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

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

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

I think that these folks, the senators, I hate to say city hall because I don’t really trust them, but these folks and the senators ought to sit down because they are wasting over a hundred million dollars, and the city counsel agreed to it, they are going to waste over a hundred million dollars to build a military base right in the middle of Reno, and nobody is talking about that. This military
base will be ten times worse, a hundred times worse than anything this railroad could ever do. The noise and danger and blight of that.

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

(Applause.)

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

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

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


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

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

You have got a few more to turn in. We'll be glad to take them. We still have some time. Any other cards?
MR. RINNE: Hello, folks. My name is Pete Rinne, and I’m a retired airline pilot and came to Reno to live in ‘81.

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

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

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

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

Now Japan, they have trains going 90 miles an hour, and I read, and the city don’t seem to care. They just keep it clear. Now they are getting trains to do 260. And that will be part of the future.
And I think we ought to get out of the flood area with railroad tracks, and I can't imagine somebody building another railroad through town that's got railroad tracks at the bottom of it. Maybe that way they could carry twice as much water.

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

MS. WILSON: Thank you.

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

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

(Applause.)

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

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

One of the things I have noticed about most of the meetings I have ever been to, PSC, this or any other ICC hearing, is that we're mostly being addressed by people that don't know what the hell they are talking about and who have a hidden agenda. What I would like you to do is give a lot
more consideration to the railroad engineers that have been
up here speaking, and when I’m referring to the engineer,
I’m referring to the guy that’s at the front of the train
that all the collapsing boxcars are going to hit if they do
something wrong or if something goes wrong.

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

That’s all I have. Thank you.

MS. WILSON: Thank you very much.

This concludes our afternoon session. If you
do want to submit additional written comments, the address
has been provided in the material at the door, and we'll take those until October 16th.

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

(Meeting adjourned at 5:19 p.m.)
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.

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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FOR PARSONS:
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WINN FRANK
Project Director
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Principal Transportation Planner

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RENO, NEVADA, THURSDAY, OCTOBER 9, 1997, 7:00 P.M.

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

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

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

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

A little study background. On November 30, 1995, the Union Pacific and the Southern Pacific applied to the Interstate Commerce Commission for authority to merge. The Interstate Commerce Commission was succeeded by the Surface Transportation Board, and on April 12, 1996, the Surface Transportation Board released the environmental assessment
On August 12, 1996, the Board approved a merger with conditions, one of which directed the completion of an 18-month study here in Reno to determine what additional mitigation measures should be imposed to mitigate the increase in train traffic.

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

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

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

In a subsequent decision, Number 71, the Board clarified that there would be two types of mitigation to be considered. The first type is called tier one, which is mitigation which the Board mandates and which is entirely funded by the Union Pacific railroad. Tier two is a more far-reaching kind of mitigation, and which requires voluntary agreements to be reached and joint funding by interested
parties. An example of that is the depressed trainway, where the benefits would go beyond what we can order.

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

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

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

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

Olivia Perreault, a member of the study team.

Gui Shearin, engineer on the study team.

Winn Frank, the project director.

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

We have consulted with a lot of agencies and members of the public and community during the preparation of the plan, and we received a lot of comments on what things should be covered in the plan and what items should be, which are of key importance to the city.
In terms of agency consultations, some of the key agencies that have been involved include the city of Reno, Washoe County, the Nevada Department of Transportation, the Nevada Public Service Commission, the Federal Railroad Administration, and the U.S. Fish and Wildlife Service.

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

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

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

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

I would like to underscore that the public comment period on this Preliminary Mitigation Plan, some of you may
have gotten your own copy of it or read it at the library, ends on October 16. And at the door we gave you the address to send in your written comments, and we welcome those through October 16.

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

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

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

Because we have a large crowd, we will be following an agenda that you got at the door. We are anticipating an approximate 20 minute presentation by Mr. Mansen. We would like you to hold your comments through that, and then the rest of the meeting will be dedicated to public comments.
When we get to the public comment portion, I will give elected officials an opportunity to speak and then the Union Pacific, and then we will open it up to the floor.

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

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

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

MR. MANSEN: Thank you, Kay.

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

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

Our assignment, as we stated, was to look at the increase in train traffic. As part of the application for the merger, there were train traffic analyses and projections done by Union Pacific using sophisticated models to determine
how many trains would pass through not only the city of Reno but throughout the entire 34,000 mile system. And we evaluated those projections.

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

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

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

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

We came out in February, early February, evaluated a condition where there were 20 trains running daily as a result of the Feather River flooding earlier, and we looked at the relationships between the train traffic, the gate down times and the vehicular traffic, and did some noise measurements and so on. And from that information, we developed some of the information that we put in the
Preliminary Mitigation Plan, and I want to briefly go through that.

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

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

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

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

What we have preliminarily proposed is for the Union Pacific to be required to operate at 30 miles an hour subject to safety considerations.
I want to make it clear that there are still specific requirements for safety. One of them that the federal regulation, or Federal Railroad Administration has nationwide is that there has to be at least 20 seconds of warning to, before a train comes through a crossing, regardless of the train speed. So the train speed changing does not change that 20 second warning, and in fact the warning here in Reno is a bit more than 20 seconds.

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

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

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

There will be full property acquisitions in some cases, there will be partial property acquisitions, and there
will be long-term impairment of property access for each of these seven. And we are not recommending a grade separation as part of this Preliminary Mitigation Plan.

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

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

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

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

The city encourages continued negotiations. And regarding this particular option, it is one that we are calling as tier two, one that would require agreement from
various parties in terms of funding. And those negotiations
have occurred in the past, and we would still like to see
that, since it seems to be one of the alternatives that’s
highly, highly desired.

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

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

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

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

A couple of numbers I would point out to you. The
average delay per vehicle, that’s delayed at the tracks,
pre-merger is a little less than two minutes. Post-merger is
a little more than two minutes. And if we increase the train
speeds, that delay per vehicle is about one and a quarter
minutes or 1.27 minutes.
We also looked at the reasonableness of that speed in downtown Reno and find it to be a reasonable speed.

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

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

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

The total gate down time that we calculated will increase between the pre-merger and post-merger conditions, the average per train gate down time is 3.4 minutes for both pre- and post-merger conditions. If you increase the train speed, that was reduced to 2.28 minutes. And if you multiply
that out by the number of trains, what we are saying here is that pre-merger you will have about 3 percent of the time over the course of an entire day at one location, 3 percent of the time the gates will be down. On the post-merger condition, that number changes to 3.8 percent, so it's a .8 percent increase in the amount of time that the gates are down.

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

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

There is a national study that says one of the reasons for these accidents occurring are people driving around these crossing gates. We are proposing to put in what they call four quadrant gates, where not only do you have it on the one side, you have it on the other side to prevent people from driving around. If you assume that is a 15 percent improvement in the accident rate, the condition then becomes
one accident every 14 months.

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

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

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

As a point of history, there were no spills on the Truckee River since record keeping began in 1971. We are going to take a careful look at the probability of an increase for contamination of the river, and we are working with the U.S. Fish and Wildlife Service. We have done an evaluation in the Preliminary Mitigation Plan, but the U.S.
Fish and Wildlife Service has asked us to look at it a little bit differently in terms of the impacts to some of the natural resources in the river.

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

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

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

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

We are proposing a committee to be, to include
Union Pacific, to talk about hazardous materials and other ongoing issues with regard to the train here in the city.

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

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

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

Biological resources, there are two. There's a threatened endangered species in the Truckee River. We are looking at ways to, we have talked about ways to mitigate the likelihood of contamination of the Truckee River. As I said earlier, we are coordinating with the U.S. Fish and Wildlife Service on those discussions.
Noise levels. The Surface Transportation Board has two criteria. We evaluated those two criteria. There will not be an increase greater than three decibels over a 24-hour period as a result of the increased train traffic.

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

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

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

Actually, the addition of the four quadrant gates they we are proposing could very well be a precursor to a
quiet zone in the city of Reno.

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

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

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

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

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

There are system-wide mitigation measures again imposed already as a result of the approval of the merger. Those include various operating practices that UP must follow, upgrading of the locomotives and a testing procedure that is in place in the South Coast Air Quality Management District in the Los Angeles area for smoke emissions.
So in summary, there are 17 recommended mitigation measures at this point in the Preliminary Mitigation Plan. Increasing of train speeds, train location color monitors, video showing the rail right-of-way, discontinued use of the helper engines out in the Woodland Avenue area, four quadrant crossing gates at nine locations, enhanced rail safety programs, two pedestrian grade separations, installation of pedestrian skirts, which is to, an effort to prevent people from sliding under the pedestrian crossing gates, electronic signs at six locations for pedestrians, talking about giving additional warning and information regarding the trains, construction of a pedestrian grade separation in two locations, which represent 90 percent, as we identified the week we were out here, 90 percent of the pedestrians in downtown being blocked by the train.

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

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

Those Tier Two, as we call the mitigations, could be put in place if there were agreement amongst the parties. So that is a short summary of what is in the Preliminary Mitigation Plan.

Thank you.

MS. WILSON: Thank you, Dave.

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

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

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

The second item on your agenda, 4-B, is to hear from the Union Pacific, and then we will turn to the cards.
And I need to go over a few things before we start that.

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

MR. ROBERT STARZEL: Yes, please.

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

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

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

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

We do not believe that we should shoulder as much mitigation responsibility as the plan sets forth.
We also believe the plan does not clearly assume the kind of safety improvements we have had. There has been a lot of focus in the last few months on a few unfortunate accidents on our railroad, which we lament more than any of you. But overall, the safety record of railroads has been very strong, and the Union Pacific’s safety record has been among the best. In this decade there has been an improvement year after year on a 20 percent compounded average trend. And this year, 1997, is no different. We are going to have that same level of improvement in this year over 1996 that we had in the years prior.

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

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

Now, earlier we heard that the major mitigation effort would be to increase the speed of trains. The Union Pacific can commit that that is feasible and that if that is what is ordered, we will do it. We believe that an increase
in the order that is put forth in the Preliminary Mitigation Plan actually increases safety.

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

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

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

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

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

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

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

The traffic which flows through Reno is not high-priced traffic. You have heard thrown around 750
million dollars in profits that the railroad is going to earn
because of this merger. This merger came about to save a
railroad that was faltering, the Southern Pacific, with a
strong financial railroad, the Union Pacific. The merger has
not been completed, the merger is under way. It’s very
expensive, it’s very costly. It takes billion dollars of
capital expenditures to make this all work.

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

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

And we will negotiate in good faith if we have an
opportunity, and we would like to see that happen. We would
like to see the city step forward with a realistic
negotiation. We will embrace that.
Thank you very much.

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

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

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

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

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

Our focus is really to receive comments on the Preliminary Mitigation Plan along the lines that I suggested earlier. What we would like you to do is complete your
presentation, and if we have time to answer some of your questions, we will. With the numbers of cards that we have, we will not be able to answer them all, but we do have a court reporter here, so all of your comments will be noted for the record and considered in the final mitigation plan.

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

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

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

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

As far as the mitigation, the Building Trades Council supports I think a full-blown environmental impact statement, a little bit more than Surface Transportation Board has done to this point. And we do support also
negotiations with Union Pacific on some type of agreement on
depressing the tracks.

    Thank you.

MS. WILSON: Thank you. Randy Karpinen.

MR. RANDY KARPINEN: My name is Randy Karpinen.

I’m Teamster with Local 372.

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

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

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

I think, my personal opinion is they should hold
off on this Preliminary Mitigation Plan until they hear back
from the federal railroad association, who actually right now
has an official sitting in the Omaha office of Union Pacific
to watch over their safety record. There is an official
sitting right in that office right now watching over this.
I think we shouldn’t go through with this Preliminary Mitigation Plan until we hear back from the U.S. Fish and Wildlife people. All this stuff should be in the preliminary plan, and we should not go on until all those reports are in and we can get all the safety issues out of the way. That should be the number one concern, is the safety issues.

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

Thank you.

MS. WILSON: Thank you.

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

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

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

We are particularly concerned because the PMP does not mandate that Union Pacific pay to depress the rail lines
through Reno, and it does not require the railroad to submit a full environmental impact statement on the Union Pacific-Southern Pacific merger.

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

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

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

They randomly inspected, of the 57 percent -- of the locomotives that they randomly inspected, they found
safety defects in 57 percent of them.

They also found a pattern of UP managers

intimidating workers who attempted to call attention to

safety problems. These workers were intimidated and forced
to stay silent on these issues by UP management. At the same
time, while Union Pacific Railroad has been making money hand
over fist, UP has downsized its work force, reducing the
crews on trains from four or five to two. This leads to

fatigue, which in turn creates accidents.

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

And for the UP representative to get up here and
say that their safety record has greatly improved requires an
active imagination that would be the envy of Stephen King.

When you come right down to it Union Pacific’s safety record
is horrific.

I would refer you to the Wall Street Journal, which
is not known as being a pro labor publication or anti
business. Their headline here from September 10, "Union
Pacific’s Safety Record is Rapped in a U.S. Report," and it
goes on to talk about the fact that federal regulators issued
a report urging sweeping changes in the company’s rail
operations following a series of deadly crashes.
I'd like to make just one final statement if I might.

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

MS. WILSON: Your time is up.

AUDIENCE MEMBER: Let him take my turn.

(Many audience members speaking.)

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

AUDIENCE MEMBER: We want to speak too.

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

AUDIENCE MEMBER: Give him my turn.

AUDIENCE MEMBER: You set the rules, follow them.

MS. WILSON: I am following them.

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

AUDIENCE MEMBER: These are good points, we want to
MR. MIKE ZIELINSKI: I would like to comment on the relationship --

AUDIENCE MEMBER: I yield my time.

(Many audience members speaking.)

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

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

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

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

MS. WILSON: Thank you.

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

Is there a Ken Lynn?

Steven Horsford.

MR. STEVEN HORSFORD: Good evening. My name is Steven Horsford. I'm here speaking as a private citizen.
And first I want to say that my concern, my
opposition today is not with Union Pacific Railroad, it’s
with you, the Surface Transportation Board.

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

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

And so I have a few questions for you.

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

The depressed trainway is the most effective
mitigation, yet you don’t study it because you say it also
mitigates preexisting conditions. Well, if it’s a win-win
situation, if Union Pacific proposed it and it benefits our community, then why won’t you consider it? That doesn’t make sense to me.

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

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

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

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

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

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

These are the questions I have for you.

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

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

Thank you.

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

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

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

Why should any train be allowed to run faster when proper safe operating procedures and traffic equipment
maintenance practices have yet to be implemented? How many more accidents and deaths will have to be endured and suffered through before true progress and benefits are made for both the Union Pacific Railroad, the general public and the environment can be made?

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

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

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

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

What assurance would there be that the so-called Reno trench wouldn’t be subjected to water seepage during dry times and to massive flooding during the high water level
flooding of the Truckee River.

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

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

I’m going to skip over a couple of questions.

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

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

MS. WILSON: Thank you.

The next three cards are still from the afternoon
session. And they are Bob Fulkerson, Hugo Hernandez and David Cameron.

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

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

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

You talk about doing consultation with Native American tribes, yet when we have the duly-elected chairman of our local colony, he wasn’t given the courtesy to come up
here and speak as an elected official. You sent out letters
to some certain tribes to ask them to participate. Did you
bother to follow that up with a phone call?

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

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

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

Given that, you need to extend the comment period.

Just give us that one little crumb, all right? Extend the
stupid comment period.

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

The purpose of an environmental impact statement is
so we can all as a community make informed decisions. Now,
that may be anathema to the STB, but it's not to the
democratic process and to informed decision making and public
participation that we have come to expect from our government
officials here in Nevada.

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

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

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

Thank you.

MS. WILSON: Hugo Hernandez and David Cameron.

MR. HUGO HERNANDEZ: It’s kind of funny, how Union
Pacific, to the right of me, is kind of scaring people with
27,000 extra trucks that are going to be on the highway.

Sir, this is your annual report, isn’t it? This is your annual report? 1996 annual report.

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

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

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

But this Board has not composed any type of fines. Are you going to be able to uphold this PMP process? How are you going to police this? Are you going to have like police
watchdogs and giving them tickets every time they go over the speed limit or any time they have a bad placard or something that’s not right in the rails, are you going to stop them and fine them on the spot and dead line them like you do trucks? So to put fear into people with these trucks is not right. It’s not right at all. You are giving them a false sense of fear. Because I don’t think that the professional truckers of America would appreciate that comment, especially coming from you. You own Overnight Transportation.

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

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

From the beginning of this dispute, Reno city
officials have made clear that the best solution for this increased train traffic would be lowering the railroad tracks through downtown.

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unless the tracks are lowered, the increased train traffic will result in traffic and pollution problems which could severely hamper emergency vehicle response and undermine the economic vitality of Reno. It is submitted that the cost of depressing the Union Pacific tracks would be 183 million.

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

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

We join the city of Reno in demanding that your final report be explicitly mandate that Union Pacific depress
the railroad lines through Reno and that the railroad pay the full costs of this necessary public safety project.

MS. WILSON: Your time is up.

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

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

MR. HUGO HERNANDEZ: Thank you.

MR. DAVID CAMERON: My name is David Cameron. Madam Chairwoman, board members, thank you for this opportunity to talk to you.

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

And we agree with the two state senators, with the tribal council, with the civic leaders and with the citizens of Reno that, who have decried this mitigation plan. We believe that your agency has made a very serious mistake when you permitted the merger between Union Pacific and Southern Pacific to go forward without an environmental impact.
We all know that this merger will significantly increase the amount of traffic going through downtown. What we do not know, because there is no EIS, is how much of that traffic is likely to be hazardous substances, possibly even nuclear waste.

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

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

Now, fortunately none of these recent train wrecks involve hazardous substances, but they easily could have, because Union Pacific is our nation’s largest hauler of
hazardous waste.

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

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

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

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

According to emergency planners, Union Pacific generally fails to involve local communities, a couple of more sentences, that hazardous material will pass through their area. Union Pacific inspection reports and environmental audits should be shared with the communities, but local officials have a lot of problems getting those reports when preparing for possible hazardous material spills.
Together the FRA report and the Good Neighbor Project report paint a picture of a railroad which is careless and unrestrained. The way that Union Pacific operates its railroad, especially the way it treats its workers, put the rail workers at risk as well as the people who live near the tracks.

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

MS. WILSON: Thank you.

MR. DAVID CAMERON: Thank you.

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

MS. LEE DAZEY: Is it Lee Dazey?

MS. WILSON: P.O. Box 5339

MS. LEE DAZEY: That’s me. It’s Lee Dazey.

MS. WILSON: Thank you.

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

And in due credit to the process, the specific
The problem that I see with the report is I think when we started, I believe it was back in February, I think we were pretty clear that the goal of the report was to measure the effect of the merger and come up with a mitigation.

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

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

Some other inconsistencies that I think led to this process not being successful. When we started the process, the question was asked what will you be able to order the railroad to do? The answer that I heard was whatever.
mitigation is necessary to offset the effects of the merger.

Shortly thereafter we had Decision 71, where for the first time the issue of Tier One and Tier Two mitigation was introduced, again, taking us away from the goal of trying to determine mitigation or determine effects and come up with the proper mitigation.

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

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

The other issue that I think that we need to really highlight, and it was just raised by the gentleman ahead of me, was how are we going to enforce this agreement? Again, I have seen nothing that indicates that there’s any consequence, any ability for the STB to say if these, even assuming these were proper mitigation methods, that if these
aren’t met, this is what’s going to happen. Again, I don’t
know how you enforce that, or if there’s no consequence, once
a railroad decides that they either can’t or won’t meet those
goals, then we have not been successful.

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

Thank you.

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

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

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

They do recognize problems. They know what they
are dealing with, they respect what they are dealing with in
the freight trains, and they are certainly capable of
handling any train carrying whatever product they carry that
we are licensed to carry.

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

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

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

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

Thank you.
MS. WILSON: Thank you. It’s M. Lee Dazey.

MS. M. LEE DAZEY: Thank you.

MS. WILSON: Sorry.

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

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

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

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

Heavy criticism, as we have heard tonight, has fallen upon Union Pacific recently. After seven fatalities in three months, we are all privy to the reports. After an investigation by the Federal Railroad Administration in
which, and I will reiterate some of the points which I didn’t hear reverberated tonight, 57 percent of locomotives inspected were found to be defective, in which supervisors had actually ordered crews to move trains with defective equipment, in which employees had been told not to report defects or injuries, and in which dispatchers and managers had given conflicting instructions that could have resulted in head-on collisions, the FRA arrived at the conclusion we have heard tonight. UP has had a fundamental breakdown in basic railroad operating procedures and practices essential to a safe operation.

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

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

Union Pacific is the railroad company, incidentally, whose trains will carry high-level nuclear waste through our neighborhood next spring. The rail runs
parallel to 79 miles of the Truckee River, which is our single source of water for 300,000 people in Washoe County alone and hundreds of farmers in Lahontan Valley. The Truckee is also the source which feeds Pyramid Lake, which is the traditional homeland to the Paiute people, whose culture is based upon the lake and upon the cui-ui fish.

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

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

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

The fact that this Board came up with a finding that no serious human impacts would result from the merger speaks again for the need for a more comprehensive environmental review, one that deals with UP’s track record and one that actually deals with the hazardous contents of...
these trains.

MS. WILSON: You’re time is up.

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

I just want to say a closing statement.

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

Thank you very much.


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

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

And incidentally, that’s not a Southern Pacific or Union Pacific engine, it’s a JPH that never heard of the
railroad. That’s a busted turbine, turbocharger. And all
the hog head has to do is just punch the button and shut it
off. So I don’t know how they took this picture, unless they
bribed the engineer to widen the throttle and run it in that
kind of condition.

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

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

I’m sure you have got ways, enormous pumps that you
can pump that water out of the place in case they have a
little, not a flood, but just a good rainstorm.
So let me add something to you. I worked a switch engine, crossed over these tracks and almost run over some of my friends. And the easiest thing was used years ago, we have the electronic technology now to put three men, that is around the clock, eight hour shifts, all they have to do is press a button, that will stop a train in either direction.

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

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

MS. WILSON: Thank you. Rory Dowd.

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

I’m a new resident of Reno, within the last year. And from what I have been hearing in the last few months dealing with this, it seems like, yeah, okay, Union Pacific has a precedent of being here first. Well, we live here,
they don’t. They have, they have very nice houses in a very
nice part of some other part of the country that’s not around
this area, which is what they are going to be affecting with
all these decisions they are trying to make.

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

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

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

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

I also think Union Pacific would need to really
clean up its safety standards before the mitigation plan is
finalized. And like the gentleman was saying, the employees of Union Pacific may be very conscientious, qualified workers, but, you know, how well can you play a guitar if the neck was broken? You know, how good would a lamp work if it didn’t have a light bulb? It might kill you if you stuck your finger in the socket because it’s plugged in, just like a train can kill, you know. It’s got good people on board, but the train is broken so it’s going to be dangerous to somebody.

That’s all I have to say. Thank you.

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

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

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

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

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

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

There’s commercial real estate value to the land above the depressed railway. There is other economic benefits due to enhanced land values from other parcels, which I will not mention because I know everybody would be tomorrow, trying to buy those parcels. However, if you want
to contact me, I can talk to you later.

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

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

Thank you.

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

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

I'd like to state that right off the bat I was impressed by the members of the Section of Environmental Analysis for their professionalism, but I do have to state that I was frustrated by the process.
I was also frustrated by the lack of balanced journalism by the newspapers and the television news, but most of all I was frustrated by the city of Reno. I was frustrated by the city of Reno for deciding not to participate in a reasonable discussion of the issues in an attempt to force UP to pay for the past sins of the city and land use planning. Essentially I feel that the city is holding Union Pacific hostage. I’m frustrated with the city for refusing to even think about any other option than the depressed railway.

I’m also frustrated at the city for directing its task force representatives to refuse to even consider any other mitigation measure other than the depressed railway. I’m also frustrated at the city for the sheer rudeness of its task force representatives and the city manager to the Section of Environmental Analysis members and the other task force members throughout the process of development of the PMP.

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

Since apparently the city has no desire to use the process to seek out a suitable compromise amenable to all
parties, I feel that the PMP recommendations are the only recommendations that are forwarded to the STB that meet the criteria laid out by the STB decisions in describing the parameters of the study.

Thank you.


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

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

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

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

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

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

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

If they are doing this, then they are not complying with the intent of the law. FRA is the one that is to be
administered and holding accountability. Evidently it’s not being done. If it’s not being done now, what’s the guarantee to say they are going to be accountable for what is going on in this situation?

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

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

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

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

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

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

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

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

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

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

It’s ready for it. I’ll pay a little more.
Thank you.

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

MR. JIM DEBRICK: I’m Jim Debrick, retired railroad conductor.

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

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

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

Thank you.

MS. WILSON: Thank you. George Baltar.

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

I was raised in a railroad town. Most of the towns
were formed around railroads. All commerce either moves by truck or by rail. Over 90 percent of the commerce of the United States moves by truck or rail, that's a fact. You can't deny that.

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

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

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

This is ridiculous, this stuff, it's crazy. This depressing the railway, we got a lot of new techniques now for rail. I mean the hot box detectors, and, you know, they can detect load shifting now with all the electronics of the
This depression of the track is really unbelievable. I think we need to actually put the roads and the sidewalks under the tracks is where they should go and in the middle of town, certain key roads, to eliminate the tie-ups on the major roads.

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

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

People got to get their head together and quit this
spending all this money for these people to pay all these groups to study everything. All these people, these people are making money off the taxes of the American people.

That's why our taxes are going up.

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

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

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

MS. WILSON: Patricia Sliger.

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

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

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

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

And thank you.

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

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

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

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

As far as no spills for a limited historical period, history since 1971 is nothing. I have lived in Reno long enough at the right times to remember at least two rail
incidents which were fairly major in the way they tied up traffic. One was a broken axle on, if you will, a tank car. I believe that was in the late 40s. And the other one I remember was probably in the mid-60s due to a broken coupler when I, along with a lot of other people, was one who did dare to climb over the train, a flat car it was, to get across the tracks to my work on time.

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

The big issue over the depressed trainway, at least from the city of Reno's viewpoint, seems to be who is going to pay it. I would like to see everybody concerned pay their fair share. But I would also like to offer what is probably an unpopular or certainly uncommon viewpoint. Psychologically, esthetically, physically the casinos and their tourist clientele are going to be beneficiaries at least as much as the railroad itself of any depressed trainway. Therefore, let's have them come up with some way of allocating their fair share of costs. What happened to the downtown Reno Redevelopment Agency?

Thank you.

MS. WILSON: Evelyn Scott.

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

I have two properties that would be affected by
this railroad move. And I believe that the depressed railroad is what I would suggest. And I feel that the casinos should share in this cost.

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

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

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

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


MR. JOHN SPITZNER: Good evening. My name is John
Spitzner. I’m a member of an organization called CANWIN, Citizens Against Nuclear Waste in Nevada. I’ll keep my comments very short.

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

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

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

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

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

Thank you.

MS. WILSON: Thank you very much.

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

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

MR. FRANK NAPIERSKI: My name is Frank Napierski.
I have been to all the public meetings concerning this merger and have always been in favor of the depressed rail lines through Reno.

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

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

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

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

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

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

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

Thank you.

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

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

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

Also the Rye Patch area recreation area, which has the U.S.’s greatest single trophy fishing inside of the U.S, would be endangered if there was to be an accident.
Pershing County is made up of agriculture with the Humboldt River actually going underneath the tracks. If there was spill agricultural community would also suffer.

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

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

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

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

If there is some kind of buffer zone in front of the lead car, high energy absorbing, to take the crunch out
on the person receiving, that would keep a lot of necks from
going kinked.

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

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

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

Thank you.

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

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

MR. JACK LORBEER: Good evening. My name is Jack
Lorbeer. I’m the principal planner and head of the street department section of the Regional Transportation Commission Planning Department.

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

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

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

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

We are also concerned at the staff level of the Tier One requirement of the 10 mile per hour increase. We
have some concerns as to whether or not those would be enforceable, especially in terms of traffic delay. The Nevada Department of Transportation figures show that we are, we can expect over a 20 percent increase in traffic crossings at the six major crossings in the downtown Reno area.

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

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

So with that, we just wanted to bring this forward. And we also would like to conclude and say that we feel from a traffic standpoint, from a transportation agency that deals a lot with roads and highway planning in the Truckee Meadows, that we feel that the cost issue in terms of the grade separations, we feel that grade separations need to be more in depth and not just eliminated because of the cost figure. We are very concerned that just because we may have an
expensive grade separation or one grade separation may be
more expensive than another, that that should not be
eliminated.

So I appreciate the opportunity to speak before you
tonight.

MS. WILSON: Thank you.

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

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

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

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

But I did have one thought that might be helpful.
Maybe we could export the really bad nuclear waste by air.
We have a national guard unit here in town, it’s pretty good
at hauling stuff around. And maybe the truly hazardous materials could be set aside for air transportation instead of by rail.

Thank you.

MS. WILSON: Jack Hawkins.

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

Dr. Loshkin. Gene Gardella.

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

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

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

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

Thank you.

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

MR. GENE GARDELLA: I'm Gene Gardella. Did I get
out of order here somewhere?

MS. WILSON: I’m sorry. You may come next.

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

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

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

Reno’s grown, the railroad traffic has grown, but unfortunately I think impacts that the railroad traffic through our community has grown and outstripped the situation in Reno and overwhelms our community.

The mitigation plan looks only to the year 2000. What about 2005, 2010, 2015? Where are we then? People in
our community lacked vision then. I think this plan lacks the vision looking beyond two years, two and a half years.

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

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

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

The hazardous materials portion of it. We talked about the national investigation. We talked about the fact that there would be roadbed improvements, increased inspections, mitigation, hot box situations and load
shifting, and my goodness, we have stationed a man in town.

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

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

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

    Okay. You must be Mr. Kemsey?

    MR. JAMES KEMSEY: Yes, I am, ma’am.

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

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

    Gentlemen, less than one year ago I was a quality
assurance representative enforcing compliance with the Manual
of Standards and Practices of the Association of American
Railroads. And based upon that experience, I’m here to tell
you that I support the full environmental impact statement,
as these gentlemen and many residents have talked about.
Several things in our current mitigation plan disturb me. It has a tendency to eliminate modern planning concepts. Now, we are going to optimize a business opportunity by merger, but we are supposed to be minimizing the negative impact. We have ten findings on the wall that we require every business in this city in order to grow or to merge and to plan, but yet we are not enforcing that with the merger of a major railroad.

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

Where I live there are bridges and pathways that have not been maintained off the old Lincoln Highway. There’s an old railroad track out there that is unsafe, and there’s an old tunnel that people cross to get to the Truckee River as tourists. What are we doing about our old hazards, the 100-year-old, the 50-year-old, the 20-year-old hazards that have never been cleaned up, but yet we are merging and getting bigger.
In Contra Costa County less than one month ago we had a derailment involving hazardous materials, and yet it took four hours to notify the local neighborhood to evacuate. That became a very big point of contention in that county.

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

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

We are talking about speeds. I concur with everything that’s been talked about speeds, but what concerns me is the lack of the reciprocity agreements. We are not addressing that at all. Reciprocity agreements between Union Pacific, Southern Pacific and Burlington Northern. What about the subsidiary lines such as the Denver Rio Grande? How are you going to use that track? Are they going to be under the same quality assurance programs and enforcement that we are requiring of everybody else?
Finally, the one last thing, I promise, since I’ve got that wonderful yellow card there, is the quality assurance manual, Section J, of the Manual of Standards and Practices, quality assurance, it tells us what we are supposed to be doing, what our warranty programs are supposed to be.

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

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

MS. WILSON: John Van Zomeren.

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

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

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

Like a previous gentleman said, when, 20 miles an hour, you start to kill people. Automobile people put this at 15 miles an hour. Right now, even though the train, the locomotive is committed to 20 miles an hour through town, once it gets out of the area where it isn’t the speed limit, it can speed up, the rear of the train will be going 30, while it’s going through downtown or crossings. So they are not totally limited now.
I’m also against the four quadrant gates. These I consider to be a safety hazard, when you start getting vehicles trapped on the tracks within the gates and no place to go.

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

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

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

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

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

Thank you.

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

Joseph Frano?

Bob Collins?

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

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

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

I see some real gaps here in the event of the depressed railway. That is, where are the funds and will they be provided to help train and equip our emergency
responders? Our first concern is of course for the citizens and visitors. But also we ask these brave people to risk their lives to save us.

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

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

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

Thank you.

MS. WILSON: Thank you. Daryl Drake.

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

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

I sense the Section of Environmental Analysis is caught in a bind, and you the members are charged with
suffering the indignities of all the parties involved, since no one in this exercise is happy with the results of the Preliminary Mitigation Plan, except, of course, the Union Pacific Railroad.

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

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

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

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

Three, the primary mitigation plan cites on page 7, Appendix A, quote, an existing railroad can increase its level of operations without coming to us and without limitation, unquote.
That means that the Southern Pacific Railroad could have increased its traffic without limit, without review or compliance with any directives from the STB. The only reason we are going through this exercise is because the Union Pacific Railroad chose to buy Southern Pacific Railroad and Southern Pacific Railroad agreed to sell. Has this perhaps biased the results of SEA’s proposed mitigation measures.

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

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

Thank you.

MS. WILSON: Marigael Morris and Mark Demuth.

MS. MARIGAEL MORRIS: Good evening. I’m Marigael Morris.

First off, I need to say that my main complaint is
the formation of the STB. It's pretty obvious that it was bought and paid for by Union Pacific. So I really question the integrity that this entire report has been put together.

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

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

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

MR. MARK DEMUTH: Good evening. My name is Mark
Demuth. I’m an environmental consultant for Madcon Consultation Services, part of a consortium of environmental professionals hired by the city of Reno to work on this project.

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

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

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

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

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

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

We now find ourselves where we are now, a matter of
I think less than five days after Surface Transportation
Board has finally sent a letter to U.S. Fish and Wildlife
Service and stated yes, we probably have better information
we should provide you and we would like to reinitiate the
process. Unfortunately, that reinitiated process will not be
completed before next week when the comments are due and the
citizens in this room and across the city must make their
decision and their comments on what you have offered, when
clearly one of the largest impacts to the citizens of Reno
has not even begun to be evaluated, as indicated by your own
letter and your handout, where you stated earlier today and
yesterday that you would need to complete an entire
biological assessment and completely new risk assessment to
know what the risk is to the Truckee River and our primary
drinking water supply.

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

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

Thank you.

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

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

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

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

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

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

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

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

The other is we keep hearing comments about it's
not that much of an increase, or a lot of simple comments.

But the two things remain. What our trains and trucks are
carrying now are much more deadly and take unbelievable
amounts of time to clean up. And what happens to us as a
community when it’s a toxic waste that can’t be cleaned up?

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

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

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

I think this cavalier attitude that we have to do
what the railroads want us to do is pretty amazing.
And I don’t think we have enough information. I’m sure a tremendous amount of work went into this report, but I’m not sure that the grass roots has really been reached. And one of them is costs. We have some serious transportation issues in Reno that benefit all the citizens. Here we are putting out millions of dollars for something that does us no good. It does us all this damage that I see, and I see no good for it. But yet we need transportation systems that work, we need so many things in our town that we need to pay for, that to put our money into something that doesn’t even do a dime for this city seems pretty unbelievable.

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

We have two more speaker cards. Paul Larson.

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

This is a very serious issue for us. Thanks to the fact that years ago they decided to put the red line district right next to the railroad tracks in this town, 90 percent, well, the vast majority of the casino operations here are within a two-block distance of the tracks. And you got a
couple of big mega places like the Hilton and Peppermill way far removed, but most of us are right downtown. So this is bread and butter stuff for us, okay.

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

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

You know I would be a casualty, you know, I would be one of the nameless multitude, you know, that's the way the cookie crumbles. I think it would devastate this community, it would devastate the railroads, it would seriously impact tourism here. It would probably be the end
of gambling downtown, of the casino business down there.

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

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

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

You know, we have a serious problem with teenage cruisers on Virginia Street on weekends. Everybody who has
lived here knows that. These guys are irresponsible, these
guys shouldn’t even be behind the wheel most of the time.
But how many times have you seen where they get stuck on the
railroad tracks by the stop light.

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

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

MS. WILSON: Andrew Barbano.

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

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

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

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

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

Some farmers were being dispossessed from their land by the railroad because the railroad broke its word to the farmers that it would let them buy the land after they developed it for a number of years. This actually happened, and a bunch of San Joaquin Valley farmers were killed in a major shoot-out with Southern Pacific Pinkertons. It was fictionalized in Frank Norris’s Octopus. And I resented having to read the Octopus in high school. Who cared about
what happened in 1895 or 1903.

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

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

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

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

Thank you.

MS. WILSON: We will take formal comments on the
record until ten o'clock, and then at ten o'clock we will
adjourn, and we will be available informally if you have any
further questions.

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

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

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

MR. STEVEN HORSFORD: Steven Horsford, private
citizen.

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

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

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

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

MR. STEVEN HORSFORD: Was that publicly noticed?
MR. McNULTY: Oh, yes.

MR. STEVEN HORSFORD: When and what dates?

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

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

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

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

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

So Union Pacific put on a full court press to see that the Justice Department would not have oversight over the
merger and instead delivered it to the STB.

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

Thank you.

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

MR. MIKE ZIELINSKI: Thank you.

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

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

MR. STEVEN HORSFORD: I have that piece of paper.
MS. WILSON: It says the same information on it.

MR. STEVEN HORSFORD: This one?

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

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

Do you have one of the handouts from tonight?

MR. STEVEN HORSFORD: Yes.

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

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

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

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

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

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

MR. HORSFORD: Did it go to private citizens?
MR. GENE GARDELLA: I'm not quite sure -- my name is Gene Gardella. I'm not quite sure how to frame this, because I don’t know if this is an issue that you have looked at, thought about or considered.

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

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

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

And I don’t think that is being alarmist. I think
that it warrants careful and thoughtful consideration from a very actuarial point of view, and I think you need to look at it from a dollars and sense point of view.

Have you done that, do you intend to?

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

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

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

That work has not been completed. In fact we are
really getting under way. The biological resources issue I neglected to mention, we are looking at with the U.S. Fish and Wildlife Office here in Reno, and we are going to expand that to the sister office in California for portions of the summit down.

As to risk and liability, that’s not, the liability part is not part of ours.

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

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

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

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

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

MS. MARIGAEL MORRIS: Okay. Is this a federally funded board?
MR. McNULTY: I'm not sure. You mean this panel right here?

MS. MARIGAEL MORRIS: Yeah, the STB.

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

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

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

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

MR. McNULTY: It was handled the same way.

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

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

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

MS. MARIGAEL MORRIS: Okay.

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

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

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

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

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

MR. McNULTY: August 12, 1996.

MR. HUGO HERNANDEZ: So just a few months after it was established?
MR. McNULTY: Yes. The proceedings started under the Interstate Commerce Commission.

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

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

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

MR. McNULTY: No, it was independent.

MR. HUGO HERNANDEZ: The Interstate Commerce Commission

MR. McNULTY: No.

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

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

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

MR. McNULTY: For administrative purposes.

MR. HUGO HERNANDEZ: Right now with the Department of Transportation, as a trucker, when they get pulled over, they are pretty strict on truckers. When a DOT officer pulls
us over we get, it takes about three hours to check that
truck. First they ask to see your physical cards to make
sure that we are physically conditioned to drive that truck.
They check also our equipment point by point by point. They
check our hazardous materials, they go in there and make sure
the loads are secure, they go in there physically and check
our loads. Like I said, they take three hours to check this,
and if they find any fault whatsoever with our trucks on the
road, they stop us right on the spot and they fine the driver
for whatever reasons there might be. Now, for one wrong
placard on our truck we can be fined up to $10,000.

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

MR. MANSEN: He’s got an answer.

MR. HUGO HERNANDEZ: Let me finish the question.

MS. WILSON: We have got two more people and it’s
MR. HUGO HERNANDEZ: I’m sorry.

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

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

MR. MCNULTY: FRA just did a safety investigation on Union Pacific.

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

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

MR. HUGO HERNANDEZ: That’s because we intervened, we wanted it, we made a big deal about it. But as the
Teamsters made a big deal about that, right now there’s nothing in place to make sure every train out there is regulated, every train out there is adequate and these people are certified to handle these hazardous materials.

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

MR. RANDY KARPINEN: Randy Karpinen.
I want to remind you what my suggestion was. My suggestion was that you should hold off on Preliminary Mitigation Plan until after you get the report from the Federal Railroad Administration on the safety issues of Union Pacific and U.S. Wildlife report on the endangerment of the water life and everything pertaining to that.

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

MR. McNULTY: This is the PMP.

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

MR. McNULTY: That’s the next step.

Go ahead.

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

And then another point that I want to make is there
will be a public review period for the final mitigation plan, so you will have --

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

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

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

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

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

MR. McNULTY: And final mitigation plan --

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

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

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

MR. McNULTY: We will have it.
Mr. James Kemsey: Thank you.

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

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

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

Mr. McNulty: The Board decided back in the beginning of the merger proceeding, actually I think the Interstate Commerce Commission did, decided to have an environmental assessment done. And that was completed by the Board and then post environmental assessment was issued.

And in the Decision 44, which is the main decision in the merger proceeding, the Board set conditions of an
environmental nature as well as economic. And one of those conditions ordered the study which is specifically focused to determine what additional mitigation would be necessary for the Reno area.

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

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

MR. McNULTY: It's an abandoned railroad?

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

Next question.

MR. McNULTY: Excuse me. If I may share with you some information. It's an abandoned railroad. I don't know
when it was abandoned, which railroad it was. Whoever owns the land now --

MR. JAMES KEMSEY: UP/SP.

MR. McNULTY: They do.

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

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

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

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

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

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

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

Next question. Businesses owned by an individual, I own my own business as a research consultant. If I apply for a license, a permit, a plan to merge, to buy somebody, I'm going to be required to mitigate my impacts. I will be
required to build and to pay for the cost of that. That's not on the public to do, that is a private business.

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

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

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

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

MR. McNULTY: If I may add something else. We already have 70 some environmental conditions in place. This was just one of the studies, and the railroad has been charged with complying with all those conditions.
MR. JAMES KEMSEY: Mr. McNulty, some of them just don’t make sense. Like speeding up a train. To me, living in this community, it doesn’t make sense. I want to take a million ton train hundreds of feet long and speed it up to make sure it can’t stop. There are some conditions that do not make sense. There are some conditions, like the lack of environmental impact statement on a river as a principal source of water for this area, and it’s been involved in the United States Supreme Court proceedings for nearly one hundred years, as long as the railroad’s been around.

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

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

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

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

MR. McNULTY: May I respond?

MR. JAMES KEMSEY: Sure, please do.
MR. McNULTY: Obviously a good many people have voiced the same concern. The concerns are going to be noted. They will be in the record and they will be considered.

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

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

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

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

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

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

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

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

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

As far as a preexisting condition, we acknowledge that the railroads have been around a long time, as has Reno, as have other preexisting conditions. But it’s not considered in the totality of the circumstances of the community and the railroads and what’s best for everybody
along that large corridor.

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

Thank you very much.

MS. WILSON: Thank you.

Did you have a question?

MS. ALISON FLEMING: Just a quick question.

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

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

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

MR. McNULTY: The Department of Energy.
MS. ALISON FLEMING: But it's such a key issue as far as we are concerned in relation to this.

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

MR. McNULTY: What?

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

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

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

MR. McNULTY: The Department of Energy regulates that.

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

We are adjourned.

(10:15 p.m., proceedings concluded.)
STATE OF NEVADA,

COUNTY OF WASHOE.

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

That on Thursday, October 9, 1997, I was present and took stenotype notes of the public hearing held in the matter entitled herein 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 hearing.

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

Lesley A. Clarkson, CCR #182
Ms. Elaine Kaiser, Program Director, Legal Counsel  
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:


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 Document 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
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>
<thead>
<tr>
<th>Rail Crossing Location</th>
<th>Pre-Merger 1995 LOS with 12.7 trains/day</th>
<th>Post-Merger 2000 LOS with 24.0 trains/day</th>
<th>Level of Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Keystone</td>
<td>C</td>
<td>D</td>
<td>SIGNIFICANT</td>
</tr>
<tr>
<td>Vine</td>
<td>C</td>
<td>D</td>
<td>SIGNIFICANT</td>
</tr>
<tr>
<td>Washington</td>
<td>C</td>
<td>D</td>
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</tr>
<tr>
<td>Ralston</td>
<td>C</td>
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<td>C</td>
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<td>West</td>
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<tr>
<td>Sierra</td>
<td>D</td>
<td>D</td>
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</tr>
<tr>
<td>Virginia</td>
<td>C</td>
<td>D</td>
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</tr>
<tr>
<td>Center</td>
<td>D</td>
<td>E</td>
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</tr>
<tr>
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<tr>
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<td>D</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>Sutro</td>
<td>C</td>
<td>D</td>
<td>SIGNIFICANT</td>
</tr>
</tbody>
</table>

Source: MMA, 1997; Figure 4-16; Figure 4-20
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).
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 crossings, 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