.4 million Teamster members around the country, many of whom
18 live near Union Pacific rail lines. We represent about 42
19 percent of the workers at Overnight Transportation.

20 And we agree with the two state senators, with the
21 tribal council, with the civic leaders and with the citizens
22 of Reno that, who have decried this mitigation plan. We
23 believe that your agency has made a very serious mistake when
24 you permitted the merger between Union Pacific and Southern
25 Pacific to go forward without an environmental impact

1 statement.

2 We all know that this merger will significantly
3 increase the amount of traffic going through downtown. What
4 we do not know, because there is no EIS, is how much of that
5 traffic is likely to be hazardous substances, possibly even
6 nuclear waste.

7 Having this knowledge is especially important now
8 because of Union Pacific's increasingly worrisome safety
9 record. A report issued by your sister agency, the Federal
10 Railroad Administration, on September 10 found a fundamental
11 breakdown in Union Pacific's ability to effectively implement
12 basic, basic railroad operations, procedures and practices
13 essential for safe railroad operations.

14 The FRA found fatigue, stressed-out workers and
15 defective equipment. Workers were intimidated by Union
16 Pacific managers to keep them from reporting problems. As a
17 result of these problems, there have been at least five major
18 Union Pacific collisions since June of this year, two of them
19 since the FRA's report was issued. The FRA considers this
20 lapse of safety so serious that it has moved its inspectors
21 right into Union Pacific headquarters to oversee safety
22 compliance.

23 Now, fortunately none of these recent train wrecks
24 involve hazardous substances, but they easily could have,
25 because Union Pacific is our nation's largest hauler of

1 hazardous waste.

2 I have given you a copy of our report that was
3 issued by the Good Neighbor Project called Hazardous
4 Materials on Rails, which describes in detail the growing
5 risk of hazardous accidents on Union Pacific rail lines.

6 And some of the key findings of the report are in
7 the four years prior to the merger, the two railroads
8 averaged around 400 chemical releases per year. Before the
9 merger Union Pacific alone had 28 train accidents which
10 spilled or released hazardous materials into the environment.

11 Union Pacific downsized its work force while it
12 increased its freight shipments. In 1985 one worker handled
13 85 rail car shipments. In 1995 that same worker handled more
14 than double that number of rail shipments.

15 Downsizing undoubtedly helped create the conditions
16 of work fatigue and stress, which the FRA noted is a major
17 problem with Union Pacific.

18 According to emergency planners, Union Pacific
19 generally fails to involve local communities, a couple of
20 more sentences, that hazardous material will pass through
21 their area. Union Pacific inspection reports and
22 environmental audits should be shared with the communities,
23 but local officials have a lot of problems getting those
24 reports when preparing for possible hazardous material
25 spills.

1 Together the FRA report and the Good Neighbor
2 Project report paint a picture of a railroad which is
3 careless and unrestrained. The way that Union Pacific
4 operates its railroad, especially the way it treats its
5 workers, put the rail workers at risk as well as the people
6 who live near the tracks.

7 The people of Reno have the right to know how these
8 problems will be compounded by the merger between Union
9 Pacific and Southern Pacific. Therefore, we join the
10 citizens of Reno in demanding that the STB require Union
11 Pacific to submit a full environmental impact state on the
12 merger.

13 MS. WILSON: Thank you.

14 MR. DAVID CAMERON: Thank you.

15 MS. WILSON: The next three cards are Rich Vitali,
16 Carl Bradley and Mike Davey or Dazey. I'm not able to read
17 it.

18 MS. LEE DAZEY: Is it Lee Dazey?

19 MS. WILSON: P.O. Box 5339

20 MS. LEE DAZEY: That's me. It's Lee Dazey.

21 MS. WILSON: Thank you.

22 MR. RICH VITALI: Good evening. As you know, I was
23 a member of the task force as a resident representative. I
24 live on the River Banks West.

25 And in due credit to the process, the specific

1 problem of my neighborhood was solved. But I'm also a
2 citizen of Reno, and I sat through the rest of the process
3 because I was concerned about the effect on the community,
4 plus I do work in the downtown area.

5 The problem that I see with the report is I think
6 when we started, I believe it was back in February, I think
7 we were pretty clear that the goal of the report was to
8 measure the effect of the merger and come up with a
9 mitigation.

10 One of the first questions that was asked was what
11 was the criteria that we would use to measure those two
12 goals. I'm not quite sure I ever got that, but at the very
13 beginning it was pretty clear we were going to measure
14 effects and come up with the mitigation plan.

15 And in discussing mitigation, one of the things
16 that was made very clear was that there would be no
17 opportunity to affect railroad operations. We sit here some
18 ten months later, and that's all we are talking about is
19 affecting railroad operations. So I'm not sure how we got
20 from a point that we couldn't do it to that's basically the
21 primary mitigation that's occurring.

22 Some other inconsistencies that I think led to this
23 process not being successful. When we started the process,
24 the question was asked what will you be able to order the
25 railroad to do? The answer that I heard was whatever

1 mitigation is necessary to offset the effects of the merger.
2 Shortly thereafter we had Decision 71, where for the first
3 time the issue of Tier One and Tier Two mitigation was
4 introduced, again, taking us away from the goal of trying to
5 determine mitigation or determine effects and come up with
6 the proper mitigation.

7 Another inconsistency was the economic issue. At
8 the very beginning of the process we were asked to meet with
9 an economic expert, and many of us spent significant time
10 with that gentleman telling him what we thought the impacts
11 on Reno would be economically. Never heard really from the
12 gentleman again. He did come back, he was supposed to come
13 back with a plan, really didn't have a plan, and after that
14 we didn't hear from him.

15 What we are hearing today is that economic impact
16 is not relevant, yet when a determination was made that grade
17 separations were not an appropriate mitigation, one of the
18 factors considered was the cost. Again, I don't understand
19 the inconsistency.

20 The other issue that I think that we need to really
21 highlight, and it was just raised by the gentleman ahead of
22 me, was how are we going to enforce this agreement? Again, I
23 have seen nothing that indicates that there's any
24 consequence, any ability for the STB to say if these, even
25 assuming these were proper mitigation methods, that if these

1 aren't met, this is what's going to happen. Again, I don't
2 know how you enforce that, or if there's no consequence, once
3 a railroad decides that they either can't or won't meet those
4 goals, then we have not been successful.

5 So I think in the enforcement area and in various
6 inconsistencies in the way this process has occurred, I think
7 there are some serious gaps in this mitigation plan that need
8 to be addressed in the final mitigation plan.

9 Thank you.

10 MR. CARL BRADLEY: My name is Carl Bradley, and I
11 work for Union Pacific Railroad. I happen to be the
12 superintendent over the area of the trains that run through
13 from Sparks, Reno, over the Donner Pass, and also in the
14 Feather River, and I would like to clear up a couple of
15 items.

16 The employees that operate these trains are
17 professionals. They are highly trained, they are licensed by
18 the federal government to operate these trains, and I will
19 stack their safety record against anybody's safety record in
20 the United States. And I will give you the data to prove it.

21 The spills that you talk about have not been in
22 this area. The crews are very conscious of what they are
23 hauling. They are qualified to handle hazardous materials.
24 They operate this route daily.

25 They do recognize problems. They know what they

1 are dealing with, they respect what they are dealing with in
2 the freight trains, and they are certainly capable of
3 handling any train carrying whatever product they carry that
4 we are licensed to carry.

5 Our safety record, and when I say our safety
6 record, I mean the employees' safety record, not management,
7 employees' safety record in this area is one of the best on
8 the Union Pacific. Union Pacific has had some problems this
9 year with some accidents. None of those have been close to
10 this area.

11 Handling trains are what these people do for a
12 living. I respect them for it. I think they do a good job.

13 And as some engineers said earlier today, 20 miles
14 an hour versus 30 miles an hour through Reno is certainly a
15 better speed, because if a train possibly had to be placed in
16 an emergency doing 30 miles an hour, the inner action or the
17 forces within the train is much less than at 20 miles an
18 hour, therefore lessening the likelihood of any kind of
19 peril. With a 30 mile an hour speed limit in Reno there
20 would be track improvements, there would be bigger rail,
21 there would be signaling, crossing protections would be
22 different.

23 And in closing, 20 miles an hour is not as good as
24 30 miles an hour on a freight train.

25 Thank you.

1 MS. WILSON: Thank you. It's M. Lee Dazey.

2 MS. M. LEE DAZEY: Thank you.

3 MS. WILSON: Sorry.

4 MS. M. LEE DAZEY: Good evening. It's been a long
5 day, but I'm sure it's been a long day for you guys as well.

6 Anyway, my name is Lee Dazey. I work with Citizen
7 Alert. We are a statewide grass roots organization working
8 on nuclear issues in Nevada.

9 Let it go on record today that Citizen Alert stands
10 opposed to the recommendation of this Board that UP trains be
11 simply sped up to minimize the impacts of the increased
12 number of trains on service providers, commuters and air
13 quality. Given the toxic nature and the increases that we
14 heard about today, a large percentage of the trains moving
15 through Reno, which will double or triple or quadruple into
16 the years to come as a result of the merger, and UP's
17 declining track record, this recommendation we feel is sheer
18 folly and will increase the likelihood of a serious accident.

19 When we drive near an elementary school, do we
20 avoid hitting a child by speeding past the school? No. We
21 slow down to 15 miles per hour.

22 Heavy criticism, as we have heard tonight, has
23 fallen upon Union Pacific recently. After seven fatalities
24 in three months, we are all privy to the reports. After an
25 investigation by the Federal Railroad Administration in

1 which, and I will reiterate some of the points which I didn't
2 hear reverberated tonight, 57 percent of locomotives
3 inspected were found to be defective, in which supervisors
4 had actually ordered crews to move trains with defective
5 equipment, in which employees had been told not to report
6 defects or injuries, and in which dispatchers and managers
7 had given conflicting instructions that could have resulted
8 in head-on collisions, the FRA arrived at the conclusion we
9 have heard tonight. UP has had a fundamental breakdown in
10 basic railroad operating procedures and practices essential
11 to a safe operation.

12 And I think the point needs to be reiterated,
13 because we don't see that reflected in your study in your
14 mitigation plan for UP. And certainly these factors
15 shouldn't be omitted, as a federal board which oversees the
16 merger of the UP.

17 Just UP is a preexisting, I'll use that word
18 because I'm hearing it a lot lately, is a preexisting
19 railroad company with trains through Reno, they shouldn't be
20 outside of scrutiny by this Board. In our opinion UP's track
21 record doesn't warrant them to increase their trains through
22 town.

23 Union Pacific is the railroad company,
24 incidentally, whose trains will carry high-level nuclear
25 waste through our neighborhood next spring. The rail runs

1 parallel to 79 miles of the Truckee River, which is our
2 single source of water for 300,000 people in Washoe County
3 alone and hundreds of farmers in Lahontan Valley. The
4 Truckee is also the source which feeds Pyramid Lake, which is
5 the traditional homeland to the Paiute people, whose culture
6 is based upon the lake and upon the cui-ui fish.

7 According to the Department of Energy's own study,
8 a serious accident in urban area could contaminate a 42
9 square mile area, cost billions of dollars to clean up. And
10 I remind you, it would be the taxpayers' money that would
11 have to clean it up.

12 Union Pacific is a dangerous railroad. Accidents
13 do routinely happen, sometimes more routinely, as in the case
14 of UP. But we are the people who have to live with the toxic
15 spill.

16 It's our duty to say no to this Board's solution to
17 UP's merger in order to avert the kind of accident that
18 occurred on the Sacramento River just five years ago near
19 Dunsmuir, in which a train derailed containing chemicals and
20 sterilized that river. It's sterile today. What a loss.

21 The fact that this Board came up with a finding
22 that no serious human impacts would result from the merger
23 speaks again for the need for a more comprehensive
24 environmental review, one that deals with UP's track record
25 and one that actually deals with the hazardous contents of

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1 these trains.

2 MS. WILSON: You're time is up.

3 MS. M. LEE DAZEY: In other words, an environmental
4 impact statement.

5 I just want to say a closing statement.

6 Tonight in talking, in hearing your comments, I
7 really, there were moments where I felt like, in the
8 presentation by the STB, it was the UP giving the
9 presentation. I have got to let you know that.

10 Thank you very much.

11 MS. WILSON: William McGee, Rory Dowd, Lonnie
12 Feemster.

13 MR. WILLIAM MCGEE: I'm William McGee, and I am a
14 retired Southern Pacific Railroad engineer, live in Sparks.
15 And I was quite surprised -- and I am also a railroad
16 historian and I write books on the subject. And I was rather
17 amazed that I received an invitation from Reno when I lived
18 in Sparks, in a railroad town. I don't know what you would
19 sort of expect me to say.

20 But I say this. Some of the things that you put
21 out, like in one of these flyers, there is no way in the
22 world that any engineer is going to let a locomotive smoke
23 like that.

24 And incidentally, that's not a Southern Pacific or
25 Union Pacific engine, it's a JPH that never heard of the

1 railroad. That's a busted turbine, turbocharger. And all
2 the hog head has to do is just punch the button and shut it
3 off. So I don't know how they took this picture, unless they
4 bribed the engineer to widen the throttle and run it in that
5 kind of condition.

6 Now, going to depress the tracks is a problem the
7 engineer will have to face. Because if any of you drove
8 between Sparks and Reno and seen what the steep gradient is
9 between Sparks and Reno and on over to Lahontan, that's about
10 two percent grade. That's just about as steep as anywhere on
11 the Sierras. Now, if you are going to put a tunnel down in
12 there, a ditch, which I'm afraid the ditch is going to gather
13 water and wash it down to Sparks and wash out our tank farm,
14 and we have already got enough problem down in Sparks over
15 the Helms pit with oil and stuff getting into it.

16 But why not you do something in the meantime? It's
17 going to take a lot of years and a lot of time to put a
18 complete concrete thing in, because you have got to make it
19 waterproof. You can't have the train riding on a swamp. And
20 that water, three percent grade, Niagara Falls would make a
21 pretty good second in how fast that water is going to come
22 down to Sparks.

23 I'm sure you have got ways, enormous pumps that you
24 can pump that water out of the place in case they have a
25 little, not a flood, but just a good rainstorm.

1 So let me add something to you. I worked a switch
2 engine, crossed over these tracks and almost run over some of
3 my friends. And the easiest thing was used years ago, we
4 have the electronic technology now to put three men, that is
5 around the clock, eight hour shifts, all they have to do is
6 press a button, that will stop a train in either direction.

7 Now, there's always a possibility sometimes a train
8 will get stuck, you know, air brakes stick or something
9 happens, they have to stop, some dangerous thing occurs, they
10 have to get out and fix it. This man can run up there
11 quickly, close off the air -- that's a bum deal -- close off
12 the air vent, pull the train away and let the fire engines
13 and ambulance go, back up his train and take off. He can do
14 that on any crossing. Every crossing would have to have a
15 man, and this would solve your problem for now.

16 And when you guys get the money, and I hope you
17 don't get it from us Sparks taxpayers, go ahead and depress
18 your track.

19 MS. WILSON: Thank you. Rory Dowd.

20 MR. RORY DOWD: My thoughts on this are all kind of
21 scattered here, so bear with me, if you will be patient.

22 I'm a new resident of Reno, within the last year.
23 And from what I have been hearing in the last few months
24 dealing with this, it seems like, yeah, okay, Union Pacific
25 has a precedent of being here first. Well, we live here,

1 they don't. They have, they have very nice houses in a very
2 nice part of some other part of the country that's not around
3 this area, which is what they are going to be affecting with
4 all these decisions they are trying to make.

5 An EIS is needed, period, just irregardless, when
6 you are going to do something like this in a major
7 metropolitan area.

8 And it seems like the proposed doubling of train
9 speeds has been given an okay again by people who this
10 decision will not affect. And Union Pacific trying to
11 further their profit margin by not coughing up the money for
12 depressing of tracks, that seems like Reno, they want Reno to
13 buy them a toy that's going to make their lives easier, but
14 that's going to put a lot of strain on working families,
15 people that, you know, don't have those extra tax dollars to
16 spend.

17 They want us to pay, they want us to possibly
18 suffer injuries and fatalities for a scheme that's going to
19 make them more money.

20 Again, it comes down to the I think really simply
21 that we live here and this is important to us, and we don't
22 have the, a lot of the people in Reno are not willing to put
23 forth the money for this.

24 I also think Union Pacific would need to really
25 clean up its safety standards before the mitigation plan is

1 finalized. And like the gentleman was saying, the employees
2 of Union Pacific may be very conscientious, qualified
3 workers, but, you know, how well can you play a guitar if the
4 neck was broken? You know, how good would a lamp work if it
5 didn't have a light bulb? It might kill you if you stuck
6 your finger in the socket because it's plugged in, just like
7 a train can kill, you know. It's got good people on board,
8 but the train is broken so it's going to be dangerous to
9 somebody.

10 That's all I have to say. Thank you.

11 MR. LONNIE FEEMSTER: Thank you for letting me
12 speak tonight. My name is Lonnie Feemster. I run a company
13 called Feemster Realty, I do commercial real estate.

14 I at this time have hundreds and hundreds of family
15 members by blood or marriage in the area, and everything that
16 happens in this community affects me. On the way to federal
17 court I was stopped by a train, as the judge was mentioning
18 my name when I walked in the door, and I realized this is
19 something I have got to get involved in.

20 I think my most worthy fellow citizens will make
21 sure that most of the issues are at least brought up
22 regarding the trains and increased train traffic, but I'm
23 mainly concerned that any decision that's made is going to
24 have some opposition, because there are too many important
25 issues. I see the more problems you solve, in my experience

1 in this community, the more public support you get.

2 I think, in my opinion of everything I have seen
3 and heard, that the depressed railway is the clearly the best
4 solution, other than moving the tracks from the downtown
5 corridor. But I think they need, it needs adequate
6 evaluation.

7 I think the main problem of a funding gap could be
8 overcome, initially my investigations and estimations show
9 that there are funds available from several sources to fill
10 the gap.

11 If these other obstacles, if these, if other
12 obstacles are overcome, you will solve the public/private
13 support. I think there are dollars available if you depress
14 the railway and take care of the other public issues that are
15 of concern from, you would have the ability to bring in
16 tourists from the airport to downtown, with their dollars
17 probably available there, there's affordable housing that
18 could be built if there's public transportation system to
19 bring people into the downtown corridors where they need to
20 get to work.

21 There's commercial real estate value to the land
22 above the depressed railway. There is other economic
23 benefits due to enhanced land values from other parcels,
24 which I will not mention because I know everybody would be
25 tomorrow, trying to buy those parcels. However, if you want

1 to contact me, I can talk to you later.

2 I think this can be the future of a model
3 transportation system that can link the airport, downtown and
4 Lake Tahoe eventually. And I would like to ask the
5 transportation board to study fully the depressed railroad
6 recommendation, because I think there's a big gap and lack of
7 understanding of how valuable and how much money could be
8 used to pay for that gap.

9 I don't want to try and judge Union Pacific's
10 monetary contribution to it, but I think there is enough
11 dollars available to overcome that, and I think if you solved
12 these other problems, you will find the people of this
13 community much more supportive of a depressed railway.

14 Thank you.

15 MS. WILSON: The next three cards are Rob Pyzel,
16 Richard Snow and George Worobey.

17 MR. ROB PYZEL: Thank you. Earlier today I
18 provided testimony as a representative on the task force for
19 the city of Sparks. I'd like to present testimony tonight as
20 a resident of the city of Reno and a member of the task force
21 as well.

22 I'd like to state that right off the bat I was
23 impressed by the members of the Section of Environmental
24 Analysis for their professionalism, but I do have to state
25 that I was frustrated by the process.

1 I was also frustrated by the lack of balanced
2 journalism by the newspapers and the television news, but
3 most of all I was frustrated by the city of Reno. I was
4 frustrated by the city of Reno for deciding not to
5 participate in a reasonable discussion of the issues in an
6 attempt to force UP to pay for the past sins of the city and
7 land use planning. Essentially I feel that the city is
8 holding Union Pacific hostage. I'm frustrated with the city
9 for refusing to even think about any other option than the
10 depressed railway.

11 I'm also frustrated at the city for directing its
12 task force representatives to refuse to even consider an
13 other mitigation measure other than the depressed railway.
14 I'm also frustrated at the city for the sheer rudeness of its
15 task force representatives and the city manager to the
16 Section of Environmental Analysis members and the other task
17 force members throughout the process of development of the
18 PMP.

19 As a resident of the city of Reno, I would strongly
20 urge the city of Reno to sit down with the downtown property
21 owners, the other interested parties and the Union Pacific to
22 come to some sort of solution acceptable to all parties
23 through negotiation as part of the Tier Two mitigation.

24 Since apparently the city has no desire to use the
25 process to seek out a suitable compromise amenable to all

1 parties, I feel that the PMP recommendations are the only
2 recommendations that are forwarded to the STB that meet the
3 criteria laid out by the STB decisions in describing the
4 parameters of the study.

5 Thank you.

6 MS. WILSON: Thank you. Richard Snow.

7 MR. RICHARD SNOW: Thank you for the opportunity to
8 comment on this situation.

9 In looking at the Tier One situation, there's
10 three, let's make that four areas where I have some concern
11 what we are looking at.

12 We are looking at train speed starting in Sparks
13 and going west into Reno. Also going west and eastbound in
14 the Reno, trains have to make a stop. Where do they make
15 their initial reduction and what is the speed that they are
16 traveling before they enter into the yard and when they are
17 leaving the yard? We are talking about going from 20 miles
18 an hour to 30 miles an hour situation. The majority of this
19 area, which I believe is, looks like about a five mile window
20 you are looking at from milepost 247 to 242 is going to be
21 under acceleration or deceleration.

22 I asked one of the members of the Board tonight, he
23 didn't have any figures on that. That's very strange to me
24 that we would be doing impact statement on this and not
25 looking at that critical area of acceleration and

1 deceleration.

2 Also, in the area where I work we have a crossing
3 at grade. The FRA has a 20 minute time limit on the blocking
4 of a surface grade crossing. The gentleman over here today
5 indicated that they have people that will go back and make a
6 cut in the train so that emergency vehicles can get through.
7 If they are violating the 20 minute situation now, what's
8 going to stop them from making a longer than a 20 minute
9 block of that crossing, and who is going to make the
10 accountability of these people and make it stick when they
11 are violating the law?

12 Now, also in talking with the man today, they said
13 there's accountability that is written into this Tier One.
14 There is going, they are going to be held to the fire, so to
15 speak.

16 In talking with the man, I indicated to him that
17 there's, I would call it rule two, which is the way they
18 service the brakes on trains. As I used to work in Salt Lake
19 City shop doing repairs on freight cars, I am fully
20 conversant with the rules on the rule two. There's
21 violations on every train that I see going through Reno on
22 the rule two situation. They are replacing service valves or
23 emergency valves without replacing the companion part.

24 If they are doing this, then they are not complying
25 with the intent of the law. FRA is the one that is to be

1 administered and holding accountability. Evidently it's not
2 being done. If it's not being done now, what's the guarantee
3 to say they are going to be accountable for what is going on
4 in this situation?

5 The fifth concern I have is crossovers on two grade
6 crossings that are supposed to handle 90 percent of the
7 people. Are we going to let these other 10 percent of the
8 people crawl through the train? On a daily basis, when we
9 have trains stopped at the grade crossing, I see people
10 crossing through the train.

11 One fatality is one too many in this city. I think
12 the railroad needs to look at it and say, according to the
13 their rules rule number one is no job is so important that we
14 cannot take the time and effort to do it safely. If they
15 would expend some monetary means to make a crossover within a
16 reasonable distance, people would use it.

17 And if we are doing it at Sierra Street and at
18 Virginia Street, when we get down to Galetti Way, they are
19 crossing over these trains that are there for more than 20
20 minutes while they are switching the yard, and no one is
21 there to make them comply with this 20 minute rule.

22 And I have more questions, but they will be taken
23 up in the question and answer period.

24 And I'd like to see an environmental impact
25 statement done, because I think it's required and hasn't been

1 done yet.

2 MS. WILSON: Thank you. George Worobey.

3 MR. GEORGE WOROBEY: Thank you for letting me
4 speak. My name is George Worobey. I'm 18 year plus resident
5 in Reno, Nevada.

6 I wrote to the newspaper in May or June of 1990,
7 and they printed it. I'm not going to read the whole thing,
8 this is just a rough draft. The heading was Bury the
9 Transcontinental Railway.

10 And what I was saying was put the train in a
11 tunnel. And I don't know if anyone ever considered putting
12 the train in a tunnel.

13 Now, I was at the other meeting and somebody came
14 over and said well, we can't do that because we have got to
15 pump the water and the whole thing like that, and, you know,
16 it will flood. Well, they put a 23 mile tunnel under the
17 English Channel and a train runs through it. And I think a
18 tunnel would be better than a depressed trainway.

19 If it's a depressed trainway, that's very good. No
20 overhead, no ells no moving the tracks. But I think a
21 tunnel, because if you do a depressed now, 20 years or 15
22 years from now, somebody's going to say well, why didn't we
23 put it in a tunnel? Spend the money now, do it, increase the
24 property values in Reno, make it a beautiful city.

25 It's ready for it. I'll pay a little more.

1 Thank you.

2 MS. WILSON: Thank you. Jim Debrick, George
3 Baltar, Patricia Sliger.

4 MR. JIM DEBRICK: I'm Jim Debrick, retired railroad
5 conductor.

6 And for the last 25 years I don't believe the
7 railroad has increased very much. But for the, every day,
8 for the last 25 years, you know what's increased here is
9 automobiles. And some of these people talking about the
10 trains putting out smog, that's a joke. It's been that way
11 for 25 years. They got millions of automobiles in this city
12 that's causing the smog.

13 And if they would build an underpass or an overpass
14 every three years, they would have had eight or nine or
15 overpasses or underpasses, that's hindsight.

16 And when they come to school buses, they shouldn't
17 allow one school bus to cross a railroad track in the city
18 limits of Sparks or Reno, they should have other ways to get
19 over those tracks.

20 Thank you.

21 MS. WILSON: Thank you. George Baltar.

22 MR. GEORGE BALTAR: Good evening. My name is
23 George Baltar. I'm retired from A.T.&T. I have lived here
24 almost four years in Reno now, moved from Phoenix, Arizona.

25 I was raised in a railroad town. Most of the towns

1 were formed around railroads. All commerce either moves by
2 truck or by rail. Over 90 percent of the commerce of the
3 United States moves by truck or rail, that's a fact. You
4 can't deny that.

5 I think Union Pacific is getting an unfair shake
6 here. We need to, you know, you guys are doing, I think a
7 fair job. I mean that book is so thick, it's amazing. I
8 mean how much does that cost of the taxpayers' money, though?

9 You know, how much is it going to cost to make the
10 depression in the middle of Reno, the Grand Canyon of
11 downtown Reno. It's a depressing thought, concrete ditch.
12 You know, it's just crazy.

13 We pay for environmental impact study after
14 environmental impact study. We study everything from spotted
15 owls to spitting on the sidewalk has to have an environmental
16 impact study. I mean is there any logic any more in
17 anything? Can people sit down, like the city of Reno, which
18 is not very cooperative, I have to agree, they are not very
19 cooperative with you people. They have to sit down and they
20 have to work with the rail, with your board and the city has
21 to work together.

22 This is ridiculous, this stuff, it's crazy. This
23 depressing the railway, we got a lot of new techniques now
24 for rail. I mean the hot box detectors, and, you know, they
25 can detect load shifting now with all the electronics of the

1 computer age.

2 This depression of the track is really
3 unbelievable. I think we need to actually put the roads and
4 the sidewalks under the tracks is where they should go and in
5 the middle of town, certain key roads, to eliminate the
6 tie-ups on the major roads.

7 And they say how hazardous the trains are. Well,
8 the fellow from the Teamsters Union, I was a CWA union
9 steward. If I had a hazard in my job, an employee would come
10 to me and say this is hazardous, I would go look at it, it's
11 hazardous, I go to the boss and say hey, this has to be
12 fixed. He will say no, I'm not going to do it. I say okay,
13 I'm going to OSHA. I go to OSHA, and OSHA comes right out
14 there and inspects it, you don't fix it, you are going to be
15 fined.

16 What are the Teamsters doing? Are they not taking
17 care of their equipment and following the OSHA requirements?
18 We have HAZMAT, driving down 80, look at the stickers. If
19 you can read a HAZMAT sticker, look at the HAZMAT stickers on
20 the side of the trucks. You will see everything going
21 through Reno. You will see nuclear waste. Any kind of
22 HAZMAT material that is available is coming through Reno via
23 truck also. I don't hear any environmental impact statement
24 for that.

25 People got to get their head together and quit this

1 spending all this money for these people to pay all these
2 groups to study everything. All these people, these people
3 are making money off the taxes of the American people.
4 That's why our taxes are going up.

5 I'm retired, and I'm tired of paying high taxes. I
6 live on a fixed income basically.

7 I want to thank you very much for all your work,
8 too.

9 AUDIENCE MEMBER: Union Pacific has spent millions
10 of dollars lobbying to have OSHA eliminated.

11 MS. WILSON: Patricia Sliger.

12 MS. PATRICIA SLIGER: Yes. I'd like to tell you
13 that I am a resident, or was, of Monterey, California. And I
14 believe that one of your city managers, someone, is from
15 there also. And the common sense that was used in Monterey
16 doesn't seem to be being used here.

17 First of all, the airplane, the airport has been
18 going through expansion after expansion. And living in Las
19 Vegas also, you will see how quickly your smog is going to
20 accumulate in the sky from the planes, not the trains.

21 You are also going to know that when you stop your
22 transportation from coming through, you don't have the roads
23 to accommodate the trucks like they do in San Francisco or
24 Monterey, and you don't have the possibility of creating your
25 daily needs, which the trucks and the trains do deliver to

1 you here in this small city.

2 So I'm very sorry to see all of this happening,
3 because it is using a lot of money, and I have no idea where
4 it's coming from, the kind of money that's being programmed
5 in the millions. And I'm saying my goodness, Monterey is a
6 lovely place, but they don't spend that kind of money on a
7 bunch of nonsense.

8 And thank you.

9 MS. WILSON: Thank you. The next three speakers,
10 Frederick Clayton, Evelyn Scott, John Spitzner.

11 MR. FREDERICK CLAYTON: Good evening. Thank you
12 for letting me speak here this evening.

13 The STB I think, if it wanted to, could decide not
14 to make a decision, that their Tier One option is not an
15 option, and therefore either to continue the process through
16 an environmental impact study, or to simply to require all
17 the parties to go to Tier Two consideration.

18 They say they cannot consider a depressed trainway.
19 If they can consider safety issues, and if we look at the
20 depressed trainway as the best containment for its limited
21 length of any possible HAZMAT incident, then I think they
22 could look at the depressed trainway.

23 As far as no spills for a limited historical
24 period, history since 1971 is nothing. I have lived in Reno
25 long enough at the right times to remember at least two rail

1 incidents which were fairly major in the way they tied up
2 traffic. One was a broken axle on, if you will, a tank car.
3 I believe that was in the late 40s. And the other one I
4 remember was probably in the mid-60s due to a broken coupler
5 when I, along with a lot of other people, was one who did
6 dare to climb over the train, a flat car it was, to get
7 across the tracks to my work on time.

8 I'd like to just divert myself here a minute.

9 The big issue over the depressed trainway, at least
10 from the city of Reno's viewpoint, seems to be who is going
11 to pay it. I would like to see everybody concerned pay their
12 fair share. But I would also like to offer what is probably
13 an unpopular or certainly uncommon viewpoint.

14 Psychologically, esthetically, physically the casinos and
15 their tourist clientele are going to be beneficiaries at
16 least as much as the railroad itself of any depressed
17 trainway. Therefore, let's have them come up with some way
18 of allocating their fair share of costs. What happened to
19 the downtown Reno Redevelopment Agency?

20 Thank you.

21 MS. WILSON: Evelyn Scott.

22 MS. EVELYN SCOTT: My name is Evelyn Scott. I was
23 born and raised in Reno some 70 plus years, so I have seen
24 Reno grow from nothing to what it is today.

25 I have two properties that would be affected by

1 this railroad move. And I believe that the depressed
2 railroad is what I would suggest. And I feel that the
3 casinos should share in this cost.

4 I'm kind of sick of listening to all the scare
5 tactics that have been used in the newspapers, and for a
6 minute tonight I thought I was in a union meeting.

7 They complain about the emergency vehicles. We
8 have them on both sides of the track. We a hospital on the
9 north side of the tracks and we have a hospital on the south
10 side of the tracks. And we have fire departments in both
11 sides. We have REMSA on both sides of the tracks. And
12 there's so much scare tactics going on that I think it's
13 totally ridiculous.

14 I feel that as a resident of Reno I think that the
15 railroad should not shoulder all the cost. I think the city
16 of Reno is wrong in some of their tactics of the way they are
17 handling this. I do believe that we spend so much money on
18 studies that it's totally ridiculous, and when I look at what
19 it's costing the city of Reno to sue, I think they are
20 ridiculous too.

21 That's all I have to say. As a taxpayer I'm happy
22 to be here tonight and to speak on behalf of the railroad.
23 Thank you.

24 MS. WILSON: Thank you. John Spitzner.

25 MR. JOHN SPITZNER: Good evening. My name is John

1 Spitzner. I'm a member of an organization called CANWIN,
2 Citizens Against Nuclear Waste in Nevada. I'll keep my
3 comments very short.

4 I'm going to start with really my conclusion. An
5 environmental impact statement is a must.

6 One, this proposal is for longer and faster trains.
7 As such this directly impacts responders to emergencies.

8 Number two, transportation of hazardous waste,
9 including the potential for nuclear waste, could cause a
10 major catastrophe.

11 Three, recent history of Union Pacific demands
12 further research. Federal Rail Administration requested a
13 full investigation into Union Pacific's operations after
14 seven people died.

15 I could go on and on, but I think this is enough to
16 give you a conclusion that an environmental impact statement
17 is a must.

18 Thank you.

19 MS. WILSON: Thank you very much.

20 One of the members of the audience has suggested
21 that the second and third speakers get closer to the
22 microphone, so if you feel like doing that, feel free.

23 The next three speakers, Frank Napierski, Brooks
24 Hoffman, Art Johnston.

25 MR. FRANK NAPIERSKI: My name is Frank Napierski.

1 I have been to all the public meetings concerning this merger
2 and have always been in favor of the depressed rail lines
3 through Reno.

4 At the public meeting the public comments at these
5 meetings have always been, and have been again tonight, an
6 expression that, of the people that they feel there should be
7 cooperation between the railroad and the community. The
8 city, in my opinion, never got the message.

9 The biggest example I have seen is the Union
10 Pacific offered to pay 35 million dollars, or half the cost
11 of doubling the undercrossings in Reno, while projected
12 increases in train traffic are not expected to be more than
13 what they were in the mid-80s, about 30 trains a day.

14 Reno countered that generous offer, in my
15 opinion -- in my opinion it was a generous offer, by refusing
16 to give the Surface Transportation Board any help in
17 evaluating which crossings to construct, which undercrossings
18 to construct, and then accusing the STB of failing to
19 evaluate those same undercrossings.

20 They then spent an unbelievable amount of money on
21 a propaganda campaign accusing the railroad of refusing to
22 pay more than a fourth of the cost of depressing the tracks.

23 Please keep in mind that throughout this campaign
24 Reno never put a dime on the table. They never put up a
25 dime. Got 35 million dollars on table and we got not a dime

1 in any other funds.

2 I don't claim to be an expert, but an offer to help
3 double the crossings while not doubling the train traffic
4 sounds like an offer made in good faith by a good corporate
5 citizen, which I believe the Union Pacific to be. I wanted
6 the depressed train tracks, but I feel Reno's actions may
7 have lost us the 35 million bucks.

8 Like the mouse that got stepped on by an elephant,
9 and unlike our tracks, I'm depressed. And I blame the city
10 of Reno.

11 Thank you.

12 MR. BROOKS HOFFMAN: Life's a terrible thing to
13 waste, and I pray we are not just spinning our wheels here.

14 My name is Brooks Hoffman, or some people call me
15 Officer Hoffman. I work for the department of prisons.

16 I'm personally concerned about the increase of
17 train track in the big meadow area. I have seen many people
18 ride hobo style to and from, back and forth cargo trains.
19 LCC hasn't had any single escapes, but the longer the train,
20 the mile, with only two people on it, and the more frequency
21 of the train, gives a little bit more of an opportunity
22 there.

23 Also the Rye Patch area recreation area, which has
24 the U.S.'s greatest single trophy fishing inside of the U.S,
25 would be endangered if there was to be an accident.

1 Pershing County is made up of agriculture with the
2 Humboldt River actually going underneath the tracks. If
3 there was spill agricultural community would also suffer.

4 Everyone in the small town of Lovelock hears the
5 train whistle from every point in the town. It's less than a
6 square mile across on it. The increase in the train noise
7 will definitely decrease the quality of life and economic
8 life, because a lot of tourists coming through that town, and
9 the motels and other related tourist activities.

10 I have seen many people drive around the tracks
11 there when a gate is down on it. There's also greater chance
12 of life per population in our small community. We have many,
13 many tracks that don't have any gate whatsoever inside of
14 them. Just the old fashioned X's.

15 Vibration from the trains will have an effect on
16 many historical old structures that are made up of concrete
17 and stone, along with the mining industry, which has some
18 mines within a hundred yards from the tracks itself. Now you
19 are talking about double stacking the heavier weight on it
20 and everything else like that.

21 You know, the human body can only withstand about a
22 20 mile an hour impact, but when you go to 30 miles an hour
23 there's not a chance. I'd like to have a chance.

24 If there is some kind of buffer zone in front of
25 the lead car, high energy absorbing, to take the crunch out

1 on the person receiving, that would keep a lot of necks from
2 getting kinked.

3 Also up in that area there are a lot of faults that
4 are in that area. The higher the train, the more rocking
5 motion that's going to be happening with it on it. Also with
6 more hazardous materials that could go on with it, with the
7 desert atmosphere, there's a little longer term chance for it
8 to be sticking around longer.

9 I think for the last two months or so, I have
10 looked in the newspaper, and I haven't heard or seen anything
11 about it in the newspaper personally myself of any activities
12 that, for what's expressed with it on here. I hope that we
13 could get together with our community on it to have more
14 railroad crossings, possibly an elevated rail line. We have
15 an elevated freeway over our city.

16 I invite this committee to come over to the city of
17 Lovelock, the capital of Pershing County, and to tie the
18 bonds of humanity and to prevent any discord and litigation
19 in the future.

20 Thank you.

21 MS. WILSON: Art Johnston. Is there an Art
22 Johnston?

23 The next three speakers, Jack Lorbeer, Glenn
24 Duncan, Jack Hawkins.

25 MR. JACK LORBEER: Good evening. My name is Jack

1 Lorbeer. I'm the principal planner and head of the street
2 department section of the Regional Transportation Commission
3 Planning Department.

4 We are in the process of submitting our agency
5 comments and will be getting them more formally in the next
6 couple of days. However, we wanted to be on record that we
7 had some definite concerns about the PMP process.

8 I was a member of the task force myself, and I
9 share some of the same frustration of some of the other task
10 members.

11 One of my main job functions at the RTC is to be a
12 transportation modeler and a projector of future traffic
13 volumes. One of the big concerns we have with the PMP
14 process is that some of the forecast data represents only a
15 time frame into the future of only 26 months, to the year
16 2000. We at the RTC project traffic and other transportation
17 issues into the year 2015. We all know it's speculative, and
18 a model is basically a tool that you use to project and to
19 basically try to protect what you can.

20 So we are somewhat concerned that there has been no
21 effort to put some different scenarios together of potential
22 increases in traffic, train traffic that is, above and beyond
23 the 11.3 assumed in a 26-month period.

24 We are also concerned at the staff level of the
25 Tier One requirement of the 10 mile per hour increase. We

1 have some concerns as to whether or not those would be
2 enforceable, especially in terms of traffic delay. The
3 Nevada Department of Transportation figures show that we are,
4 we can expect over a 20 percent increase in traffic crossings
5 at the six major crossings in the downtown Reno area.

6 Not only that, we are concerned also about the
7 increased train speeds with numerous emergency access
8 vehicles. And one thing that we did not see mentioned in the
9 PMP is that there are also 28,000 Citifare passengers per day
10 that cross the train tracks on a daily basis.

11 We have already had some incidents from our
12 Citifare operations of gates that have been hitting some of
13 our buses. As you know, a bus as it accelerates is not a
14 real fast vehicle, and we are somewhat concerned for the
15 28,000 passengers in terms of the amount of time that it
16 takes a bus to accelerate versus a 30 mile per hour train
17 versus a 20 mile per hour train.

18 So with that, we just wanted to bring this forward.
19 And we also would like to conclude and say that we feel from
20 a traffic standpoint, from a transportation agency that deals
21 a lot with roads and highway planning in the Truckee Meadows,
22 that we feel that the cost issue in terms of the grade
23 separations, we feel that grade separations need to be more
24 in depth and not just eliminated because of the cost figure.
25 We are very concerned that just because we may have an

1 expensive grade separation or one grade separation may be
2 more expensive than another, that that should not be
3 eliminated.

4 So I appreciate the opportunity to speak before you
5 tonight.

6 MS. WILSON: Thank you.

7 MR. GLENN DUNCAN: My name is Glenn Duncan. I'm a
8 35 year resident of Reno. I'm retired. That's kind of like
9 it doesn't count, whatever I say.

10 The last time I ran up against the it doesn't count
11 proposition was over in Switzerland. They had a bunch of
12 experts who were going to tell us what they did with all the
13 Nazi gold, and they came right down to it, they were going to
14 tell us, and then they said oh, that doesn't count. We don't
15 know what the banks did with it.

16 Well, even one trainload could overload the rail
17 bed or the rails themselves and cause us a calamity. So one
18 big super trainload, you know, with 80 to 150 cars, ought to
19 have a real good chance of setting up a harmonic that would
20 result.

21 HAZMAT materials near a water supply are kind of
22 deadly. Emergency traffic jams are kind of deadly.

23 But I did have one thought that might be helpful.
24 Maybe we could export the really bad nuclear waste by air.
25 We have a national guard unit here in town, it's pretty good

1 at hauling stuff around. And maybe the truly hazardous
2 materials could be set aside for air transportation instead
3 of by rail.

4 Thank you.

5 MS. WILSON: Jack Hawkins.

6 The next cards, Dr. Loshkin, Gene Gardella, Thomas
7 Johnson.

8 Dr. Loshkin. Gene Gardella.

9 MR. THOMAS JOHNSON: My name is Tom Johnson, 30
10 year resident of Reno. I live about 2,500 feet from the
11 railroad right-of-way in west Reno.

12 And I am sure you know it, but it doesn't seem like
13 to me like the citizens of Reno know that the railroad is a
14 right-of-way. They own it, they got it, they bought it in
15 1865. We cross the railroad at their convenience. If we
16 want to cross the railroad, it's up to us to build the
17 crossings, it's not up to the railroad.

18 Let the railroad do what the railroad does, and
19 that's operate trains.

20 Let the citizens of Reno, if they want to cross the
21 railroad, build the overpasses themselves.

22 Thank you.

23 MS. WILSON: Thank you. James Kemsey, John Van
24 Zomeren.

25 MR. GENE GARDELLA: I'm Gene Gardella. Did I get

1 out of order here somewhere?

2 MS. WILSON: I'm sorry. You may come next.

3 MR. GENE GARDELLA: My name is Gene Gardella. And
4 my grandfather arrived on the railroad in 1896, followed by
5 my grandmother, who he knew only by pictures and letters,
6 which he couldn't read or write but were read to him. And he
7 met her on the train in Wadsworth, Nevada. He didn't have
8 too much trouble finding her, because there weren't that many
9 trains and there weren't that many young Italian ladies on
10 those trains.

11 Time has changed between now and then. I was in
12 Reno in the 1960s when the attempt was made to lower the
13 tracks and have the city of Reno citizens pay the cost of
14 doing that, and we were unsuccessful. Only visionaries had
15 the opportunity to see what was coming and why it was
16 important to do. Taxpayers didn't feel that we should pay,
17 that the downtown interests should pay.

18 I think the community has stepped up and said we
19 are willing to pay our share, and that's on the table now.

20 Reno's grown, the railroad traffic has grown, but
21 unfortunately I think impacts that the railroad traffic
22 through our community has grown and outstripped the situation
23 in Reno and overwhelms our community.

24 The mitigation plan looks only to the year 2000.
25 What about 2005, 2010, 2015? Where are we then? People in

1 our community lacked vision then. I think this plan lacks
2 the vision looking beyond two years, two and a half years.

3 The proposal to speed the trains up reminds of
4 Casey at the track. You know, in terms of the uphill speed
5 coming into Reno, I'm reminded of the little train who
6 thought they could, thought they could, thought they could,
7 and I'm not convinced that we know that the trains can reach
8 the speeds that 30 miles dictates that the plan says.

9 If we have a freight train going downhill at 30
10 miles an hour, I have no doubt they can control the speed
11 going through town at 30 miles an hour. I question what the
12 impact would be if a derailment took place and we had a
13 hazardous material spill in the town with the increased speed
14 going through. I think it would be a horrible situation. I
15 think it is something that has great concern.

16 Hearing the impact mitigation description, I heard
17 on two occasions that we were going to train employees. I'm
18 not sure whose employees we are going to train. I have no
19 idea what you were talking about. Is it railroad employees
20 or is it our employees, safety employees or something like
21 that? It wasn't clear.

22 The hazardous materials portion of it. We talked
23 about the national investigation. We talked about the fact
24 that there would be roadbed improvements, increased
25 inspections, mitigation, hot box situations and load

1 shifting, and my goodness, we have stationed a man in town.

2 I'm in the insurance business, and so I'm in the
3 risk business. I think that we need to have a perspective
4 that brings risk to the table. And we haven't looked at what
5 the risk to this community is if a hazardous impact or a
6 hazardous spill occurs here.

7 We need to level the playing field. The only way
8 to do that so we have fair negotiations on a level playing
9 field is to have an environmental impact statement.

10 MS. WILSON: Are there any people that want to turn
11 in any cards? Have we got all the cards?

12 Okay. You must be Mr. Kemsey?

13 MR. JAMES KEMSEY: Yes, I am, ma'am.

14 Madam chair, gentlemen, thank you for your patience
15 tonight.

16 My name is James Kemsey. I'm 27 year resident of
17 this area. I live in Verdi. I am a member of the Citizens
18 Advisory Board. I have family in law enforcement, I am also
19 also certified for hazardous materials response.

20 Gentlemen, less than one year ago I was a quality
21 assurance representative enforcing compliance with the Manual
22 of Standards and Practices of the Association of American
23 Railroads. And based upon that experience, I'm here to tell
24 you that I support the full environmental impact statement,
25 as these gentlemen and many residents have talked about.

1 Several things in our current mitigation plan
2 disturb me. It has a tendency to eliminate modern planning
3 concepts. Now, we are going to optimize a business
4 opportunity by merger, but we are supposed to be minimizing
5 the negative impact. We have ten findings on the wall that
6 we require every business in this city in order to grow or to
7 merge and to plan, but yet we are not enforcing that with the
8 merger of a major railroad.

9 I have heard a disturbing number of 27,000 trucks,
10 sir, but it doesn't compute. We have one truck stop in the
11 I-80 corridor, where I live, that services 250,000 trucks
12 every year. One truck stop. 27,000 trucks only represents a
13 10 percent increase in that particular corridor, on an
14 established depressed roadway, but yet we are talking about
15 100 to 200 percent potential increase on tracks that are
16 inadequate with the railroad. Give me one of these heavily
17 regulated trucks any day.

18 Where I live there are bridges and pathways that
19 have not been maintained off the old Lincoln Highway.
20 There's an old railroad track out there that is unsafe, and
21 there's an old tunnel that people cross to get to the Truckee
22 River as tourists. What are we doing about our old hazards,
23 the 100-year-old, the 50-year-old, the 20-year-old hazards
24 that have never been cleaned up, but yet we are merging and
25 getting bigger.

1 In Contra Costa County less than one month ago we
2 had a derailment involving hazardous materials, and yet it
3 took four hours to notify the local neighborhood to evacuate.
4 That became a very big point of contention in that county.

5 The mitigation plan doesn't address the police
6 power. Police power is very important, because trains can be
7 used for contraband, threats, sabotage, whatever, and yet we
8 have absolutely nothing for cooperation of local law
9 enforcement, the Reno Police Department, the Washoe County
10 Sheriff's Department, the Consolidated Narcotics Task Force.
11 We have absolutely nothing to cooperate with those agencies
12 to keep those trains safe.

13 We are talking about decibel levels not increasing.
14 Well, living within 150 feet of the railroad tracks, sir, I
15 can tell you right now, two o'clock in the morning, those
16 decibel levels have not gone down.

17 We are talking about speeds. I concur with
18 everything that's been talked about speeds, but what concerns
19 me is the lack of the reciprocity agreements. We are not
20 addressing that at all. Reciprocity agreements between Union
21 Pacific, Southern Pacific and Burlington Northern. What
22 about the subsidiary lines such as the Denver Rio Grande?
23 How are you going to use that track? Are they going to be
24 under the same quality assurance programs and enforcement
25 that we are requiring of everybody else?

1 Finally, the one last thing, I promise, since I've
2 got that wonderful yellow card there, is the quality
3 assurance manual, Section J, of the Manual of Standards and
4 Practices, quality assurance, it tells us what we are
5 supposed to be doing, what our warranty programs are supposed
6 to be.

7 I was the quality assurance representative for a
8 major manufacturer that is certified by the Union Pacific
9 Railroad. After they received their certification from the
10 Association of American Railroads, they cut their
11 documentation program because they got what they wanted, that
12 little piece of paper. Their warranty rating doubled. And
13 what they reconditioned is air brake valve devices that are
14 on your trains and the bolsters and the side trams that run
15 the undercarriage of your freight cars. And with longer and
16 faster and heavier trains, and the lack of a quality
17 assurance program, you might talk about 40 years on a
18 derailment, but quite frankly, right now, every single train
19 has the potential for a hazard as it now exists.

20 I believe your mitigation plan, as a closing
21 statement, does not adequately address the concerns of the
22 community, it does not adequately address what you are doing
23 with your own quality assurance and safety programs, and it
24 does not adequately address how the police are going to
25 handle a threat to our community in case of hazardous waste.

1 Thank you very much.

2 MS. WILSON: John Van Zomeren.

3 MR. JOHN VAN ZOMEREN: Hello, my name is John Van
4 Zomeren. I have lived in Reno 12 years.

5 And I'm disappointed at the, in the scare tactics,
6 the emotional tactics that officials of Reno have used, and
7 this is a side point for you.

8 The first, I'm very much against the increase of
9 the speed of trains to 30 miles an hour. I drive a taxi. I
10 have seen literally thousands of trains come through town. I
11 was parked in front of Amtrack on the day the Amtrack train
12 took out and hit a pedestrian. This train took out, now this
13 is not the Union Pacific, but this train, I remarked to
14 myself as the train took out from the station, boy, it's
15 really accelerating. And I went, I left the station, drove
16 up west on Second Street, went up Arlington, and the train
17 was blocking the tracks because it had hit a pedestrian.

18 Like a previous gentleman said, when, 20 miles an
19 hour, you start to kill people. Automobile people put this
20 at 15 miles an hour. Right now, even though the train, the
21 locomotive is committed to 20 miles an hour through town,
22 once it gets out of the area where it isn't the speed limit,
23 it can speed up, the rear of the train will be going 30,
24 while it's going through downtown or crossings. So they are
25 not totally limited now.

1 I'm also against the four quadrant gates. These I
2 consider to be a safety hazard, when you start getting
3 vehicles trapped on the tracks within the gates and no place
4 to go.

5 Getting back to the city of Reno and its scare
6 tactics. The city, fire, they ran a demonstration the other
7 day about how long it would take them to get to an emergency.
8 They have got a fire station at Morrell, on Morrell Street,
9 it can get to the Circus Circus, the Silver Legacy just as
10 quickly as the one on Evans and Second. The same things hold
11 true for emergency vehicles.

12 I think we as a city should consider another
13 overpass similar to the Wells overpass on the west side of
14 downtown if we are talking safety.

15 I wonder how many of us really want a ditch going
16 through town. I know I don't, and I don't think the visitors
17 do.

18 Regarding smog due to the trains. The airplanes
19 coming into town, the airlines produce, I have read figures
20 about five percent of the present smog in this area. I don't
21 believe the trains produce that much.

22 Esthetically, as a gambler, I don't want to see a
23 ditch. And the safety considerations of a depressed track
24 through town have to be addressed. I know you are not -- and
25 if I'm on an Amtrack train, I don't want Amtrack to derail in

1 a ditch.

2 Thank you.

3 MS. WILSON: Joseph Frano, Bob Collins, Daryl
4 Drake.

5 Joseph Frano?

6 Bob Collins?

7 MR. BOB COLLINS: Thank you, ladies and gentlemen.

8 My name is Bob Collins. I'm with the Nevada
9 Emergency Preparedness Association and currently conducting
10 an emergency management course through Truckee Meadows
11 Community College.

12 One of my concerns regarding the proposal of a
13 depressed train track is what's going to happen to the
14 emergency responders in the event that there is an
15 accident there. What we are talking about there is a
16 confined space, that if there is an accident, we are asking
17 our firefighters to go into that trench. If there are
18 hazardous materials, especially chemicals spilled, we are
19 asking them to go in there risk their lives. In the event
20 that that chemical spill results in a plume, essentially a
21 cloud, we are also asking our police department to establish
22 perimeters.

23 I see some real gaps here in the event of the
24 depressed railway. That is, where are the funds and will
25 they be provided to help train and equip our emergency

1 responders? Our first concern is of course for the citizens
2 and visitors. But also we ask these brave people to risk
3 their lives to save us.

4 There must be some means by which, either through
5 the railroad or through the city, that additional funds must
6 be made available to respond in the event of an accident.

7 Also, as we look at the nature of our community,
8 how are we going to notify our citizens and also our visitors
9 on how to evacuate in the event that is necessary? I do not
10 believe that we have those systems in place.

11 So the implementation of a depressed railroad also
12 must be concerned with how can we protect the citizens, the
13 visitors, but also those brave people that we ask go and risk
14 their lives to mitigate, to reduce the effects of such an
15 accident. I don't see that anywhere within the plan. I
16 believe it's an element that seriously needs to be included.

17 Thank you.

18 MS. WILSON: Thank you. Daryl Drake.

19 MR. DARYL DRAKE: Good evening. For the record, my
20 name is Daryl Drake. I was born in Reno.

21 We have heard a number of good points on both sides
22 of this, or the many sides of this issue. However, I have
23 some very fundamental concerns about the process.

24 I sense the Section of Environmental Analysis is
25 caught in a bind, and you the members are charged with

1 suffering the indignities of all the parties involved, since
2 no one in this exercise is happy with the results of the
3 Preliminary Mitigation Plan, except, of course, the Union
4 Pacific Railroad.

5 Our community has a complaint. And it is now my
6 opinion, although you have the responsibility to conduct this
7 hearing, we must now go to a higher authority. The SEA is
8 limited by STB rules and decisions to mitigate our real
9 concerns.

10 Number one, the STB's Decision 44 states on page 8
11 of Appendix A, mitigation of conditions resulting from
12 preexisting development of hotels, casinos and other tourist-
13 oriented businesses are not within the scope of the studies,
14 unquote.

15 The STB has chosen to disregard this community's
16 unique economic engine. You are relieved.

17 Number two, page 6-59 of the Preliminary Mitigation
18 Plan asserts that railroad profitability is not germane to
19 the environmental review process and is clearly beyond the
20 Board's directives for this study, unquote. So you are
21 relieved of this charge as well.

22 Three, the primary mitigation plan cites on page 7,
23 Appendix A, quote, an existing railroad can increase its
24 level of operations without coming to us and without
25 limitation, unquote.

1 That means that the Southern Pacific Railroad could
2 have increased its traffic without limit, without review or
3 compliance with any directives from the STB. The only reason
4 we are going through this exercise is because the Union
5 Pacific Railroad chose to buy Southern Pacific Railroad and
6 Southern Pacific Railroad agreed to sell. Has this perhaps
7 biased the results of SEA's proposed mitigation measures.

8 Four, the STB is required by its own rules to look
9 at the impacts anticipated in only a five-year window.
10 Therefore you need not consider the impacts beyond October
11 2001. What a relief. The Preliminary Mitigation Plan itself
12 reports on page 4-8 that final buildout of the Port of
13 Oakland will not be complete and in service until 2005.

14 So most of our concerns expressed before you
15 tonight are rendered insignificant by the SEA's and STB's own
16 rules and decisions. I submit to you that the SEA has
17 completed its job well, if measured by its own rules. But
18 where does that leave this community? We must rely on a
19 higher authority, whether it be congress or higher courts, to
20 see that equity prevails.

21 Thank you.

22 MS. WILSON: Marigael Morris and Mark Demuth.

23 MS. MARIGAEL MORRIS: Good evening. I'm Marigael
24 Morris.

25 First off, I need to say that my main complaint is

1 the formation of the STB. It's pretty obvious that it was
2 bought and paid for by Union Pacific. So I really question
3 the integrity that this entire report has been put together.

4 I also find fault with the city of Reno and the
5 gaming industry, because they are used to doing the same
6 thing that Union Pacific and the STB have done, and they have
7 met their match. Unfortunately, the citizens of Reno are
8 paying the brunt of this, because it's affecting our health,
9 our well-being and really a very lovely community.

10 If I understand the story boards out in the lobby,
11 there's alternate route that the Union Pacific could use, but
12 evidently that's not a part of this mitigation process. I
13 think it ought to be thought about. Because I really believe
14 that the city of Reno would benefit by moving the tracks out
15 of downtown Reno other than dropping off freight.

16 If it has to be in Reno, I think it needs to be
17 underground. And I believe that the majority of that cost
18 should be paid for by the persons benefitting. And the way I
19 see that, that's Union Pacific. And it's nice that they feel
20 that they are a good corporate partner in bailing out an
21 ailing railroad, that's great. I think that shows good
22 business. But I think they also need to be able to consider
23 those that they are affecting, where their railroad is
24 impacting.

25 MR. MARK DEMUTH: Good evening. My name is Mark

1 Demuth. I'm an environmental consultant for Madcon
2 Consultation Services, part of a consortium of environmental
3 professionals hired by the city of Reno to work on this
4 project.

5 I'd like one thing to be noted in the record that
6 seems to have been missed in both of your discussions today
7 and up here on handout, but do not appear in the PMP.

8 On the handout entitled Safety Considerations and
9 Preliminary Proposed Mitigation Measures Derailment Hazardous
10 Materials, you state that the reinitiated consultation with
11 U.S. Fish and Wildlife Service to determine likelihood of
12 effect on river and endangered threatened species.

13 I think the public deserves to know that in an
14 attempt to get a consultation through early on when submitted
15 in June, the Surface Transportation Board SEA only provided
16 limited amounts of information from a risk assessment that
17 was done by a professor at UNR. That limited amount of
18 information categorized the risk to the Truckee River from
19 hazardous materials spills as one in 154 years.

20 When the author of the report heard of this and
21 responded to the U.S. Fish and Wildlife Service on how
22 erroneous that was to take that number out of his report and
23 stated that the risk was actually more properly indicated as
24 one in 29 years.

25 The U.S. Fish and Wildlife Service was extremely

1 discouraged by this. You should know that the only reason
2 the U.S. Fish and Wildlife Service know any of this is the
3 city of Reno immediately went and visited them when we found
4 this consultation process had been completed nearly 45 days
5 before we were noticed, and we provided the entire report to
6 the U.S. Fish and Wildlife Service.

7 At that time they indicated that they had already
8 completed their consultation and under the federal law they
9 could only reinitiate consultation at the request of the
10 Surface Transportation Board. They immediately sent a letter
11 off warning the Surface Transportation Board that their
12 findings appeared to have been based on false information and
13 that that reinitiation should be completed immediately by the
14 Surface Transportation Board.

15 We now find ourselves where we are now, a matter of
16 I think less than five days after Surface Transportation
17 Board has finally sent a letter to U.S. Fish and Wildlife
18 Service and stated yes, we probably have better information
19 we should provide you and we would like to reinitiate the
20 process. Unfortunately, that reinitiated process will not be
21 completed before next week when the comments are due and the
22 citizens in this room and across the city must make their
23 decision and their comments on what you have offered, when
24 clearly one of the largest impacts to the citizens of Reno
25 has not even begun to be evaluated, as indicated by your own

1 letter and your handout, where you stated earlier today and
2 yesterday that you would need to complete an entire
3 biological assessment and completely new risk assessment to
4 know what the risk is to the Truckee River and our primary
5 drinking water supply.

6 So we stand here tonight being told to accept what
7 you have offered, but yet clearly in your own words you have
8 no idea what the risk is to our primary drinking water
9 supply. You have no idea what the risk is to the only
10 habitat to an endangered species. You have no idea what the
11 risk is to what is considered to be a sacred place to the
12 Native Americans of this valley.

13 I ask that you postpone the decision and the
14 comment period and allow the citizens to fully evaluate what
15 you finally do determine and provide to the U.S. Fish and
16 Wildlife Service.

17 Thank you.

18 MS. WILSON: Thank you. Anyone else want to turn
19 in a card, please do. Last call for cards. Anybody else?

20 We will conclude the meeting and then we will be
21 available for any questions.

22 We have two cards left. Alison Fleming and Paul
23 Larson.

24 MS. ALISON FLEMING: I just wanted to make a couple
25 of comments on a few things that I haven't heard and on a few

1 things I have.

2 One is over the last five, ten years I have seen a
3 marked difference in our mountains and their beauty because
4 of the amount of cars and trucks that go through there, and I
5 have heard nothing about the impact to our forests through
6 there. And I'd like to know more about the impact there,
7 because again, not only is it the beautiful part of our
8 heritage, but a good part of our economics.

9 I haven't heard a word about what happens the first
10 time one of these 100 car or 150 car trains breaks down or
11 stops in the middle of Reno. What happens to our emergency
12 services then.

13 I have heard comments about well, we have got this
14 on one side and we have got that on the one side. Do we have
15 a right to tell the citizen they can't go to Washoe or to
16 St. Mary's because they are on the wrong side of the tracks?
17 I don't think so. You have better facilities and better
18 hospitals and better emergency services on one side of the
19 track or the other. We have no right to tell people they
20 can't use them because they are on the wrong tracks at the
21 wrong time.

22 Also, what happens to the emergency services that
23 are already trapped in traffic and can't get past and can't
24 be rerouted, to anywhere?

25 The other is we keep hearing comments about it's

1 not that much of an increase, or a lot of simple comments.
2 But the two things remain. What our trains and trucks are
3 carrying now are much more deadly and take unbelievable
4 amounts of time to clean up. And what happens to us as a
5 community when it's a toxic waste that can't be cleaned up?

6 I heard someone say something about the
7 right-of-way, it belongs to the railroad, and we are guests
8 to go across it. Does that mean that every company in our
9 town doesn't have to follow our environmental laws because
10 they own the land they are sitting on? I don't think so. We
11 still have a right to protect our own health, just like we
12 have a right to protect it from that smoker that's sitting
13 next to us.

14 I haven't heard anything about the increased wear
15 on the tracks with increased speeds through town. Who is
16 going to police it, who is going to take care of that impact
17 if we allow increased speeds through town?

18 Who is going to pay the legal costs when we get
19 suits because somebody couldn't get across the tracks to the
20 hospital they wanted to go to? Or their house is destroyed
21 because they were close to the toxic waste. Are we going to
22 start putting away right now a fund to take care of all of
23 these costs?

24 I think this cavalier attitude that we have to do
25 what the railroads want us to do is pretty amazing.

1 And I don't think we have enough information. I'm
2 sure a tremendous amount of work went into this report, but
3 I'm not sure that the grass roots has really been reached.
4 And one of them is costs.

5 We have some serious transportation issues in Reno
6 that benefit all the citizens. Here we are putting out
7 millions of dollars for something that does us no good. It
8 does us all this damage that I see, and I see no good for it.
9 But yet we need transportation systems that work, we need so
10 many things in our town that we need to pay for, that to put
11 our money into something that doesn't even do a dime for this
12 city seems pretty unbelievable.

13 MS. WILSON: We do have until ten o'clock. So
14 after our next two speakers we will take questions on the
15 record until ten o'clock if there are any.

16 We have two more speaker cards. Paul Larson.

17 MR. PAUL LARSON: My name is Paul Larson. I'm a
18 casino worker here in town. I'm one of the guys that keeps
19 the whole engine of this economy going for everything else
20 that's a spinoff from the casinos here as we know.

21 This is a very serious issue for us. Thanks to the
22 fact that years ago they decided to put the red line district
23 right next to the railroad tracks in this town, 90 percent,
24 well, the vast majority of the casino operations here are
25 within a two-block distance of the tracks. And you got a

1 couple of big mega places like the Hilton and Peppermill way
2 far removed, but most of us are right downtown. So this is
3 bread and butter stuff for us, okay.

4 My biggest concern is in the event of a major toxic
5 spill, we have got a lot of high rise hotels here with
6 hundreds and thousands of people concentrated. This is kind
7 of a unique situation as far as rail traffic in our
8 community, because we have got a lot of people we are
9 responsible for the safety of that there's no way in hell we
10 can get them evacuated in time. I mean we are talking about
11 massive liability here if, God forbid, we ever did have a
12 toxic spill in that narrow corridor.

13 And for one thing, I wonder who would pay the
14 liability for casualties in the thousands, which we could
15 very well anticipate. It would seem to me that erring on the
16 side of caution to prevent that kind of an accident would be
17 well worth spending 120 million dollars, I think that's the
18 cheap way out, as opposed to possibly billions in liability
19 if we have people dying from all over the nation here, as
20 could very easily happen.

21 You know I would be a casualty, you know, I would
22 be one of the nameless multitude, you know, that's the way
23 the cookie crumbles. I think it would devastate this
24 community, it would devastate the railroads, it would
25 seriously impact tourism here. It would probably be the end

1 of gambling downtown, of the casino business down there.

2 We have, thanks to our unique location we have most
3 of the munitions that was used in the Gulf War and Vietnam,
4 all these other conflicts, pass right through here, come from
5 Herlong up north or from Hawthorne to the south. That's
6 another bullet we have been dodging for years, you know. If
7 we lost a munitions train, it's not unthinkable, same problem
8 exists.

9 Now we are in a unique period right now, we are
10 about to begin receiving nuclear waste from 41 countries that
11 the United States has agreed to receive into, you know,
12 southern Nevada, Jackass Flats. The nation's forced it down
13 our throats, we are going to have receive it, there's nothing
14 we can do about it. We are held hostage because we don't
15 have the votes of any other state in the union. We are going
16 to be getting the stuff. It's going to be coming right
17 through town.

18 The figures I heard was that they are anticipating
19 106,000 nuclear trains coming through Reno. 106,000 of them.
20 And I saw a figure in the Reno paper recently that we would
21 have to evacuate a 25 mile radius if we did have a serious
22 nuclear train accident. That's the whole Truckee Meadows,
23 folks. All of us would have to get up and boogie.

24 You know, we have a serious problem with teenage
25 cruisers on Virginia Street on weekends. Everybody who has

1 lived here knows that. These guys are irresponsible, these
2 guys shouldn't even be behind the wheel most of the time.
3 But how many times have you seen where they get stuck on the
4 railroad tracks by the stop light.

5 And here's a quickie. We are talking about 30
6 miles an hour make people more likely to get up and go,
7 right? Okay. We have the garage straddling the tracks right
8 on Virginia Street, which is where most of the people are
9 passing, which blocks out their view from the whole area
10 towards Sparks. They don't see that train coming. They
11 don't see it until it's right on top of them. And you would
12 have to coordinate with the traffic light. There's a problem
13 there somebody ought to look at.

14 One last thing. For 17 years I have been late to
15 work because they always send a train right at rush hour,
16 eight in the morning, five in the afternoon. Can't they
17 possibly reschedule that, give us a 15 minute leeway.
18 Because people are going to get killed trying to beat that
19 train so they don't lose their job, okay. I'm serious.
20 That's going to cost people their lives sometime.

21 MS. WILSON: Andrew Barbano.

22 MR. ANDREW BARBANO: Good evening and thank you.
23 My name is Andrew Barbano. I'm a 28 year resident of Reno,
24 and I'm quite grateful for the time to be allowed speak.
25 Possibly I get a chance to get in the last word, which is

1 every speaker's dream.

2 I am originally from Fresno, California, which
3 impacts on what I am about to say.

4 After a couple of years in Las Vegas I came to Reno
5 in 1971. My Uncle John was a railroad agent here in Reno in
6 the early 1950s before he transferred back to California. So
7 I grew up hearing train stories and a lot of Reno train
8 stories from my Uncle John. Growing up in Fresno we read a
9 lot of train stories, we were taught train stories in school.

10 And one of the books we were forced to read in high
11 school, and I think a history lesson is in order tonight to
12 close this, was one of the old chestnut Muckraker novels
13 called the Octopus by Frank Norris, published about 1903.

14 It told the story of the fictitious Pacific and
15 Southwestern Railroad, but it was based on fact, the famous
16 or infamous Muscle Slough incident that took place in the San
17 Joaquin Valley in the 1890s.

18 Some farmers were being dispossessed from their
19 land by the railroad because the railroad broke its word to
20 the farmers that it would let them buy the land after they
21 developed it for a number of years. This actually happened,
22 and a bunch of San Joaquin Valley farmers were killed in a
23 major shoot-out with Southern Pacific Pinkertons. It was
24 fictionalized in Frank Norris's Octopus. And I resented
25 having to read the Octopus in high school. Who cared about

1 what happened in 1895 or 1903.

2 Fast forward 30 years. Here I am in Reno, having
3 grown up on Uncle John, the former railroad agent's stories,
4 and we have another situation of a major confrontation of a
5 railroad acting like an octopus. I never thought that I
6 would see, I thought we had progressed beyond a railroad
7 acting in an imperious manner, using political clout to bring
8 itself forward to a position of tremendous profit and
9 advantage over the public.

10 The railroad's done exactly that. It brought us
11 the Surface Transportation Board. It used its political will
12 and political clout to bring you before us today and to short
13 circuit a lot of processes to protect the public.

14 Don't let the octopus proceed into the next
15 century. Don't let the railroad industry continue to treat
16 the public with contempt. There's a long, long history of
17 that. Go to your library and read the Octopus and see it for
18 yourself.

19 So if a history lesson is in order, let us look
20 back at history to show us where we are today. I grew up
21 with it, I heard the stories, my Uncle John told me the
22 stories. I never thought I would live them in Reno, Nevada,
23 one hundred years down the road.

24 Thank you.

25 MS. WILSON: We will take formal comments on the

1 record until ten o'clock, and then at ten o'clock we will
2 adjourn, and we will be available informally if you have any
3 further questions.

4 If you would just please come up to the podium here
5 and state your name again and we will take your questions.

6 AUDIENCE MEMBER: Can these questions only be
7 addressed to the Board, or can we --

8 MS. WILSON: Yes, we will direct the comments.

9 MR. STEVEN HORSFORD: Steven Horsford, private
10 citizen.

11 My question is now that the Surface Transportation
12 Board has made this ruling that you can't look at any
13 preexisting conditions, but yet the depressed trainway seems
14 Like both the Union Pacific and on behalf of the citizens of
15 Reno is the best alternative, what can be done to change the
16 Surface Transportation Board's recommendation not to review
17 preexisting conditions?

18 MR. McNULTY: That's not a recommendation, that was
19 a decision. The time for appealing that decision I believe
20 is passed. So we follow that directive.

21 MR. STEVEN HORSFORD: Is there any way to appeal to
22 the Surface Transportation Board directly?

23 MR. McNULTY: I believe the period for filing
24 appeals has passed.

25 MR. STEVEN HORSFORD: Was that publicly noticed?

1 MR. McNULTY: Oh, yes.

2 MR. STEVEN HORSFORD: When and what dates?

3 MR. McNULTY: I don't have it handy right now.
4 Perhaps we can get it here.

5 MR. MIKE ZIELINSKI: My name is Mike Zielinski, and
6 I have a question for the STB, but first I need to give a
7 little bit of background for the context of the question.

8 The question concerns the creation of the Surface
9 Transportation Board and how you came to have oversight over
10 the merger of Union Pacific and Southern Pacific Railroads.

11 Back in 1995, when congress abolished the
12 Interstate Commerce Commission, there was a debate whether to
13 give oversight for the merger to the Justice Department and
14 its anti-trust division or to give that oversight to the
15 Surface Transportation Board.

16 Mr. Drew Lewis, who was at that time the CEO of
17 Union Pacific Railroad, hired 63 lobbyists in Washington to
18 do a full court press on the government to guarantee that
19 oversight of the merger would be given to the STB. And one
20 of the strong incentives he had for doing that was that the
21 Justice Department anti-trust division had referred to this
22 proposed merger as the most anti-competitive merger in the
23 history of the railroads here in the United States.

24 So Union Pacific put on a full court press to see
25 that the Justice Department would not have oversight over the

1 merger and instead delivered it to the STB.

2 So my question for you is, the Teamsters have filed
3 the Freedom of Information Act request. We would like to
4 know what kind of contacts and influence Mr. Drew Lewis and
5 other Union Pacific officials have had with the STB, since
6 they were instrumental in creating this body and giving it
7 the power to sit in judgment over the merger and the
8 decisions affecting the merger, what kind of contacts have
9 there been around the Reno situation, what kind of documents
10 have exchanged hands, what kind of influence have Union
11 Pacific officials wielded over the STB, and if the STB is
12 going to make available all the public documents as required
13 under the Freedom of Information Act request.

14 Thank you.

15 MR. McNULTY: In answer to your question, when I
16 left work Monday, they were finalizing that response to the
17 Teamsters Union. I'm not sure when it will be delivered to
18 you, but you will get it.

19 MR. MIKE ZIELINSKI: Thank you.

20 MS. WILSON: Did you have a date or anything you
21 wanted to clarify?

22 MR. McNULTY: Yes, sir, the gentleman over here. I
23 could give him this. We have the information here if you
24 want it.

25 MR. STEVEN HORSFORD: I have that piece of paper.

1 MS. WILSON: It says the same information on it.

2 MR. STEVEN HORSFORD: This one?

3 MR. MANSEN: That's not the same piece of paper.

4 MS. WILSON: That's not the same piece of paper.

5 Do you have one of the handouts from tonight?

6 MR. STEVEN HORSFORD: Yes.

7 MS. WILSON: It has the dates August 12 and
8 September 12 on it. August 12, 1967, was when the Board made
9 the decision; September 12 was when the merger became
10 effective.

11 Do you have that sheet? If not, I can give you
12 this sheet.

13 MR. STEVEN HORSFORD: I know those dates, but I
14 never, there was never any public notice that that decision
15 about preexisting conditions, that was never publicly
16 notified. The decision itself was notified, but what you are
17 speaking about wasn't, and I call that into question fully.

18 MR. McNULTY: The conditions are contained in that
19 decision.

20 AUDIENCE MEMBER: He's saying the appeal was never
21 notified, that you could appeal, and when the cutoff for the
22 appeal was.

23 MS. PERREAULT: It actually was contained in the
24 Federal Register notice.

25 MR. HORSFORD: Did it go to private citizens?

1 MS. WILSON: Yes, sir.

2 MR. GENE GARDELLA: I'm not quite sure -- my name
3 is Gene Gardella. I'm not quite sure how to frame this,
4 because I don't know if this is an issue that you have looked
5 at, thought about or considered.

6 I am in the insurance business, and we look at risk
7 in perhaps a little different way than a lot of other people
8 do.

9 And the insurance company that I work with is one
10 that has had major concerns about the maximum possible risk
11 that it can absorb and stay in business. And after a
12 hurricane in Florida recently, and the earthquake in southern
13 California, we determined that we could absorb a billion
14 dollar risk and not impair the ability of our company to
15 continue to exist.

16 And I think that the hazards that we face, not only
17 with the time frame that you apparently are constrained
18 within, but beyond, are ones that need to be examined in how
19 they impact this community. And I think it's important that
20 we take a look at what sort of risk, maximum potential risk
21 this community faces. And when you measure the possibilities
22 I think in a scientific and sensible approach, you would find
23 that the potential exists for complete destruction of the
24 economy of this community.

25 And I don't think that is being alarmist. I think

1 that it warrants careful and thoughtful consideration from a
2 very actuarial point of view, and I think you need to look at
3 it from a dollars and sense point of view.

4 Have you done that, do you intend to?

5 MR. McNULTY: As we explained to the task force
6 yesterday, we are not satisfied with the analysis we had done
7 on the HAZMAT spill issue, and that relates to the Native
8 American interests, the water quality interests, issue, and
9 we are going back and doing it again on an expanded basis.
10 We are going to examine this line from the summit, actually
11 this end of the tunnel at the summit on Donner Pass all the
12 way over into the Wadsworth area, foot by foot. And we will
13 have an examination of the risk, how frequently accidents can
14 happen.

15 We have a methodology in place which we are
16 probably going to modify a little bit to take a more
17 intensive look at the land adjacent to the track and the
18 river, the Truckee River and Cold Creek.

19 We are also going to be looking as much as possible
20 at the various commodities which are involved. We have
21 information on what will be moved through here as a result of
22 the merger in terms of hazardous materials. We are expanding
23 that a little bit with some toxic materials which are not
24 classified as hazardous.

25 That work has not been completed. In fact we are

1 really getting under way. The biological resources issue I
2 neglected to mention, we are looking at with the U.S. Fish
3 and Wildlife Office here in Reno, and we are going to expand
4 that to the sister office in California for portions of the
5 summit down.

6 As to risk and liability, that's not, the liability
7 part is not part of ours.

8 MR. GENE GARDELLA: I understand the liability
9 isn't an issue for you. I encourage you, implore you, if you
10 would, to look at maximum potential risk exposure here, okay.
11 I mean the spilling of a tank car of fuel oil or something is
12 one thing, it's bad enough to deal with. But when you are
13 talking about maximum risk exposures, you know, the
14 probabilities may be very small, but the exposure may be huge
15 and the impact may be huge, and it may be something that
16 impacts the community in a way that it can't deal with.

17 MR. McNULTY: Dave, do you have anything to add it
18 to that?

19 MR. MANSEN: I think you gave a good response.

20 MS. MARIGAEEL MORRIS: My name is Marigael Morris.
21 And are you the spokesperson for this group?

22 MR. McNULTY: I am from the Section of
23 Environmental Analysis, yes.

24 MS. MARIGAEEL MORRIS: Okay. Is this a federally
25 funded board?

1 MR. McNULTY: I'm not sure. You mean this panel
2 right here?

3 MS. MARIGAE MORRIS: Yeah, the STB.

4 MR. McNULTY: The STB, yes, we are part of the
5 United States Department of Transportation.

6 MS. MARIGAE MORRIS: Why was it necessary to form
7 this Board to take care of this merger?

8 MR. McNULTY: It wasn't formed to take care of this
9 merger. This was a decision of Congress of the United
10 States, the Interstate Commerce Commission Termination Act,
11 which took effect January 1, 1995, under a bill passed by
12 congress and signed by the president.

13 MS. MARIGAE MORRIS: Why wasn't it handled like
14 the other mergers have been handled since the commerce
15 commission was disbanded?

16 MR. McNULTY: It was handled the same way.

17 MS. MARIGAE MORRIS: There seems to be a lot of
18 misinformation. I mean just as the gentleman that was
19 representing the Teamsters came up here and spoke, and just
20 as I basically insinuated when I came up here and spoke
21 earlier, I mean it's been spelled out in one of our
22 newspapers here in town how people with influence from
23 previous administrations managed to get this Board put
24 together. And I would like to know why that was necessary.

25 Because this is where I think a lot of us, I can

1 speak for myself, where a lot of us find difficulty with your
2 findings. Because there is a lack of respect for who we are,
3 because you have tried to go around the system that existed.

4 MR. McNULTY: You are going to have to ask your
5 congressman about that. They have made the decision, the
6 president also, to get rid of the Interstate Commerce
7 Commission, set up the Surface Transportation Board in its
8 place. We are a much smaller agency than the Interstate
9 Commerce Commission was. There's about 127 people in the
10 Surface Transportation Board.

11 MS. MARIGAE MORRIS: Okay.

12 MR. HUGO HERNANDEZ: Hugo Hernandez. I've got like
13 a three-part question.

14 First I think you probably already answered it, but
15 I want to reiterate that, how old is your board, Surface
16 Transportation Board?

17 MR. McNULTY: We are coming up on third year. This
18 coming year.

19 MR. HUGO HERNANDEZ: This coming year is going to
20 be the third year?

21 At what date did you guys, the STB, approve the
22 merger of the Union Pacific and by what margin?

23 MR. McNULTY: August 12, 1996.

24 MR. HUGO HERNANDEZ: So just a few months after it
25 was established?

1 MR. McNULTY: Yes. The proceedings started under
2 the Interstate Commerce Commission.

3 MR. HUGO HERNANDEZ: So the Interstate Commerce
4 Commission was eliminated and gave you guys the jurisdiction
5 over the mergers, right?

6 MR. McNULTY: Essentially those functions were
7 transferred, yes.

8 MR. HUGO HERNANDEZ: Now, I understand the
9 Interstate Commerce Commission, the jurisdiction was under
10 the Justice Department; am I correct?

11 MR. McNULTY: No, it was independent.

12 MR. HUGO HERNANDEZ: The Interstate Commerce
13 Commission

14 MR. McNULTY: No.

15 MR. HUGO HERNANDEZ: Are you guys now under what
16 jurisdiction?

17 MR. McNULTY: We are administratively housed in the
18 U.S. Department of Transportation, but we are still an
19 independent regulatory agency.

20 MR. HUGO HERNANDEZ: But the Department of
21 Transportation you said, right?

22 MR. McNULTY: For administrative purposes.

23 MR. HUGO HERNANDEZ: Right now with the Department
24 of Transportation, as a trucker, when they get pulled over,
25 they are pretty strict on truckers. When a DOT officer pulls

1 us over we get, it takes about three hours to check that
2 truck. First they ask to see your physical cards to make
3 sure that we are physically conditioned to drive that truck.
4 They check also our equipment point by point by point. They
5 check our hazardous materials, they go in there and make sure
6 the loads are secure, they go in there physically and check
7 our loads. Like I said, they take three hours to check this,
8 and if they find any fault whatsoever with our trucks on the
9 road, they stop us right on the spot and they fine the driver
10 for whatever reasons there might be. Now, for one wrong
11 placard on our truck we can be fined up to \$10,000.

12 My question to you is now that you are under the
13 jurisdiction of the Department of Transportation and you have
14 that ability to do these things to, you have that ability
15 with the Department of Transportation, are you going to
16 require the same things that you require for trucks, and how
17 are you going to do that? Are you going to police it, are
18 you going to physically check these trains, are you going to
19 make sure the placards are correct? Are you going to stop
20 and ask them if they are certified to handle this hazardous
21 material, whatever they are handling? I mean now we have to
22 be certified.

23 MR. MANSEN: He's got an answer.

24 MR. HUGO HERNANDEZ: Let me finish the question.

25 MS. WILSON: We have got two more people and it's

1 ten.

2 MR. HUGO HERNANDEZ: I'm sorry.

3 MR. McNULTY: The answer is safety regulation is
4 conducted by the Federal Railroad Administration, which is
5 also within the U.S. Department of Transportation, and the
6 highway regulation that you are talking about, safety
7 regulations under the Federal Highway Administration in the
8 Department of Transportation. So those two agencies handle
9 safety enforcement.

10 MR. HUGO HERNANDEZ: So right now there's no way of
11 stopping every train and checking every driver to make sure
12 they are qualified, certified to handle their freight, to
13 check the equipment on the spot, and if that equipment is
14 found to be faulty there's no way of stopping it. Our
15 companies have to come out and fix that problem on the spot
16 before we can move our trucks. So right now there's no way
17 of make sure that these equipments are safe.

18 MR. McNULTY: FRA just did a safety investigation
19 on Union Pacific.

20 MR. HUGO HERNANDEZ: They found it to be
21 horrendous.

22 MR. McNULTY: Whatever the degree was, they did
23 precisely what you are talking about being done for truckers.

24 MR. HUGO HERNANDEZ: That's because we intervened,
25 we wanted it, we made a big deal about it. But as the

1 Teamsters made a big deal about that, right now there's
2 nothing in place to make sure every train out there is
3 regulated, every train out there is adequate and these people
4 are certified to handle these hazardous materials.

5 MR. McNULTY: You have to take that matter up with
6 the Federal Railroad Administration.

7 MR. RANDY KARPINEN: Randy Karpinen.

8 I want to remind you what my suggestion was. My
9 suggestion was that you should hold off on Preliminary
10 Mitigation Plan until after you get the report from the
11 Federal Railroad Administration on the safety issues of Union
12 Pacific and U.S. Wildlife report on the endangerment of the
13 water life and everything pertaining to that.

14 My question to you is, what is the likelihood of
15 you holding off the PMP and not going to the final
16 mitigation?

17 MR. McNULTY: This is the PMP.

18 MR. RANDY KARPINEN: You are definitely going to
19 the final mitigation plan without those results.

20 MR. McNULTY: That's the next step.

21 Go ahead.

22 MR. MANSEN: This is the PMP. If I understand your
23 question, what is the likelihood of making sure that's in the
24 final mitigation plan?

25 And then another point that I want to make is there

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1 will be a public review period for the final mitigation plan,
2 so you will have --

3 MR. RANDY KARPINEN: Is this, what we are doing
4 right here is going to go in the Preliminary Mitigation Plan,
5 and then from that this information we are giving to you?

6 MS. WILSON: This is the Preliminary Mitigation
7 Plan, this document. The additional information that he's
8 discussed will be included in the final mitigation plan,
9 which will be subject to additional public review after that.

10 MR. RANDY KARPINEN: My comment was to hold off on
11 this until you get all the information, and I want to know
12 the likelihood of you holding off until you get the
13 information from the FRA and the from the U.S. --

14 MR. McNULTY: I feel confident we will have it.

15 MR. RANDY KARPINEN: You are going to get it before
16 you make suggestions for final mitigation?

17 MR. McNULTY: And final mitigation plan --

18 MR. RANDY KARPINEN: My comment is you hold off on
19 this, you delay these --

20 MR. McNULTY: It's already released. That's what
21 we are here for.

22 MR. RANDY KARPINEN: You have another one until you
23 get the right information, follow up with Preliminary
24 Mitigation Plan.

25 MR. McNULTY: We will have it.

1 MR. JAMES KEMSEY: Thank you.

2 Madam chair, gentlemen, thank you. It's late now.
3 Thank you for your patience. James Kemsey, and I have
4 already expressed my concerns.

5 The first point I would make to the railroad is but
6 for quality and assurance and safety, you could be a first
7 class railroad not just a class one.

8 I have a question that is in three quick parts.

9 Environmental impact statements are a big concern
10 to the citizens. Here in the Reno Truckee River corridor we
11 have what's called the Orr Ditch Decree. It's the longest
12 running piece of litigation in U.S. history, beginning in
13 1907, involves all the owners of water rights along the
14 Truckee River, surface and wells. Because it's federally
15 mandated and is a decree of the United States Supreme Court,
16 my concern is, in the first part of this question, is why we
17 are not ordered an environmental impact statement regarding
18 the river.

19 MR. McNULTY: The Board decided back in the
20 beginning of the merger proceeding, actually I think the
21 Interstate Commerce Commission did, decided to have an
22 environmental assessment done. And that was completed by the
23 Board and then post environmental assessment was issued.

24 And in the Decision 44, which is the main decision
25 in the merger proceeding, the Board set conditions of an

1 environmental nature as well as economic. And one of those
2 conditions ordered the study which is specifically focused to
3 determine what additional mitigation would be necessary for
4 the Reno area.

5 We have actually studied this line. By the time we
6 are done, we will have studied this piece of main line
7 railroad probably more thoroughly than any study has ever
8 been done of any stretch of railroad. We have gone far
9 beyond the EIS process.

10 MR. JAMES KEMSEY: I would probably take a little
11 bit of exception. Living in Verdi, we have an old railroad
12 tunnel that is draining into the Truckee River as we speak.

13 MR. McNULTY: It's an abandoned railroad?

14 MR. JAMES KEMSEY: It is an abandoned railroad
15 tunnel with an old bridge and old tracks that has never been
16 repaired, with old bridges that people cross every day, and
17 the tracks are so close to the river, if you fell off the
18 bridge you would take swim. And the problem is that there's
19 been no environmental impact or any effort by anybody to
20 clean up what is now an attractive nuisance that can hurt
21 people, not including the railroad. I'm just talking about
22 where they are walking.

23 Next question.

24 MR. McNULTY: Excuse me. If I may share with you
25 some information. It's an abandoned railroad. I don't know

1 when it was abandoned, which railroad it was. Whoever owns
2 the land now --

3 MR. JAMES KEMSEY: UP/SP.

4 MR. McNULTY: They do.

5 MR. JAMES KEMSEY: There are two major sets of
6 tracks, but there's a third abandoned track between the two
7 which goes through an old tunnel and involves parts of the
8 old Lincoln Highway, and old bridge is right beside the river
9 near Exit 5, roughly 1,500 feet from where I live.

10 MR. McNULTY: Once the line is abandoned that's the
11 end of it for us.

12 MR. JAMES KEMSEY: But it's part of their
13 right-of-way, they have to clean it up.

14 MR. McNULTY: Not an active right-of-way.

15 MR. JAMES KEMSEY: No, but people are on it every
16 day. There's nothing keeping people and children off that
17 track.

18 MR. McNULTY: I suggest you contact the
19 Environmental Protection Agency.

20 MR. JAMES KEMSEY: Exactly, which involves
21 environmental impact statement.

22 Next question. Businesses owned by an individual,
23 I own my own business as a research consultant. If I apply
24 for a license, a permit, a plan to merge, to buy somebody,
25 I'm going to be required to mitigate my impacts. I will be

1 required to build and to pay for the cost of that. That's
2 not on the public to do, that is a private business.

3 My question is, why as a private business is not
4 the railroad being required to do the same mitigation and to
5 pay for their own impact, as we require anybody from the
6 special use permit findings. We have ten findings on the
7 wall.

8 I recently attended a planning commission meeting
9 involving Boomtown, and there were numerous conditions being
10 placed on them for their project. They have to, all of them,
11 bear the cost. The county does not bear it. The citizens do
12 not bear it. Boomtown was required as part of their
13 conditions to pay their costs. If I bring a business to this
14 city council, I will be required to pay that cost. But yet
15 we are not requiring the same thing of the railroads. Why
16 are we making a difference here?

17 MR. McNULTY: Every recommendation we have made
18 here will be paid, if the Board adopts it, will be paid by
19 the railroad.

20 MR. JAMES KEMSEY: Okay. Last question. Going
21 back to the gentleman's preexisting conditions.

22 MR. McNULTY: If I may add something else. We
23 already have 70 some environmental conditions in place. This
24 was just one of the studies, and the railroad has been
25 charged with complying with all those conditions.

1 MR. JAMES KEMSEY: Mr. McNulty, some of them just
2 don't make sense. Like speeding up a train. To me, living
3 in this community, it doesn't make sense. I want to take a
4 million ton train hundreds of feet long and speed it up to
5 make sure it can't stop. There are some conditions that do
6 not make sense. There are some conditions, like the lack of
7 environmental impact statement on a river as a principal
8 source of water for this area, and it's been involved in the
9 United States Supreme Court proceedings for nearly one
10 hundred years, as long as the railroad's been around.

11 Going back to the preexisting conditions, we say we
12 cannot consider preexisting conditions, and we are talking
13 that this is just, it's a done deal, it's a decision.

14 The rules of law that I have always been familiar
15 with, and I'm completing my Doctorate in international law
16 right now, is if you have a preexisting condition that is
17 aggravated, exacerbated, recreated, or brought back into the
18 fold as a major condition because of something new that has
19 occurred, whether it's a new injury in the workmen's
20 compensation claim, whether it's a preexisting condition of
21 an old pipeline that you have just reopened because you have
22 built a new building, the simple fact is you have to treat it
23 under the totality of the new circumstances as part of the
24 new condition. You can't just say well, I'm going to put a
25 little bit of dirt on this and walk away and this is our new

1 condition. The fact of the matter is all of the conditions
2 have to be taken into account.

3 For us to say, or the Board to say or decision to
4 be made saying this is what we consider preexisting kind of
5 reminds of those insurance companies -- my farther died of a
6 heart condition in 1987 while driving, let's see, I believe
7 it was a state of Nevada truck on state of Nevada land
8 pulling a double shift for the University of Nevada, Reno,
9 and having some guy tell me that his death benefits didn't
10 apply because it was a preexisting heart condition. It might
11 have been a preexisting heart condition at the time, but by
12 the stress of the job, pulling a double shift, being in a
13 traffic accident while working for the state, that totality
14 of circumstances was finally ruled by the courts saying his
15 widow, my mother, deserved those benefits.

16 Now, if we are going to take preexisting conditions
17 in Reno, granted the railroad was here before Reno, and
18 that's why Reno was essentially created, we all acknowledge
19 that. But a preexisting condition, just because the tracks
20 are there does not mean we are going to haul nuclear waste
21 through town, say well, it's a preexisting condition, we have
22 got the tracks, we can do what we want. We have got to work
23 together on that.

24 MR. McNULTY: May I respond?

25 MR. JAMES KEMSEY: Sure, please do.

1 MR. McNULTY: Obviously a good many people have
2 voiced the same concern. The concerns are going to be noted.
3 They will be in the record and they will be considered.

4 I can't change what the Board has decided, but we
5 can make clear to them there are many people concerned about
6 that particular issue. If there's going to be any changes in
7 the position, you will know it in due time.

8 MR. MANSEN: If I can add to his comments. I mean
9 what part of this decision is, is saying that the mitigation
10 needs to be related to the decision before the Board. And I
11 think that's what we are saying in the Preliminary Mitigation
12 Plan, is that we are mitigating those things that involve
13 with regard to the decisions being made by the Board.

14 MR. McNULTY: In this case the merger was licensed
15 by the Board and its impact of that license.

16 MR. MANSEN: It's not an unusual practice for
17 developing mitigation.

18 MR. JAMES KEMSEY: And I understand all of that.

19 An example of preexisting condition, making one
20 last point because it's getting late, the Virginia City area
21 has been virtually defoliated because of mining and the
22 railroads. It's acknowledged. We have cut down trees to
23 build mines, stamp mills to crush rocks, et cetera. That is
24 probably one of the most barren areas of the state now.

25 But yet if we were to, because it's a national

1 historical monument, if we were to run another rail line up
2 there, other than the Virginia and Truckee that is now a
3 tourist attraction or we were to build a new highway or we
4 were build a new office building, we would be required to do
5 an environmental impact statement, and we couldn't get off by
6 saying well, gee whiz, it's so barren, it's preexisting.

7 The thing I'm looking at on this preexisting
8 condition, I don't mean to beat a horse before the Board, if
9 we don't consider the totality of the circumstances, not just
10 the fact that the railroads, they have a right to merge, they
11 have right to conduct their business and expand and become
12 competitive, but they have the right to do it balanced upon
13 the interests of the people who live around them? To safety
14 and their own welfare and drinkable water, and they have a
15 right to do it based upon the fact that they are willing to
16 pay the costs to do it as well.

17 I'm not willing to finance their merger. I'm
18 willing to pay for their services if they provide quality
19 services, but they are going to provide those services and
20 make a profit margin based upon that merger.

21 As far as a preexisting condition, we acknowledge
22 that the railroads have been around a long time, as has Reno,
23 as have other preexisting conditions. But it's not
24 considered in the totality of the circumstances of the
25 community and the railroads and what's best for everybody

1 along that large corridor.

2 I think we might end up with a problem, and the
3 biggest problem we are going to have is we might kill our
4 river, or we could have a kid on that track, on one of those
5 abandoned tracks near where I live, where there's a school
6 nearby, or we are going to have some tourist place their head
7 on the tracks again because hey, it's there and available.

8 Thank you very much.

9 MS. WILSON: Thank you.

10 Did you have a question?

11 MS. ALISON FLEMING: Just a quick question.

12 When I was in Albuquerque visiting, one of the big
13 issues there, again around this atomic issue, nuclear waste,
14 was they were fighting, oddly enough, the Apaches in relation
15 to putting nuclear waste on their reservation. And one of
16 the remedies that the state said on the local news when I was
17 there was that they were going to try to increase the amount
18 that the railroads had to pay and the truckers had to pay in
19 order to bring nuclear or hazardous waste through their
20 state. Now, I was never able to find out what happened with
21 that or whether that is a remedy for the state.

22 MR. McNULTY: You are way out of my league on this.
23 That's another agency, and I don't know what their rules are.

24 MS. WILSON: We don't regulate the nuclear waste.

25 MR. McNULTY: The Department of Energy.

1 MS. ALISON FLEMING: But it's such a key issue as
2 far as we are concerned in relation to this.

3 The other thing was when we met for, to address the
4 nuclear issue in Nevada, one of the things that they
5 reluctantly finally admitted to us was that the containers
6 that nuclear waste was transported in are untested and that
7 there was --

8 MR. McNULTY: What?

9 MS. ALISON FLEMING: Untested and virtually unable
10 to be tested.

11 MS. WILSON: Unfortunately we don't regulate the
12 nuclear waste.

13 MS. ALISON FLEMING: It's such a big impact with
14 this whole issue, I don't understand.

15 MR. McNULTY: The Department of Energy regulates
16 that.

17 MS. WILSON: I'd like to thank you all for coming.
18 It's been a long evening. We appreciate your comments.

19 We are adjourned.

20 (10:15 p.m., proceedings concluded.)

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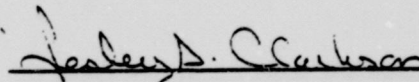
1 STATE OF NEVADA,)
2 COUNTY OF WASHOE.) ss.

3
4 I, LESLEY A. CLARKSON, Certified Court
5 Reporter for the State of Nevada, do hereby certify:

6 That on Thursday, October 9, 1997, I was
7 present and took stenotype notes of the public hearing
8 held in the matter entitled herein and thereafter
9 transcribed the same into typewriting as herein appears;

10 That the foregoing transcript is a full, true
11 and correct transcription of my stenotype notes of said
12 hearing.

13 Dated at Reno, Nevada, this 13th day of
14 October, 1997.

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17 Lesley A. Clarkson, CCR #182
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Mr. Harold McNulty, Study Director
Surface Transportation Board
Section of Environmental Analysis
1925 K Street NW, 5th Floor
Washington, DC 20423

VIA FACSIMILE AND U.S. MAIL

RE: UP/SP Railroad Merger - Reno Preliminary Mitigation Plan (PMP); Finance
Docket No. 32760

Dear Ms. Kaiser and Mr. McNulty:

Please consider this letter a supplement to our comments filed on October 16, 1997 on the *Preliminary Mitigation Plan, UP/SP Merger - Reno Mitigation Study - Reno, Nevada - September 1997 - Finance Document No. 32760*, Union Pacific Corp., et al. — Control and Merger — Southern Pacific Rail Corp., et al. September 15, 1997.

The following comments were not possible prior to October 16, 1997, because they are derived as a direct result of the *Draft Environmental Impact Statement - Proposed Conrail Acquisition- December 12, 1997 - Finance Docket No. 33388* (hereinafter referred to as "Conrail Draft EIS") prepared by the Surface Transportation Board, Section of Environmental Analysis (SEA).

**CRITERIA FOR ASSESSING POTENTIALLY SIGNIFICANT IMPACTS
FOR MANDATORY UP/SP MITIGATION**

The City of Reno ("The City") has on numerous occasions (both orally and in written form) requested from SEA criteria for assessing all potentially significant impacts with particular emphasis on traffic at highway/rail at-grade crossings which would require mitigation. The City has often noted that the increase in average delay per stopped vehicle is one such criteria which must be considered by SEA. Further, the Level of Service (LOS) as defined by the Transportation Research Board's Highway Capacity Manual (1994) should also be considered.

SEA defined traffic delay significance criteria in the Conrail Draft EIS as follows:

...SEA established criteria for assessing potentially significant impacts on traffic delay at highway/rail at-grade crossings... For average delay for all vehicles, SEA considered the impact significant if the post-Acquisition traffic



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level of service at a highway/rail at-grade crossing would be a Level of Service (LOS) "E" or "F" regardless of the pre-Acquisition LOS, or would decline from a pre-Acquisition LOS of "C" or better to a post-Acquisition LOS of "D". (Conrail EIS Vol. 4, chapter/page 7-4 to 7-5).

The City's October 16, 1997 Comments to the PMP incorporated by reference Appendix D, a lengthy report completed by Meyer, Mohaddes Associates, Inc., in 1997, entitled *UP/SP Railroad Merger Impact Analysis: Traffic/Delay Analysis*. This study specifically analyzed the LOS changes in Reno. Table 1 below summarizes the changes in LOS for the City of Reno pre-Merger and post-Merger.

Table 1 Comparison Between Pre-Merger and Post-Merger Level of Service at 12 Downtown At-grade Crossings			
Rail Crossing Location	Pre-Merger 1995 LOS with 12.7 trains/day	Post-Merger 2000 LOS with 24.0 trains/day	Level of Impact
Keystone	C	D	SIGNIFICANT
Vine	C	D	SIGNIFICANT
Washington	C	D	SIGNIFICANT
Ralston	C	D	SIGNIFICANT
Arlington	C	D	SIGNIFICANT
West	C	D	SIGNIFICANT
Sierra	D	D	
Virginia	C	D	SIGNIFICANT
Center	D	E	SIGNIFICANT
Lake	C	D	SIGNIFICANT
Morrill	D	D	
Sutro	C	D	SIGNIFICANT

Source: MMA, 1997; Figure 4-16; Figure 4-20

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Applying SEA's definition of significant impacts on traffic at highway/rail at-grade crossings (set forth in the Conrail Draft EIS), it would appear that 10 out of 12 of the downtown Reno at-grade crossings will qualify as significantly impacted by the Merger which must be mitigated by the UP/SP. The City respectfully requests that identical criteria be critically evaluated by SEA for each grade crossing in the Reno mitigation study.

Additionally, many of the criteria for significance established by the STB in the Conrail Draft EIS for safety, energy, air quality, noise, cultural resources, hazardous waste, natural resources and land use/socioeconomics differ markedly from those employed in the Reno Preliminary Mitigation Plan (PMP). The City respectfully requests that these differences be explained in detail in the Reno Final Mitigation Plan (FMP).

MITIGATION OF SIGNIFICANT IMPACTS - INCREASED TRAIN SPEED

SEA's criteria for mitigation via "increasing train speed" in the Conrail Draft EIS is given as:

Where local operating conditions allow for increased train speeds without compromising safety. ...SEA recommends that the Board impose on any decision approving the proposed Conrail Acquisition a condition requiring the acquiring railroad to implement the necessary physical and operating improvements to increase train speeds...[emphasis added] (Conrail Draft EIS, Vol. 4, chapter/page 7-5)

It appears that the SEA's safety/increased speed criteria in the Conrail Draft EIS would be inconsistent to SEA's criteria used in the Reno PMP. For example, SEA concedes that "accidents are likely to be more severe with increased train speeds". However, SEA has recommended increased speed through downtown Reno as mandatory mitigation in the PMP. Please refer to Figure 7.2.1-2 which shows that anticipated fatality rates (number of fatalities per accident) increase as train speeds increase (Reno PMP, page 7-10 and page 8 - 8). The City submits that the proposed train speed increase in downtown Reno does compromise safety.

The City respectfully requests that this criteria be used to determine the feasibility of increased train speed through downtown Reno as a mitigation measure. Specifically, a critical element of the Reno FMP must include a determination of whether an increase in train speed through downtown Reno can occur without compromising safety.

**MITIGATION OF SIGNIFICANT IMPACTS - SEPARATED GRADE
CROSSINGS MANDATORY UP/SP MITIGATION**

SEA states in the Conrail Draft EIS:

... [SEA] developed three criteria to identify the highway/rail at-grade crossings where a separated grade crossing appears warranted. SEA's preliminary determination is that a separated grade crossing may be warranted if each of the following criteria is met:

- 1. Acquisition-related train traffic would increased by at least eight trains per day.*
- 2. Estimated post-Acquisition roadway traffic LOS would fall to an "E" or "F" because of increased post-Acquisition train traffic.*
- 3. Sufficient increase in train speeds needed to mitigate Acquisition-related traffic delay impact would not be feasible. (Conrail Draft EIS Vol. 4, chapter page 7-6 to 7-7)*

The City submits that had this same criteria been applied to the Reno PMP, SEPARATED GRADE CROSSINGS WOULD BE WARRANTED TO MITIGATE SIGNIFICANT IMPACTS FROM THE INCREASED MERGER RELATED TRAIN TRAFFIC UNDER REQUIRED MITIGATION.

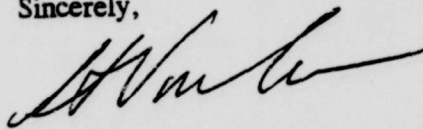
For instance, the City will experience at least an 11.3 train per day post-Merger increase in train traffic (Reno PMP page 4-5) with roadway traffic LOS falling to an LOS "E" (Center Street) because of increased post-Merger train traffic (Reno PMP Comments, Appendix D, Figure 4-16 and Figure 4-20). Further, sufficient increase in train speeds is not feasible under SEA's criteria that anticipated fatality rates (number of fatalities per accident) increase as train speeds increase thus compromising safety (Reno PMP, page 7 - 10 and page 8 - 8).

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Because SEA's new criteria was only recently disclosed to the public via the Conrail Draft EIS, the City requests that the above discrepancies between the Conrail Draft EIS and the Reno PMP be thoroughly discussed in a response letter to the City prior to the issuance of the Reno FMP. Specifically, the discussion should include the criteria for determining significance; the establishment of 10 out of 12 of Reno's at-grade crossings as significantly impacted; the establishment that increased train speed through downtown Reno would compromise safety; the establishment of 1 out of the 10 significantly impacted at-grade crossings meets the criteria for a separated grade crossing; and that the other 9 out of 10 significantly impacted at-grade crossing, in the absence of a separated grade crossing, would still be problematic and require further mitigation to bring the level of impact to pre-merger conditions.

We look forward to your timely response to these issues. Please contact me at (702) 334-2215 or you may contact the Deputy City Attorney Merri Belaustegui-Traficanti at (702) 334-2050 or the City's Environmental Consultant Mark A. Demuth at (702) 829-1126 should you have any specific questions or comments. Per Elaine Kaiser's instruction, the City requests that this letter be made a part of the record in this matter.

Sincerely,



Steve Varela
Director of Public Works/City Engineer

cc: Jeff Griffin, Mayor
Pierre Hascheff, Council Member At-Large
Tom Herndon, Council Member Ward 1
Candice Pearce, Council Member Ward 2
Bill Newberg, Council Member Ward 3
Judy Herman, Council Member Ward 4
Dave Aiazzi, Council Member Ward 5
Senator Harry Reid
Senator Richard Bryan
Representative Jim Gibbons
Representative John Ensign
Charles McNeely
Merri Belaustegui-Traficanti
Mark Demuth, The Environmental Team
J. Michael Hemmer, Counsel UP/SP