Appendix G

Correspondence Between SGR and SEA

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E1-11

November 22, 2002

VIA HAND DELIVERY

Victoria Rutson, Esq.
Chief, Section of Environmental Analysis
Surface Transportation Board
Room 504
1925 K Street, N.W.
Washington, D.C. 20423

Re: Proposed Rail Line Construction in Medina County, Texas -- Request for Waiver of Six-Month Pre-filing Notice

Dear Ms. Rutson:

We are writing to notify the Section of Environmental Analysis ("SEA") of the intent of a subsidiary of Vulcan Materials Company ("Vulcan") to construct a rail line approximately seven miles in length in Medina County, Texas, between a planned limestone quarry to be operated by a subsidiary of Vulcan and a connection with the Union Pacific Railroad Company near milepost 250 of UP's Del Rio Subdivision north of Dunlay, Texas. The purpose of the rail line will be to provide rail common carrier transportation for the quarry and for any other industries that may wish to use the line in the future. The rail line will be operated by a wholly-owned subsidiary of Vulcan Materials that will be incorporated as a common carrier railroad under the rail incorporation laws of the State of Texas. The new railroad company will also construct the proposed line. To that end, the subsidiary intends to seek appropriate authorization to construct and operate the new line either pursuant to the Board's exemption authority under 49 U.S.C. § 10502 or pursuant to the terms of 49 U.S.C. § 10901. We have reserved Finance Docket No. 34284 for that purpose.

Pursuant to 49 C.F.R. § 1105.10(c), Vulcan respectfully requests that the Board waive the six-month pre-filing notice requirement of 49 C.F.R. § 1105.10(a) (1). The six month notice period may be waived "where appropriate." *See* 49 C.F.R. § 1105.10(c)(1). That pre-filing notice rule is triggered where "an environmental impact statement is required or contemplated."

We believe a waiver of the rule is appropriate in this case because of the limited scope of the project and because the anticipated environmental effects of this project are not significant enough to warrant the preparation of an environmental impact statement ("EIS"). Rather, while we recognize that SEA will make a final decision on this issue, we believe an environmental assessment ("EA") will be appropriate for this project.

The basic features of the project, as described below, show that the requested waiver of the six-month pre-filing requirement is fully warranted. These features were also summarized for SEA in our November 8, 2002 meeting with you and Rini Ghosh. At that time, we also provided you with maps of the area and the proposed rail line, as well as other relevant data concerning the proposed rail line construction.

The proposed rail line is in a rural area of Texas west of San Antonio. The land is primarily pastureland and farm land. The line will extend south from the future quarry approximately seven miles to the proposed connection with the UP. The area is sparsely populated with less than 300 people in the area of the quarry and the proposed rail line. The rail line will traverse, among other parcels, land owned or leased by Vulcan, including a tract on which the quarry will be developed, a tract for a remote rail yard near the connection with the UP and a tract near the quarry that will allow Vulcan to locate the fuel storage area off of the Edwards Aquifer. The proposed rail line would not impact the Edwards Aquifer Recharge Zone as all of the rail line except the connection with the quarry would be located out of the recharge zone. In addition, only two small drainage features would be crossed. Accordingly, it does not appear that the rail line would have any significant adverse impacts on wetlands.

The proposed line would not cross any major highways or any rail lines. As noted above, the area is sparsely populated. Thus, any impacts on traffic or emergency response would be negligible. The line will also be designed to avoid residences, of which there are very few in this area, and other structures.. It is not anticipated that the line will have any significant adverse impacts on the few sensitive receptors that might be impacted. Nor are there any parks or recreational locations that would be impacted by the line.

Moreover, it does not appear that the line will have any significant adverse impact on air quality. In fact, shipment of aggregate from the quarry via rail will result in substantially reduced air emissions as compared to shipment via trucks. Further, based on preliminary review, the line is not expected to have any significant impacts on wildlife or other biological resources, water quality and historic/cultural resources.

The quarry to be developed by Vulcan is expected to become the largest employer in Medina County and to contribute significantly to the County's tax base. As noted, the line will also be available to serve other businesses that may locate in the area, which is just west of San

Antonio. The area is likely to be prove attractive for future business development given its proximity to an important transportation corridor between the U.S. and Mexico.

In short, we know of no significant environmental harm that the project is likely to cause. We intend very shortly to ask you to approve the appointment of a third-party consultant to prepare the environmental documentation associated with the project. This work would be conducted on behalf of the Board pursuant to 49 C.F.R. § 1105.10(d) and the Board's standard requirements for disclosure by a third party consultant. The rail entity to be established is prepared to enter a memorandum of understanding with the Board and the third-party consultant with respect to the environmental process. Also, the rail applicant will work with SEA and other relevant federal and state agencies to assess the impacts of the line. The applicant will also address any concerns that may be raised by persons who may be opposed to the construction of the line.

Because of the very limited scope of the project and the absence of any significant anticipated environmental harm, we believe waiver of the six-month pre-filing notice requirement is fully warranted.

Sincerely,

David Coburn
Sara Beth Watson
Attorneys for Vulcan Materials Company

cc: Rini Ghosh, Esq.
Mr. Darrell Brownlow

EO-3

SURFACE TRANSPORTATION BOARD

Washington, DC 20423

Office of Economics, Environmental Analysis, and Administration

November 26, 2002

Mr. David Coburn
Steptoe & Johnson, LLP
1330 Connecticut Avenue, NW
Washington, DC 20036-1795

Re: STB Finance Docket No. 34284 – Proposed Rail Line Construction in Medina County, Texas – Request for Waiver of Six-Month Prefiling Notice

Dear Mr. Coburn:

Pursuant to 49 CFR 1105.10(c), we are granting your request of November 22, 2002 for waiver of the six month prefiling notice generally required for construction projects under 49 CFR 1105.10(a)(1).

The Surface Transportation Board's Section of Environmental Analysis (SEA) has consulted with and met with Vulcan Materials Company's (Vulcan) representatives, Mr. Darrell Brownlow, Ms. Sara Beth Watson, and yourself, regarding the proposed environmental impacts associated with the construction and operation of a new rail line in Medina County, Texas. At a meeting on November 8, 2002, Mr. Brownlow provided SEA with an overview of the project, as well as maps and photographs of the area surrounding the proposed rail line. Additionally, in your November 22 letter, you supplied detailed information regarding the potential environmental consequences of the project.

The project involves the construction of a rail line approximately seven miles in length in Medina County, Texas, from a planned limestone quarry to be operated by a subsidiary of Vulcan, southward to a connection with the Union Pacific Railroad Company (UP) near milepost 250 of UP's Del Rio Subdivision north of Dunlay, Texas. The purpose of the project is to provide rail common carrier transportation to the quarry and other industries that may wish to use the line in the future. The rail line would be operated by a wholly-owned subsidiary of Vulcan that will be incorporated as a common carrier railroad under the rail incorporation laws of Texas. The new railroad company would also construct the proposed line.

The proposed rail line would be located west of San Antonio, Texas, in a rural region that is primarily pastureland and farmland. About 300 people live in the area of the quarry and the proposed rail line, and the rail line would traverse land owned or leased by Vulcan, including a tract on which the quarry will be developed, a tract for a remote rail yard near the connection with the UP, and a tract near the quarry that would allow Vulcan to locate the fuel storage area off of the Edwards Aquifer. The proposed rail line, except for the connection with the quarry, would be located out of the Edwards Aquifer Recharge Zone, and would cross two small drainage features.

The proposed rail line would not cross major highways or any rail lines and would be designed to avoid residences and other structures. No parks or recreational areas appear to be located in areas that would be impacted by the rail line. Shipment of aggregate from the quarry via rail would result in reduced air emissions as compared to truck shipment of aggregate. You indicate that based on preliminary review, the proposed rail line is not expected to have any significant impacts on wildlife or other biological resources, water quality and historic/cultural resources.

The preceding information provided by Vulcan's representatives, and the fact that members of SEA have explained in detail the Surface Transportation Board's environmental review process to Mr. Brownlow, Ms. Watson, and yourself, lead SEA to believe that it has adequate information, and that Vulcan is sufficiently aware of the environmental review process, to grant this request.

If we can be of further assistance, please contact me or Rini Ghosh of my staff at (202) 565-1539.

Sincerely yours,

Victoria Rutson

Victoria Rutson
Chief
Section of Environmental Analysis

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E1-10

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November 26, 2002

VIA HAND DELIVERY

Victoria Rutson, Esq.
Chief, Section of Environmental Analysis
Surface Transportation Board
Room 504
1925 K Street, N.W.
Washington, D.C. 20423

Re: Proposed Rail Line Construction in Medina County, Texas -- Request for Approval of Third Party Consultant

Dear Ms. Rutson:

We are writing to request your approval, in accordance with 49 C.F.R. §1105.10(d), of an independent third-party consultant to work with your office to prepare the necessary environmental documentation associated with the proposed construction of a rail line in Medina County, Texas by a subsidiary of Vulcan Materials Company ("Vulcan"). The proposed rail line will be approximately seven miles long and will connect a planned limestone quarry to be operated by a different Vulcan subsidiary with the Union Pacific Railroad Company near milepost 250 of UP's Del Rio Subdivision north of Dunlay, Texas. The purpose of the rail line will be to provide rail common carrier transportation for the quarry and for any other industries that may wish to use the line in the future. As advised in our November 22, 2002 pending request for waiver of the six-month pre-filing notice rule in connection with this project, Finance Docket No. 34284 has been reserved for this matter.

The rail line will be operated by a wholly-owned subsidiary of Vulcan Materials that will be incorporated as a common carrier railroad under the rail incorporation laws of the State of Texas. The new railroad company intends to seek appropriate authorization to construct and

operate the new line either pursuant to the Board's exemption authority under 49 U.S.C. §10502 or pursuant to the terms of 49 U.S.C. §10901.

Vulcan proposes that URS Corporation be retained as SEA's third-party consultant. We anticipate that Ms. Jaya Zyman-Ponebshek will head the URS team. Ms. Zyman-Ponebshek and URS are experienced in evaluating the environmental impacts of rail construction projects. We also understand that URS has been identified by SEA as an entity qualified to serve as a third-party consultant for such projects. The contact information for Ms. Zyman-Ponebshek is:

Jaya Zyman-Ponebshek
URS Corporation
US Mail: P.O. Box 201088, Austin, TX 78720-1088
Courier Delivery: 9400 Amberglen Boulevard, Austin, TX 78729
Tel: 512-419-5316
Fax: 512-454-8807
E-mail: jaya_zyman-ponebshek@urscorp.com

We contemplate that URS's work would be performed on behalf of, and at the direction of, the Board pursuant to 49 C.F.R. § 1150.10(d). Further, we propose that URS would undertake this project in accordance with the Board's requirements for disclosure and pursuant to an appropriate memorandum of understanding that would be entered among the Board, URS and the Vulcan rail subsidiary.

We look forward to your response and to answering any questions you might have.

Sincerely,

David Coburn
Sara Beth Watson
Attorneys for Vulcan Materials

cc: Rini Ghosh, Esq.
Mr. Darrell Brownlow

EO-2

SURFACE TRANSPORTATION BOARD

Washington, DC 20423

Office of Economics, Environmental Analysis, and Administration

December 2, 2002

Mr. David Coburn
Steptoe & Johnson, LLP
1330 Connecticut Avenue, NW
Washington, DC 20036-1795

Re: STB Finance Docket No. 34284 – Proposed Rail Line Construction in Medina County, Texas – Request for Approval of Third-Party Consultant

Dear Mr. Coburn:

Your letter dated November 26, 2002, requesting approval under 49 CFR 1105.10(d) for retention of URS Corporation of Austin, Texas (URS) as an independent third-party consultant for this project is approved. You indicate that Ms. Jaya Zyman-Ponebshek of URS will head an URS team to prepare the appropriate environmental document on behalf of the Surface Transportation Board (Board) in connection with Vulcan Materials Company's proposal to construct and operate a new rail line in Medina County, Texas.

We have attached a disclosure statement that we ask you to forward to Ms. Zyman-Ponebshek to complete. Once the statement is signed by Ms. Zyman-Ponebshek, we would ask that Ms. Zyman-Ponebshek send it directly to us. As we discussed, the Board's Section of Environmental Analysis will direct, supervise, review, and approve all environmental documents prepared by the independent third-party consultant.

If we can be of further assistance, please contact me or Rini Ghosh of my staff at (202) 565-1539.

Sincerely yours,

Victoria Rutson
Chief
Section of Environmental Analysis

Enclosure

FD 34284

#60-1

MEMORANDUM

To: David Coburn, Steptoe & Johnson
From: Jaya Zyman-Ponebshek, URS Corporation
Subject: Data needs for Preparation of the Environmental Assessment on the Proposed Southwest Gulf Railroad (SGR) Line in Medina County, Texas
Date: February 12, 2003

As we discussed earlier today by telephone, find below the information needs that I would like to receive from Vulcan Materials to begin this analysis. I understand that some of this information may not be readily available, so feel free to forward the information to me as it becomes available. As more information needs arise, I would continue to send those requests through you. Hopefully, this memorandum covers the major requests. If you have any questions, please feel free to call me at (512-419-5316) to discuss further

INFORMATION NEEDS

I. PURPOSE AND NEED FOR THE PROJECT

The purpose of the proposed action is to more efficiently transport limestone aggregate from the proposed quarry to the main Union Pacific line in order to reach more distant markets in the Houston and Southwest region and to better serve the local markets around the Austin and San Antonio areas. (Confirm validity, modify as appropriate).

For project need, please provide quantitative estimates, where possible, of the following:

1. Current demand to be met by the proposed Medina County Quarry (e.g. "Of the approximately _____million tons per year required for road and building construction in the Houston and Southeast region of Texas, some _____ million tons are provided by quarries in Medina County of which Vulcan Material existing quarries provide _____, of which the Medina County Quarry alone will provide_____tons per year).
2. Future demand that could be met with construction of quarry and use of rail.
3. Difference in transportation costs (per ton-mile) between rail and via truck.
4. Estimate of the volume of truck traffic that would be displaced by rail (compare trucks needed to transport limestone from the quarry to distant and local markets (without rail) and trucks needed to transport limestone from the quarry to the main Union Pacific line (if the short line is not built).

II. CONSTRUCTION (as available)

1. Electronic map of project (I have a hard copy, but will need electronic copies of alignment and location maps done by the Brownlow Group).
2. Schedule of construction and operation (with several milestones such as clear ROW, construct grade, ballast and rail, begin operations).
3. Description of construction phases (describe equipment and phases of construction in no more than one page: e.g. grubbing and clearing of brush; excavation and embankment construction, installation of culverts; grading, seeding and erosion control; subballast placement, etc).

4. Provide drawing (preferably electronic) showing a profile of a typical section of the rail showing track dimensions, ballast depth, ROW width, track grade, materials, etc).
5. Provide drawing (preferably electronic) showing a profile of any stream crossing detail or road crossing (even if it is just dirt roads) similar to typical section described above.
6. Provide drawing showing tie-in with Union Pacific line.
7. Provide line drawing showing topographic profile of rail line and percent grade.
8. Estimate cut and fill volumes (discuss source of fill and/or disposal of cut)
9. Description of rail line and features crossed using milepost stationing (e.g. 20-ft culvert at 22+00; or crossing of buried natural gas pipeline at mile 0.67)
10. What is approximate construction costs (breakdown between labor and materials)
11. Approximately how many construction workers will be required and for how long.

III. **OPERATION AND MAINTENNECE**

1. Describe the types of locomotives to be used
2. Describe the number and type of cars to be used, average number of cars per train
3. Describe switching operations and interface with UP (ownership of cars, operational responsibility, who do crews work for)
4. Describe length of typical train in terms of number of cars and length in ft
5. Describe the number of train movements per week (where a movement is either a loaded or an empty train passing across rails)
6. How many workers will be employed and what is the estimated payroll for the operation of the train?
7. Describe maintenance procedures including weed control (use of herbicides or mechanical controls)
8. Describe any public or private road crossings, and type of safety or warning devices proposed.
9. What are the average and maximum speeds expected
10. Describe the buffer zone between the nearest mining and the rail line (distance, plants and trees, fencing, etc).
11. What other materials or what other shippers might use the rail in the future?

IV. **ALTERNATIVES**

1. Alternative routes- It is important to describe at least one alternative routing, and several if there were others, for the proposed line.
2. Describe the advantages and disadvantages of the proposed routing over the alternative (s) (e.g. distance, engineering or geo-tech considerations, property owners, road crossings, etc.)
3. One alternative that must be considered is the no build alternative. Presumably if the rail project were not to go forward, the no-build alternative would result in truck transport to the UP line or truck transport for the entire route. How would this affect plans to build the quarry? How would the inability to go forward with proposed action affect operations of the proposed quarry and business opportunities?

ADMINISTRATIVELY CONFIDENTIAL

EI-28

February 27, 2003

MEMORANDUM

To: Jaya Zyman-Ponebshek, URS
Rini Ghosh, SEA

Cc: David Coburn , Sara Beth Watson

From: Darrell Brownlow

Subject: Finance Docket No. 34284, Southwest Gulf Railroad Medina County Project Data Needs for Environmental Assessment

I. Purpose and Need for the Project

The purpose of the proposed action is to more efficiently transport limestone aggregate from the proposed quarry in Medina County to the main Union Pacific line in order to reach more distant markets in the Houston, Southeast, and Gulf Coast and Valley region of Texas.

1. **Current demand to be met by the proposed rail line**
   Currently, the estimated demand for road and building construction aggregate in the Houston and Southeast region of Texas exceeds 45 million tons per year. Of this amount, more than 50% is transported into that region by rail. These areas, like most of the Gulf Coast of Texas, do not have naturally occurring and locally available construction aggregates. Due to the absence of rail connected quarries in Medina County, none of this aggregate comes from Medina County. Vulcan anticipates that its proposed rail-connected Medina County Quarry will supply more than 5 million tons per year to the Houston and Southeast region of Texas.

2. **Future demand that could be met with construction of quarry and use of rail**
   The increase in demand for aggregate products produced and shipped by rail from the Central Texas area, including Medina County, to the targeted remote markets could likely be 3 to 5 million tons per year. This increased demand will result not only from a growing population but also from the depletion of locally produced sand and gravel and limestone reserves.

3. **Difference in transportation costs (per ton-mile) between rail and via truck**
   The cost of trucking limestone aggregate from Vulcan's Medina County Quarry to markets in Houston and Southeast Texas is estimated to be at least $ 0.10 per ton per mile, versus $ 0.04 per ton per mile for shipment by rail. Truck transportation of aggregate products becomes increasingly inefficient and uneconomical for distances much over 50 miles. Ninety percent of the quarry's prospective customers are located in excess of 50 miles from the quarry.

4. **Estimate of the volume of truck traffic displaced by rail**
   Transporting the quarry's proposed volume of aggregate by over-the-road trucks from the quarry site to the Union Pacific rail line would require the construction of a remote rail yard facility adjacent to the Union Pacific tracks. Transferring 5,000,000 tons per year from the quarry to the remote rail yard would involve in excess of 215,000 round trips per year (over 850 per day).

II. Construction

1. Electronic Maps of Alignment and Location Maps

These will be forwarded under separate cover.

2. Schedule of Construction and Operation

A. Clearing and Preparation of ROW:	Begin in Month 1
B. Construction of Roadbed:	Begin in Month 3
C. Placement of Tracks:	Begin in Month 5
D. Begin Operation:	Begin in Month 12

3. Construction Phases

A. Clearing and Preparation of Right of Way
B. Fencing and Utility Relocations
C. Earth Work – Cut and Fill:
D. Roadbed Construction
E. Structures/Bridges Construction
F. Track Placement
G. Signaling and Grade Crossings
H. Seeding and Erosion Control

Details of each of these elements are provided in the accompanying TRAX Conceptual Design Report.

Responses to items 4-11 may be found in accompanying TRAX Conceptual Design Report

III. Operation and Maintenance

1. **Describe the types of locomotives to be used.**
   Gross train weights exceeding 14,000 tons can be expected from a 100, 100-ton car, capacity train. A minimum of 9000 horsepower will be required to move these heavy trains to the main Union Pacific track. Once on the UP main track, since their grades and speeds exceed those planned for the line, additional locomotives will be added.

2. **Describe the number and type of cars to be used, average number of cars per train.**
   The typical car will be a gondola or bottom-dump hopper type with a capacity to carry 100 to 120 tons of aggregate. The typical train length will be 100 of these cars.

3. **Describe switching operations and interface with UP.**
   Southwest Gulf Railroad or Union Pacific will own, lease, and or operate the engine and cars on the track. SWG anticipates entering into an arrangement with UP regarding the interface with the UP, the details of which will be determined at a later date.

4. **Describe the length of typical train in terms of number of cars and length.**
   The average car ranges from 50 to 58 feet in length, therefore, including variable numbers of engines, the average train length will range from 5,200 to 5,800 feet.

5. **Describe the number of Train movements per week (where a movement is either loaded or unloaded).**
   An annual volume of 5,000,000 tons would require four train movements per day (2 leaving loaded, 2 returning empty), assuming a 250-Day work year.

6. **How many workers will be employed by and what is the estimated payroll for the operation of the train.**
   Operation of the railroad would require approximately 24 people, with a combined compensation and benefits package estimated to be $ 1.15 million dollars.

7. **Describe maintenance procedures including weed control.**
   Maintenance procedures would be consistent with Union Pacific standards.

8. **Describe any public or private road crossings, and type of safety or warning devices proposed.**

Crossing	Road Type	Safety/Warning Device
County Road 454	(un-improved)	At grade - Warning Signs
County Road 4516	paved	At grade - Warning Signals
County Road 365	(gravel surface)	At grade - Warning Signs
FM 2676	paved – State Maint.	As Dictated by State DOT
County Road 353	(gravel surface)	At grade – Warning Signs
County Road 353	(gravel surface)	At grade – Warning Signs

9. **What are the average and maximum speeds expected**
   Track geometry will allow 40-mph maximum speed operations; however, 25 mph will meet the needs of the quarry for the foreseeable future and operating

at this speed will lower track maintenance costs. Speeds while climbing the steepest grades will be as low as 12 mph.

10. Describe the buffer zone between the nearest mining and the rail line

The rail line will terminate in the plant site which will be approximately 1,000 feet from the beginning point of the quarry. The length of the rail line, away from the quarry site and extending to the Union Pacific line will be bounded on both sides of the right-of-way by appropriate fencing. Inside the right-of-way, native grass and shrubs will be maintained. Consistent with most fence lines in the rural area, it is likely that native trees will develop and flourish, creating a visual buffer between the rail line and adjacent properties.

11. What other shippers might use the rail in the future

The area where the rail line will be located is currently rural in nature with the land being principally used for grazing small numbers of cattle and some limited farming. For many reasons, the presence of a short line railroad would make the area substantially more conducive to economic development. These reasons include the following: proximity (less than 20 minutes) to San Antonio and its expanding industrial base including a new Toyota Manufacturing Plant (less than 30 minutes from the site); relatively in-expensive land values; access to a major US Highway (US 90), relative proximity to Mexico; availability of low-cost construction aggregate; ample, competitively priced electricity, favorable geology and topography for building; and a close and available labor force. As a result, the area along the rail line would be desirable for a variety of manufacturing and distribution facilities, as well as industrial and agricultural facilities.

IV. Alternatives

1. Alternative Routes

The preferred route of the proposed rail line, although not necessarily the shortest possible route between the existing Union Pacific line and the proposed quarry avoids potentially sensitive areas such as wetlands. It is a relatively flat route which minimizes construction cost, and the preferred route limits the total number of individual property owners to as few as possible (10 individual properties, not counting property that is owned by Vulcan Materials Company).

A total of 8 routes (with minor variations within the routes) between the Union Pacific's mainline and the proposed quarry location were evaluated using SWG's screening criteria. The screening criteria included avoidance of wetlands, favorable topography and limiting the number of properties crossed. Ultimately, four alternative routes met the screening criteria and were considered. In addition to the preferred route, described above, the other three alternatives considered were:

- Alternative Route 1 (F) would connect with the Union Pacific line approximately 3 miles west of where the preferred route would . This route is approximately 2 miles longer than the preferred route and crosses in excess of 20 individual properties.

- Alternative Route 2 (G) connects with the Union Pacific line in the same location as the preferred route, however it swings farther west than the preferred line, increasing the distance by approximately 1,000 feet over the preferred route and increasing the number of individual property owners to more than 18.

- Alternative Route 3 (D-2), like Route 2 and the preferred route, connects with the Union Pacific line in the same location, however, its alignment swings father east and then cuts back to the west diagonally across several properties. This route is nearly 2,500 feet longer than the preferred route and increases the individual properties to be crossed to more than 16.

Alternative means of transporting quarried materials to the Union Pacific line via a conveyor system were also considered. In addition to the substantial costs of building and maintaining the 7+ miles of conveyor equipment, such a conveyor would still require the construction of a remote rail yard and likely a second aggregate finishing plant near the Union Pacific line. There is a subdivision south of the intersection with the UP line and the second finishing plant would be nearer a larger concentration of people than the finishing plant at the quarry, which would be the only finishing plant required under the rail transportation scenario. As a result, this alternative was rejected.

2. Describe the advantages of selected route.

The preferred route is not only the most economical route because of relatively flat topography and suitable geology, it also represents the fewest number of individual properties between the Union Pacific line and the quarry location. The route crosses a single lightly used State of Texas maintained Farm to Market road (FM 2676) in a location that affords high visibility in both directions. The route also takes maximum advantages of existing property lines and fence lines and reduces splitting large tracts of land.

3. No-build alternative

The no-build alternative would require the use of trucks to carry the aggregate from the quarry to the UP line. This would significantly reduce the economic efficiencies of distributing quarry products to markets in Southeast Texas, the opportunity of capitalizing on the rail distribution network, and the ability to attract capital investment for the development of Medina County. In addition,

considering the recent and projected growth in population of the Southeast Texas region along with its accompanying demands for infrastructure development, when combined with the limited and declining resources of existing aggregate operations, the no-build alternative has potentially far-reaching negative economic impacts on the region.

TRAX

Engineering &
Associates, Inc.

Boise, Idaho
November 11, 1999

RE:Vulcan Materials - Dunlay Project - Conceptual Design

TO: Mr. Bob Irwine
TO: Mr. Darrell Brownlow

FROM: Jerry Heavin

We have completed a conceptual plan and cost estimate for construction of a rail line between Union Pacific's main track west of Dunlay, Texas and the proposed quarry site north of the community of Quihe, Texas.

Character of Design Work

The accompanying drawings and estimate are the result of a conceptual-level engineering effort to locate a proposed railroad line and to estimate construction cost. The design criteria is based on American Railway Engineering and Maintenance of Way (AREMA) recommended practices for heavy-haul rail lines with allowances made for the specifics of your intended use of the facility. A conceptual-level effort implies that the design is not yet "optimized" from the standpoint of minimizing construction cost and maximizing return on investment. I am confident that as the process enters the preliminary design phase, costs and returns can be improved. As we discussed, Vulcan is in a better position to address permitting concerns than TRAX so we have given no consideration to environmental concerns at this early design stage. These and other related issues must be addressed as part of subsequent project development.

Routes Considered

A total of 15 routes were developed between Union Pacific Railroad Company's (UP) main line and the proposed loading facility near the quarry. The routes were designated as Alignment "A", "B"... "K-1", "K-2", etc. Many of the alignments are minor iterations of others and for the purposes of this report, drawings of the less significant variations have been excluded from the attached documents (but remain on file if needed). The 8 selected alignments, portrayed by the accompanying drawings, document the evolution of a conceptual design that meets your requirements for serviceability. The design incorporates sound railway engineering principles that will translate to cost effective maintenance and operating characteristics throughout the life of the quarry. Our recommended alignments "K-1" and "K-2" have evolved from our discussions and are practical to build and operate. Based on the industry standard Davis formula, Chart 1 gives approximate horsepower requirements based on 5-mph speed increments and the physical characteristics of the proposed lines. The final route will be approximately 7.2 miles long from UP main track to the south edge of the quarry property. Construction of the loading loop raises the total mileage to be built to 9.1 miles

Base Operations

Gross train weights exceeding 14,000 tons can be expected from a 100 car consist of 100-ton capacity cars. From a practical standpoint, a minimum of 9000 horsepower will be required to move these heavy trains to the main track. Once on the UP main track, since their grades and speeds exceed those planned for the line, additional locomotives will be added. Except for the loop tracks, track geometry will allow 40-mph maximum speed operations; however, 25 mph will meet the needs of the quarry for the

8460 Watson Road • Suite 235 • St. Louis, MO 63119 • 314.525.2501 • fax 314.525.2567

foreseeable future and operating at this speed will help keep track maintenance costs low. Speeds obtained while climbing the 1-percent ruling grade near station 80+00 could as low as 12 mph with 9000 horsepower. This will not introduce delays since speeds will be reduced as the loaded train prepares to enter the UP main causing no practical impact on running time. A loaded 14,000-ton train with a 0.64 horsepower per trailing ton ratio will be able to take advantage of 25-mph design speeds on the remainder of the line.

Loading Loop Track Layout

Conceptual design of the loading loop is based on established industry practices for unit-train operation. As illustrated by the drawings, a phased construction is recommended with the track layout expanding as needed to accommodate future increase in quarry output. Assuming interchange of trains with UP occurs smoothly and loading time for trains is less than 8 hours, the first phase of construction will allow for production of up to 1-100 car loaded train per day. With 10,000 net tons in each train and a 250 day work year, quarry output of 2.5 million rail tons could be supplied to the aggregate market with phase 1. The construction of the second phase will accommodate 4 loaded trains (10 million tons) and for more than 4 trains, the third phase must be considered.

Subsequent Engineering

The accuracy of this engineering effort is limited to that of the topographic information used. In general, the coordinates of the alignment (presented on the drawings for alignments "K-1" and "K-2") may be considered to be within approximately 100 feet of the desired location. However, subsequent modifications to the alignment, as a result of regulatory agency's concerns or further engineering efforts to optimize the alignment (minimize cost) could affect the location. It is recommended that State and Federal regulatory agencies become involved in the development of the project prior to further advancement of the rail line design. The requirements of these agencies, particularly in regard to any environmental issues raised, could have significant impacts on the location of the alignment. Satisfactorily addressing any such issues, through modification of the conceptual design, will facilitate efficient and timely execution of subsequent Preliminary and Final design efforts. Preliminary design should focus on optimizing the alignment (based on more detailed topographic information), while Final design will provide detailed drawings for all items required for construction of the project.

Data

Mapping

Raster images of USGS 7.5-min. topographic maps, as provided by SurelMaps, were a fundamental basis for design of the route. This data has been geo-referenced to the Texas State Plane Coordinate System, south-central zone. Geologic data comes from the Geologic Atlas of Texas, San Antonio Sheet, 1982 published by The University of Texas at Austin.

Aerial Photography

As a supplement to the USGS topographic maps, raster images of aerial photographs were used to evaluate the physical features of the route in greater detail.

Digital Terrain Model

USGS 7.5-min. Digital Elevation Models covering the proposed route were used as the basis for earthwork calculations. This data has been geo-referenced to the Texas State Plane Coordinate System, south-central zone.

Hydrology

Data presented in the USGS publication "Magnitude and Frequency of Floods in the United States" (Part 8) was used as the basis for culvert and bridge sizing.

Design Criteria

Grades

Grades have been limited to 1.0%, consistent typical industry practice for new heavy-haul rail lines. This grade is also somewhat less than ruling grades on the U.P. between Dunlay and Houston (1.2-1.4%). Consequently, if run-through power is used between the loading facility and destination points, tonnage ratings will be governed by the grades on the U.P. rather than those of the proposed rail line. Vertical curves between grades have been designed in accordance with AREMA recommended practice. Grades are generally limited to 0.15% throughout trackage where trains will either be loading or standing without locomotives attached (the latter case applies to the potential interchange yard site near the connection with the U.P. mainline). This insures ease of operation while loading, and relative safety of leaving trains unattended for interchange. All grades comply with Union Pacific Standards for Industrial Trackage dated February 1997, publication PB22029.

Curves

Curves have been limited to 7° 30' at the loading loop, consistent with typical industry practice for new unit-train loading and unloading loops. Curves for the portion of the line used by loaded trains have been limited to 6° 30', again consistent with typical industry practice. These curvatures insure safety and limit rail wear and corresponding track maintenance to reasonable levels. Curves exceeding 4° 00' have been limited to the ends of the line only, where speeds will be relatively low. The majority of the central portion of the line is designed with curves of 3° 00' or less, permitting potential operating speeds of up to 40 mph. Allowance for incorporation of proper spirals (in subsequent design work) has been provided. Assuming a maximum curve super-elevation 4.5", the following table describes maximum track speeds.

Degree of Curve	Curve Radius	Maximum Speed (mph)
3° 00'	1909.9'	40
4° 00'	1432.4'	35
6° 30'	881.5'	25
7° 30'	764.0'	25

Turnouts

Trackwork geometry provides adequate space for #10 turnouts in all cases. Larger turnouts can be accommodated with minor changes to the proposed geometry. Discussions with Union Pacific may develop a sufficient return on investment from reduced train delay to warrant a 25-mph #14 remote control turnout at the main line connection.

Hydrology and Land Use

Sizing of bridges and culverts is based on a flood frequency of 25 years. Constraints on the location of the route, in regards to specific parcels of property, were the primary driver in most location decisions and were established by our many discussions.

Assumptions

Geology

Earthwork calculations and the cost estimate assume that all excavation will be in rippable material. This assumption is grounded in site visits, inspection of road cuts in the area and data from the University of Texas - Austin maps, but is not backed by soils tests and drillings. Based on this information, road-bed side slopes of 1:1 in cuts (with 10 ft. wide benches at 20 ft. height intervals) and 2:1 in fills were used. These side slope assumptions were used to determine of right-of-way width throughout the length of the line.

Roadbed

For the purposes of earthwork calculations and establishment of right-of-way width, a 26 ft. roadbed width (at top of sub-grade) was used throughout the length of the line, consistent with typical industry practice. This width does not provide for a maintenance-of-way access road along side the track. In cuts, ditches 10 ft. wide and 2 ft. deep (below top of subgrade) have been assumed on both sides of the track. Assumed side slopes were as noted in the preceding paragraph.

Right-of-way

Based on the catch lines (toe of fill or top of cut) established from the preceding roadbed assumptions, right-of-way lines were determined. These lines are a minimum of 10 ft. from catch lines. Minimum right-of-way width was assumed to be 100 ft.

Road Crossings

All highway railroad crossings have been assumed to be at grade. Solid heavy duty timber crossings conforming to UP's current standard were used in preparing the cost estimate. Modification of the alignment and profile may be required in order to accommodate grade separation structures.

Cost Estimate

The cost estimate in Chart 2 summarizes the major categories of construction expense and Chart 3 document quantities and material types used in making the basic track estimate.

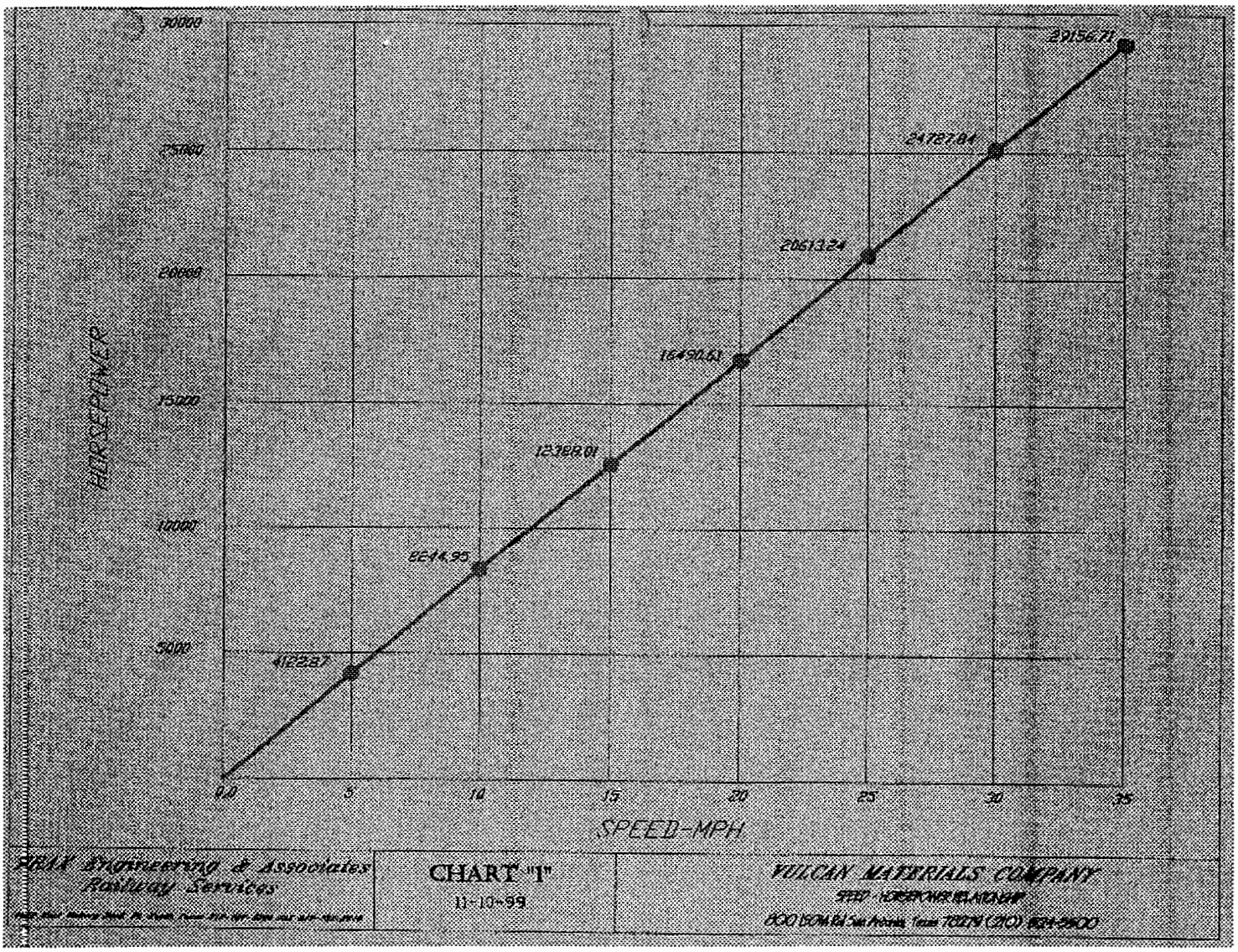
A recap of the primary estimate assumptions are listed below:

- Cuts are in material that can be excavated without blasting and will stand at a 1: 1 slope.
- Earthwork costs can be reduced if UP – Vulcan agreements allow for run-through power to be used on the rail line or that no interchange will occur at the UP main line connection. This will allow for increasing grades to a match UP's ruling grade between Dunlay and the aggregate outlet and eliminating the flat spot near the connection.
- Track construction will be 112# conventional rail using timber cross ties. In fact, continuous welded rail with concrete ties may provide a less costly alternative and will be investigated in the preliminary design phase. At time of construction different track materials such as rail and ties may be available. We may be able to take advantage of market price fluctuations and change parameters that benefit track strength and but do not adversely affect cost.
- Ballast will be available from Vulcan's quarry at Knippa, Texas
- Detailed soils analysis will not require lime stabilization.
- There are no environmental remedies included in cost estimate.
- County road work needed in connection with the project will not be included in the rail portion of the project cost.

- Drainage structures are expensive for a facility in an arid climate but are based on USGS data for a 25 year flood. A more detailed hydrology study may reduce this portion of the project estimate.
- Track construction standards conform to industry practice and will permit operation by UP over the track if their use of the line helps reduce operating costs.
- Right of Way costs are excluded.
- Utility relocations or protection may be revised after detailed surveys of property and route are completed. Encasement or protection of gas and oil pipelines are major considerations in the work.

Thanks for this opportunity to serve Vulcan and we look forward working with you as the project advances.

TRAX Engineering & Associates • 4420 West Vickery Blvd Ste. 110 • Ft. Worth, Texas, 76107 • 817.737.5605 FAX 817.732.2610


30000
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HORSEPOWER
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20513.24
24727.84
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SPEED-MPH
CHART "I"
11-10-99
VULCAN MATERIALS COMPANY

Proposed Rail Line - Dunlay, TX
Construction Cost Estimate

COST SUMMARY

Sheet 2
12-Nov-99

Item No.	Description		Notes
100	Right-of-Way (100' width)	$0	Excludes Any Relocation of Structures
200	Earthwork	3,991,000	Assumes All Excavation is Rock
300	Other Roadbed	300,000	
400	Track	3,443,000	Includes Main Track, Turnouts and Loading Loop
500	Structures	2,640,000	25 Year Flood Design Parameters
600	Fencing & Utility Relocations	347,000	Includes Protective Casings for 2 Pipeline Crossings
700	Road Relocations & Grade Crossings	50,000	
800	Signaling	250,000	Incl. crossing Signals and Changes to U.P. CTC System
	Total Direct Cost	10,031,000	
	Contingency on Total Cost @ 10 %	1,000,000	
	Engineering & Surveying @ 3 %	300,000	
	Construction Management @ 2 %	200,000	
	Total Estimated Construction Cost	$11,531,000	

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Associates, Inc.

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TRACK ESTIMATE

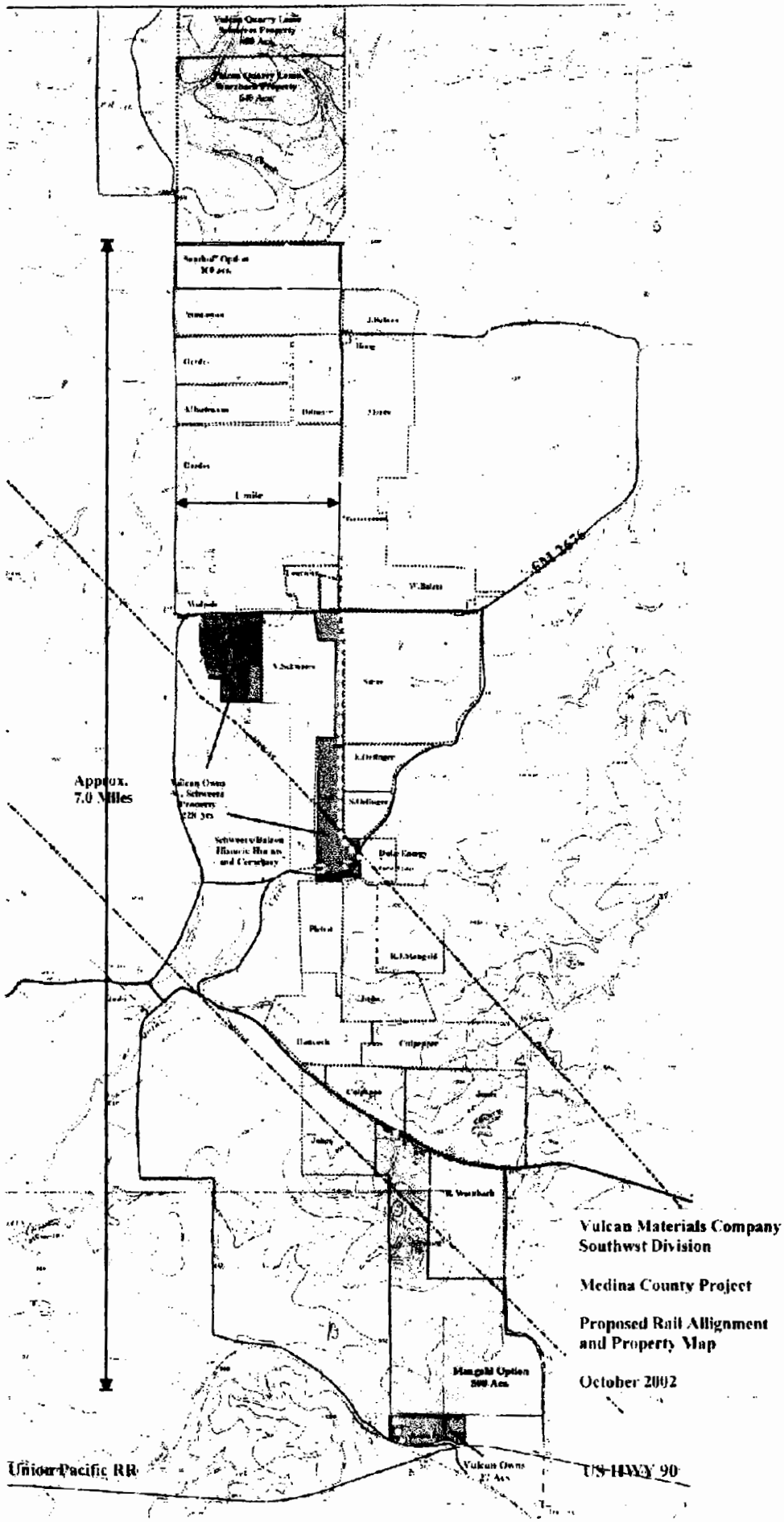
112# Jointed Rail Option

Dunlay Branch

Item	Description	Unit	Quantity	Price	Total
Ballast					
Subballast	6" Select Material	Ton	33716	10.00	$337,155
Track	AREMA #5	Ton	32531	6.00	$195,184
Sub Total			$532,339		
Ties					
Cross Ties	7"x9"x 9'-0" 3250 per mile	Ea.	27170	35.00	$950,950
Sub Total			$950,950		
OTM					
Plates	6"x 12" SH @ 2 per tie	Ea.	54340	3.50	$190,190
Anchors	112# SH @ 16 per rail	Ea.	36227	0.55	$19,925
Spikes	5/8" X 6"	Kg	679	80.00	$54,320
Bolts	For 112 # Rail	Kg	186	165.00	$31,051
Washers	113 # Rail	Ea.	9860	0.25	$2,470
Joint Bars	112 # Rail	Pr	2470	30.00	$74,100
Sub Total			$372,076		
Rail	112# AREA	Ton	1798	420.00	$755,227
Sub Total			$755,227		
Labor					
Construct Track	Assemble on site	TF	48165	20.00	$963,300
Contingencies		%	10%	3573892	$357,389
$/Trk Ft W/O Grading				$74.62	

Chart 3

4420 W. Vickery Blvd. • Suite 110 • Fort Worth, Texas 76107 • (817) 737-5885 • FAX (817) 732-2610


1 mile
Approx.
7.0 Miles
Union Pacific RR
US HWY 90
Vulcan Materials Company
Southwst Division
Medina County Project
Proposed Rail Allignment
and Property Map
October 2002

STEPTOE & JOHNSON LLP
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#EI-11

DAVID H. COBURN
(202) 429-8063
dcoburn@steptoe.com

April 3, 2003

VIA HAND DELIVERY

Ms. Rini Ghosh
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, DC

Re: Finance Docket No. 34284 -- Southwest Gulf Railroad Company -- Petition for Exemption from 49 U.S.C. § 10901 to Construct and Operate a Rail Line In Medina County, Texas

Dear Ms. Ghosh:

We recently forwarded to you, in response to a request that we received, a list of public contacts between Vulcan Materials Company/Southwest Gulf Railroad and members of the public. In addition, we are hereby forwarding a list of clippings of articles from local newspapers during the past few years that address the development of the quarry and, in many cases, construction of the rail line. We assume that this will provide you with some useful background on the nature of the issues that have been raised.

Please let us know if you have any questions.

Respectfully,

David H. Coburn
Attorney for Southwest Gulf Railroad Company

DHC:dyj

cc: Jaya Zyman-Ponebshek
Darrell Brownlow

Finance Docket No. 34284

Southwest Gulf Railroad -- Petition for Exemption

Media Clippings

April 3, 2003

Ref. 1

Hondo Anvil Herald Letter To the Editor

2/6/03

Your turn

P.O. Box 400, Hondo TX 78861 1601 Ave. K
Email: anvil@hondo.net Fax: (830) 426-3348

Losses, gains occur during change

Dear Editor,

As a descendant of William Schweers and chairwoman of the December open house held in his home in Quihi, I wish to respond to the letter written by Mrs. Alyne Fitzgerald (*Anvil Herald*, Jan. 16). I am painfully aware of the Fitzgeralds' objections to the quarry and rail spur. Some, but certainly not all, of their objections may have validity. Sadly, their choice to use obfuscation, confrontation and confusion as allies prevents us from working together to find solutions.

I sympathize with those who object to change and development in Texas' disappearing rural areas. After all, my goal is to preserve a small bit of that very same Texas heritage. Losses, as well as gains, occur during times of change. In the end, it is up to us to make sure the "gains" outweigh the "losses." We need to preserve what we cherish from the past and adjust to the changes necessary to give our children what they require for the future.

Mrs. Fitzgerald is correct when she writes that Vulcan's offer to return the homes and help with the restoration is generous. They were under no obligation to do either. To the contrary of Mrs. Fitzgerald's statement, Vulcan did not seek out members of the Schweers family on which to unload their "liability." Schweers family members went to Vulcan with the proposal. It was family members who worked to set up the family foundation, not Vulcan.

For the life of me, I can not see the relevance of Mrs. Fitzgerald's silly and sarcastic tirade about Mr. Ransdell's singling out the historical significance of the Schweers' property. After all, he was invited by the Schweers family to speak about the future of their historical, family properties. The program and speaker, in no way disparaged the historical significance of other families or their properties. To suggest such a thing is shameful.

Perhaps Mrs. Fitzgerald was most outrageous when she attempted to pit cousin against cousin. Every effort was made to invite all family and friends to the open house. Apparently, I was so successful I even reached a few who fall in neither category. Some of us may not live in the county, but our roots and our families are there. As an outsider, perhaps she is not aware that we are a family strong enough in our respect and love for each other to allow for differences of opinion.

Carol Carpenter
Boerne

Why hire a city manager?

Dear Editor:

I have not had the privilege to meet Mr. John Vidaurri. But I had just begun to like what he was doing as our city manager. Now the city council tries to tell him how to run it. He is the professional. In that case, why hire one? Why don't they do it themselves? We

Everything comes with a price 1-16-03

Dear Editor:

My husband is a descendant of both the early Schweers and Gerdes settlers in Medina County.

Our first awareness of the gift of the land surrounding the old Schweers' homesteads was at the open house held at the William Schweers house. Everyone, including me, was excited about [redacted] assistance of Vulcan in the restoration. But, my first reaction was, "nothing comes without a price tag in this world". [redacted] into what had transpired and why regarding the transaction, so it was all completely new to me. However, I instinctively knew there was a trade-off somewhere down the line.

We live in San Antonio just on [redacted] When they blast, it literally, not figuratively, shakes the walls of our home. Some property owners have complained of cracks and pictures actually falling off the [redacted]

There is no one that is a more avid genealogist and for pro-preservation of historical spots than myself. Therefore, there is a division of priorities here that must be carefully considered by those who live anywhere near the site of any future quarry.

Deloris Wynne-Riley
San Antonio

Ref. 2

Vulcan's good neighbor policy 1-16-03

Dear Editor:

Vulcan Materials Regional President, Tom Ransdell, announced at the Schweers Christmas open house that they are still considering the proposed Quihi quarry project, with the connecting railroad spur that will go through the Quihi Creek.

Vulcan purchased the Schweers property [redacted] under the name of Med-Tex Lands, Inc., for the purpose of placing a six-mile railroad spur on it to connect their proposed 50-year quarry [redacted] with the existing Union Pacific railroad at Dunlay. On this property are two old homes from the 1800s which are in very bad repair. These homes are located at the Quihi Creek on CR 365. Vulcan has generously offered to give back to the Schweers family the two old homesteads and help them with some of the costs. They have created the Schweers Historical Foundation to facilitate this transfer. This achieves two things. [redacted]

Mr. Ransdell remarked that he was amazed that the Schweers homes had such a great history. Well, duh! This whole area is loaded with history. Mr. Ransdell, why don't you buy the book *Medina County History*, written by the proud descendants themselves? You will then learn that this entire Quihi area, not just the Schweers property, has an important history. Many grandchildren and great-grandchildren live on the same land as their ancestors, some even in the same houses. They want to continue to do so. They are proud of this history and land and homes too. Their ancestors would turn over in their graves if they knew what Vulcan had in store for the land they fought so hard to get and keep.

Vulcan again reiterated how "good they are to the community, how they would be good neighbors."

[redacted] One Great [redacted] lovely it would be to have a train through here. Apparently, she didn't know that would not be cute little trains or even an ordinary train.

We who actually live here do not want a railroad bringing 300 cars every day, over 2,000 cars per week, uncovered, loaded with dusty limestone, through the Quihi area. Residents with lung problems and allergies have enough to contend with—mountain cedar and other dusts and pollens. The wind comes from all directions at various times. This aspect of this proposed project is only one of the problems that this project would create. I could go on and on about the flooding this would cause and many other problems.

Two years ago, 114 landowners in the Quihi area placed a restrictive covenant on 9,528 acres of their land. This restriction prohibits any type of railroad on their land. This restriction is now a part of their deeds. Mr. Ransdell, you know this. [redacted]

Alyne Fitzgerald
Quihi

Hondo
Anvil
Herald
Letters
To the
Editor

1/16/03

Ref. 3

Ref. 4

Hondo
Anvil
Herald
Letters
To the
Editor

1/09/03

Your turn 1-9-03

P.O. Box 400, Hondo TX 78861 1601 Ave. K
Email: anvil@hondo.net Fax: (830) 426-3348

The Vulcanization process

Dear Editor:

Re: "Schweers family members plan open house ..." (*Anvil Herald*, Dec. 26).

If the referenced article's the Schweers Foundation remarks on the community and people-oriented nature of the Vulcan Material Company, Nothing could be further from the truth! The reason Vulcan Materials is so interested in the Schweers Foundation, buying animals at the livestock show, etc., is to push their agenda to have a mining quarry in Medina County. They don't care for the welfare of Medina County!

They know that mining 200 million tons of material from Medina County–will have adverse effects on our air, water, safety, and property. Our aquifer will be in constant jeopardy from their activities.

If they are so "community-minded", why do they have closed meetings with Judge Montgomery and the county commissioners? Why not publicly state the potential dangers that they will impose on our county? I am not anti-business. But please let us court companies and businesses that will not have the potential to destroy our environment like Vulcan Materials.

329 / CR 252
78861
426-2692

Wayne Stansbury
Hondo

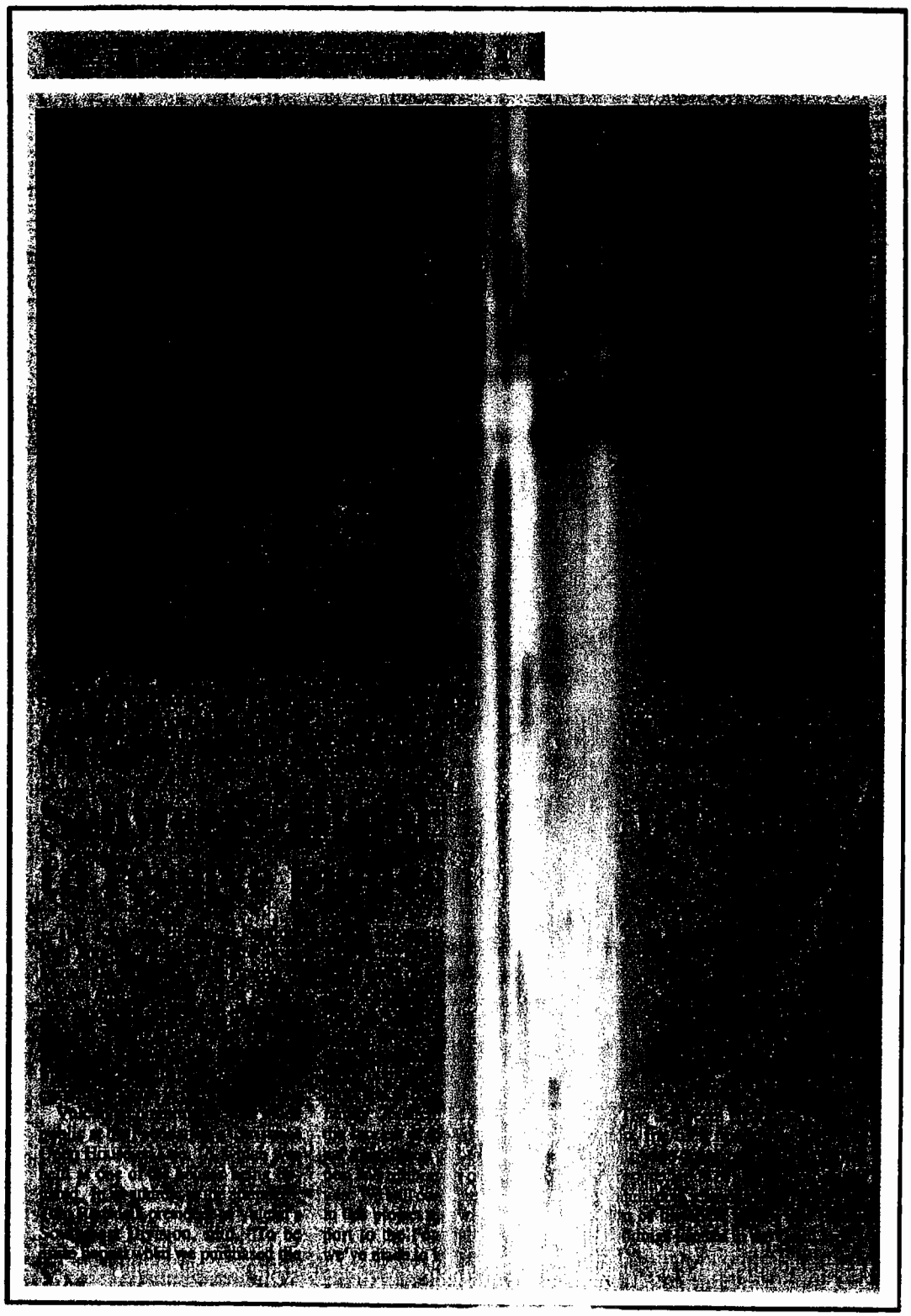
This address is north of the Quarry Site

Ref. 5

Hondo
Anvil
Herald

Article

12/26/02



Ref. 6

Hondo Anvil Herald

Article

12/12/02

The photo shows the 'Schweers Bunch' hard at work building a barbwire fence with Aggie Douglas Riff as "Chief Honcho." He is a great-grandson of Heinrich and Johanna Schweers whose grandfather, Henry, was born here, along with his 13 siblings. Pictured (l-r) are Steve Riff, Douglas Riff as Chief Honcho, Ray Schoch, Eric Schoch, Carol Carpenter, Glenn Schweers, John Carpenter, Karen Riff, John Riff, Robert Riff, Scott Carpenter, and Ray Schoch.

Schweers family members plan open house at historic home

The community is invited to an old fashioned Christmas Open House to be held at the Wilhelm and Elizabeth Schweers pioneer home in Quihi, on Sunday, Dec. 15, from 3 to 6 p.m. Descendants of Schweer and Zeda Balzen will be celebrating their good fortune for the opportunity to acquire the pioneer home of Heinrich and Johanna Schweers shown above, the Wilhelm and Elizabeth's home, and an area around the family cemetery for parking.

Vulcan Material Company representatives will attend, and are expected to make an important announcement concerning the properties.

On May 8, 2001, Douglas Riff, Glenn Schweers, Tom Pichot and Don Schoch, all Schweers descendants, met with the Vulcan [illegible] in Castroville. The [illegible] sideration of allowing [illegible] families to acquire [illegible] homes for restoration [illegible] tion. The Schweers [illegible] delighted to discover [illegible] only agreeable to the [illegible], but was genuinely interested in being part of such an endeavor.

"It was obvious that the company is very community and people oriented, and that they sincerely wanted to help the family members realize their dream!" said Don Schoch, president of the newly-formed Schweers Historical Foundation, Inc.

Subsequently, Vulcan has allowed the family to remove [illegible] sible historic value for safekeeping. They have cleared the Heinrich homesite of weeds, thick brush, and tree overgrowth and have provided legal assistance in becoming a legal entity. "We are now the Schweers Historical Foundation, Inc. (SHF), and can legally transact business and own properties. We have filed for, and received, a 501(C) (3) status from the IRS which is a non-profit, charitable organization, and can accept tax-deductible donations, memorial gifts, grants, etc., and enjoy tax exemption on any income, purchases of materials, contracts, etc." said Schoch.

"Everyone is invited to come see these precious homes, and appreciate the history!" he said.

Ref. 7 Hondo Anvil Herald Letter to Editor 3/1/01

Hondo Anvil Herald 03/01/01

rs' number one concern

nber of lawsuits against
achers has been rising.
One of the main
in unions or asso-
pot liability insurance:
he Texas State Teach-
a (TSTA) receive a $6
y insurance policy.
of principals surveyed
or ended school pro-
concern for lawsuits.
river's education and
some of the more viz-

amazing is the impact
discipline in the class-
intruders and behavior
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rs and administrators
is to instill standards
in the classroom due
lawsuits.

a 15-year-old Ohio
school district and 11
she received failing
onstant tardiness and
thins the district's 12-
ed. She is seeking 36
pensatory damages

because these grades hurt her chances for receiving scholarships, being admitted into college and getting a good job later in life.

Money is always an issue, and if legislators want to help teachers, they should move to free tax dollars now being spent in litigation and lining the pockets of trial lawyers. That money could better be spent in the classrooms and for teacher salaries or benefits.

Passing legislation to protect teachers from civil and criminal liability and punishing those who knowingly file false claims will renew our emphasis on education, not litigation. It will return the classroom to the teachers, the schoolyards to our children, and our tax dollars to education, not litigation.

Texas Citizens for a Sound Economy is a 48,000-member organization of consumers that support common-sense approaches to solving public policy problems. Texas CSE is a state affiliate of the 250,000-member national Citizens for a Sound Economy.

l reality

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lves for campaign

loans.

Problem: Incumbents elected officials enjoy the unfair advantage of franked (free) mass mailings, even during election years, up to 60 days before the election.

My solution: End the mass-mail franking privilege for Senators during elections years.

My bill incorporates common sense into our campaign finance laws by targeting areas that have been subject to abuse and excess, while respecting freedom of expression. These are clear, workable reforms, designed to encourage broad political participation while addressing shortcomings that undermine public confidence. They would go a long way toward returning control of federal campaigns and elections to individual voters.

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me to explain that
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out by increasing
nuse, if their school
health insurance.
on who teach our
or a statewide
a plan paid for

-working prison
Capitol to explain
their $18.92d year-

state funds. Medicaid and CHIP costs and maintaining insurance benefits for retired school retirees will require approximately $1 billion in additional state funds.

State employees are leaving state jobs for higher paying jobs in the private sector, and they, too, are requesting a pay raise.

All of these requests have merit, but they also have a big price tag, which is why I cannot commit to supporting programs until the Senate Finance Committee completes its work on the state budget. As Cuba Gooding's character

Your Turn

P.O. Box 00, Hon[illegible] TX 78861 Fax: (830) 426-3348

Landowners must plan area's destiny

Dear Editor:

There is strength in numbers.

In his Feb[illegible] letter, Mr. David Zelinski is [illegible] concerned in giving me all the credit [illegible] the landowners in the Quihi/New [illegible]ntain [illegible] in taking a stand against the railroad. Actually, if it were not for the widespread assistance of [illegible] landowners, the agreement to prohibit the railroad could not have been accomplished. So let's give credit where credit is due. As area landowners, we recognize that we must plan for the destiny of our area. Over 750 people have signed the petition against the proposed railroad and quarry. People [illegible]nding together in a covenant [illegible] a strong voice and also legal [illegible].

In December, Vulcan began to acquire property under the cover of an assumed name, [illegible]dTex Land Co., instead of Vulcan Lands, Inc., presumably for the proposed quarry's railroad right-of-way. Members of the Medina County Environmental Action Association [illegible] the individuals need to do something to protect their property. An [illegible] county meeting was called [illegible] have representatives consent to [illegible] sold. A petition whose sole [illegible] was the placement of any type of railroad or conveyor system was created, thereby blocking a d[illegible] north/south route from Dunlay to the proposed quarry site. It was not [illegible] by sixteen landowners. Some of [illegible] their ancestors made their living [illegible] the land and were the original settlers.

The landowners [illegible] this area realize that Vulcan [illegible] promises about [illegible] county and [illegible] citizens are just [illegible] promises. By the way, I don't [illegible] Vulcan will [illegible] 100 dozen [illegible] people, [illegible] Zelinski has [illegible] Vulcan does not want us to the [illegible] the dozen. No one else [illegible] a dirt road [illegible] matter [illegible] our county would be a [illegible] and have [illegible] shown that this [illegible] not [illegible] us more than [illegible] again, [illegible] roads constantly [illegible] up [illegible] trucks, for [illegible].

And what about [illegible] drain [illegible] our already scarce water [illegible] and electrical resources? The [illegible] are increasing. The [illegible] commit another increase [illegible] the water/electricity for [illegible] not to?

This 2200 [illegible] quarry will be a project that [illegible] for years. There are [illegible] in the entire United States. This project will [illegible] change the [illegible] the people of this county. [illegible] I am against growth [illegible] economical development in [illegible] County, but there are other [illegible] and districts that would [illegible] more a positive [illegible] and environment [illegible] such as Avery [illegible].

For several years this area has been fortunate in attracting many newcomers who have moved here and made their homes. The local churches have experienced growth and are expanding their facilities in anticipation of further growth. This steady and positive growth will dwindle in the face of many of the problems created by the traffic of the railroad, gravel trucks, air and water pollution, etc. If a quarry is such a great thing, why are the neighboring residents of quarries that are in operation in San Antonio trying to get rid of them, spending hundreds of thousands of dollars in legal fees, and are constantly battling their encroachment on adjacent properties?

This is an area which floods frequently, some times more severely than others. Our properties will be permanently affected by the alteration of the flood patterns caused by the earthen berms of the proposed railroad. Another concern is the preservation of the unique historical buildings and cottages of this area, which date back to the earliest beginnings of the colonies founded by Henri Castro. These will surely be damaged or lost due to this increased flooding.

The covenant is a very simple agreement. There is only one restriction: no railroad. (It does not restrict methane gas from cows, or farm equipment on the roadways.) All who sign it are freely and voluntarily agreeing to this one single restriction. Just why Mr. Zelinski is opposed to a covenant whose only restriction is prohibiting a railroad, when he states that he doesn't want a railroad on his property, is a mystery to me. Perhaps his real estate business is a factor.

The commissioner's court has given MCRAA written assurance that there will be no condemnation of land for private enterprise, and Vulcan is private enterprise. This assurance, plus the covenant, will allow us to continue to use our land without interference of our property rights. Yes, the proposed quarry site property owners have a right to give Vulcan [illegible] to dig up their land. But Vulcan does not have a right to cross our property without our permission.

Yes, the people of Quihi should be careful of what they sign, particularly if it is to grant a railroad right-of-way. People should think of their friends, neighbors, their homes, their health, the ultimate good of the county, and talk to a good attorney.

We will continue our efforts to prevent a railroad being built to the proposed quarry site by enlisting others to join us in additional covenants. If you want to protect your property from this nonsense, please contact us. We want to send as strong a message as possible: Don't mess with Quihi.

Dr. Robert T. Fitzgerald
President, Medina County
Environmental Action Association

Ref. 8

Hondo Anvil Letter To the Editor

2/22/01

Your turn

P.O. Box 400, Hondo TX 78861 Fax. (830) 426-3348

Quihi, be careful what you sign

Dear Editor,

As most of you are aware, there is a controversy in Quihi over the proposed Vulcan Quarry rail line. Residents are being asked to sign a covenant putting restrictions on the use of their properties. Although the covenants pertain to restricting a wish to "establish a uniform plan for the protection of the use, enjoyment, development and improvement of the restricted properties." This document was drawn up by or for Robert Fitzgerald, President of the Medina County Environmental Action Association. I don't know about some of the other residents in the area, but I don't want Mr. Fitzgerald to plan the use of my property or my neighbors.

It is time that Mr. Fitzgerald finally lets us all know why he is against growth and economic development in Medina County. If her doesn't think 100 or so dozen jobs is important, maybe he should talk to people that don't have one, or are working for minimum wage with no benefits. I don't know that I want a railroad going through my back yard, but look at all the people in La Coste, Hondo and Devine who live with 20 plus trains a day.

If Mr. Fitzgerald doesn't want a railroad on his property, all he has to do is say no, but I believe the other residents should be very careful about what they sign. Maybe the next thing he'll object to is methane gas from cows or farm equipment on the roadways

David Zelinski
Quihi

Ref. 9

Hondo Anvil Article
2/08/01

HONDO ANVIL HERALD

Volume 115, Number 6
Thursday, February 8, 2001

Published in Hondo, Texas

Medina County's Leading Newspaper

Two Sections, 28 Pages
50 Cents

Quihi quarry query

Residents still fighting; Vulcan still studying

By William Hoover
ANVIL HERALD CORRESPONDENT

Medina County Environmental Action Association president Robert Fitzgerald has been fighting bureaucracies that enable the construction of large rock quarries which, he fears, will permanently alter natural land use patterns.

Fitzgerald has led a fight to prevent Vulcan Industries from building a huge quarry near Quihi, citing health and environmental concerns.

Vulcan President Tom Ransdell promises the quarry will have a minimal negative impact on health and the environment and says the new business will be an economic stimulator for the county.

"We have been busy and I have had the flu, but we are working on the assumption they are (proceeding with plans to build a quarry in Medina county)," said Fitzgerald. "So much has changed since last week, anything I said now would need to be retracted. There is a lot in the works right now. TNRCC is supposed to notify me if Vulcan is issued a permit but they could change names."

Fitzgerald promised he would notify the paper as soon as he had definitive news on the quarry's status.

Ransdell, however, said there has been little change in status over the last six or seven months and his company is proceeding with feasibility studies. Vulcan continues to study the economic and environmental impacts of the quarry and railroad right-of-way, according to Ransdell.

"We continue to work diligently to evaluate the project from the public side, the environmental side, and the economic side," Ransdell said. "We have ongoing work with market researchers to find a market for this product (crushed stone). We don't build quarries hoping people will come. We need a viable market before we decide to go ahead. We have a sophisticated process and database we use to evaluate a green-field quarry--a location where there has never been a quarry.

"On the environmental side, we had a number of experts who have been working over a year, nearly 18 months, performing environmental assessments for the quarry and surrounding area and the railroad right-of-way area. Assessment continues with no completion date, but information is coming in.

"We have not done much to bother the public until we know where the quarry project will end up. By bothering I mean we have not been holding public meetings with local organizations to explain our plans since there has been no change in what we originally told people. We will let the public know our course of action, we will know our course of action, we will let the public know. We have been proactive through the entire process.

"We have also contacted landowners in the area about the potential of their land being used as a railroad right-of-way. This project is dependent on connecting the quarry site to the Union Pacific railroad. If we are successful, we will have eight miles of railroad track to build. That will require right-of-way, permission, and agreement of the landowners. That is where we are," explained Ransdell.

PHOTO BY JEFF BURGER

...members of the Hondo Bowl... team, all offensive linemen and all with three years varsity ... signed to play football for ... State Rams Wednesday. Seated from left, are HHS seniors Michael Wiemers, ... Michael Muennink. Pictured in back are Hondo High School football Coach ... Rushing, Delwin Wiemers, Gary Fillinger, Linda Fillinger, Debbie Muennink ... and Assistant Principal Clay Rosenbaum. Wednesday ... signing ceremony.

Ref. 10

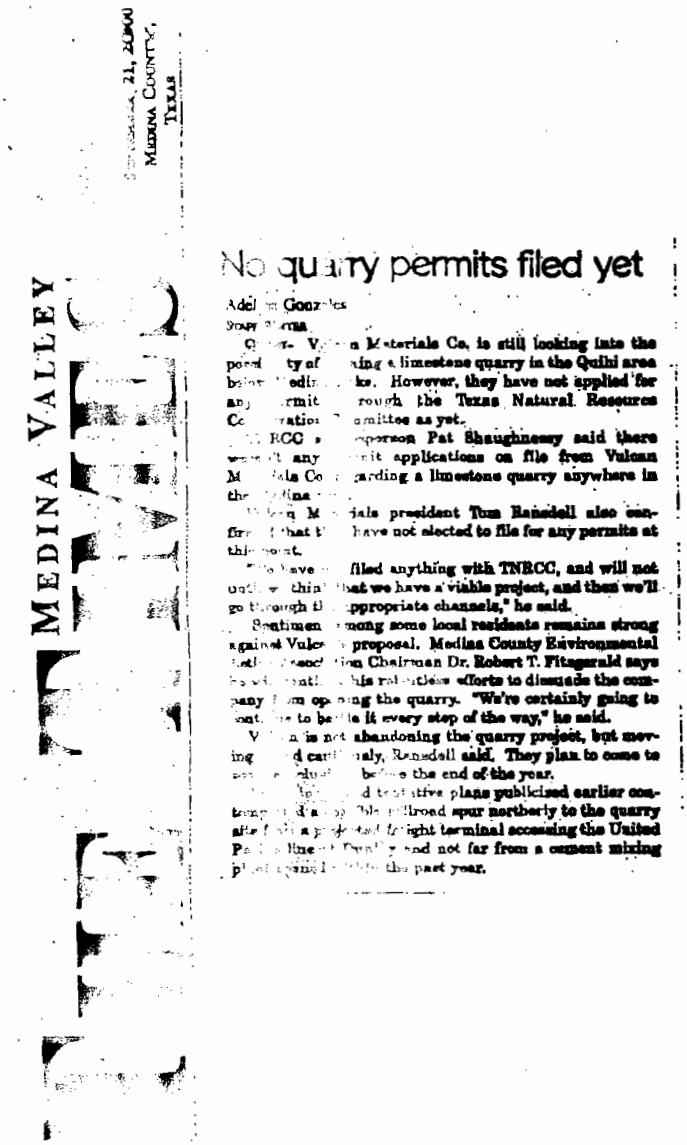
Medina Valley
Times
Article

1/18/01

Ref. 11

Medina Valley Times Article

9/21/00



MEDINA VALLEY TIMES

MEDINA COUNTY, TEXAS

No quarry permits filed yet

Adel[illegible] Gonz[illegible]
STAFF [illegible]

[illegible]- V[illegible]n Materials Co. is still looking into the possi[illegible]ty of [illegible]ning a limestone quarry in the Quihi area be[illegible] Medi[illegible]ke. However, they have not applied for any [illegible]rmit[illegible]rough the Texas Natural Resources Co[illegible]ation [illegible]committee as yet.

[illegible]RCC s[illegible]pokesperson Pat Shaughnessy said there were[illegible]t any [illegible]mit applications on file from Vulcan M[illegible]ials Co[illegible]arding a limestone quarry anywhere in the [illegible]dina

[illegible]n M[illegible]ials president Tom Ransdell also confir[illegible] that t[illegible] have not elected to file for any permits at this [illegible]nt.

"We have [illegible] filed anything with TNRCC, and will not until we think that we have a viable project, and then we'll go through the appropriate channels," he said.

Sentiment among some local residents remains strong against Vulcan's proposal. Medina County Environmental Action Association Chairman Dr. Robert T. Fitzgerald says he will continue his relentless efforts to dissuade the company from opening the quarry. "We're certainly going to continue to battle it every step of the way," he said.

Vulcan is not abandoning the quarry project, but moving ahead cautiously, Ransdell said. They plan to come to some conclusions before the end of the year.

[illegible]nd tentative plans publicized earlier contemplated a possible railroad spur northerly to the quarry site from a projected freight terminal accessing the United Pacific line at Dunlay and not far from a cement mixing plant opened within the past year.

Castroville News Bulletin

9/14/00

Ref. 12

[illegible] Cogburn, Ronald J. ROCA, — SEPTEMBER 14, 2000

• See "hospital", page 2

No. 6865

Quarry still hasn't [illegible]ed for state permit

Adelina Gonzales
STAFF WRITER

Vulcan Materials Co. is still considering opening a limestone quarry in the Quihi area below Medina Lake. However, they have not applied for any permits through the Texas Natural Resource Conservation Committee as yet.

TNRCC spokesperson Pat Shaughnessy said there weren't any permit applications on file from Vulcan Materials Co. regarding a l[illegible] stone quarry anywhere [illegible] Medina County area.

Vulcan Materials president Tom Ransdell conf[illegible]med that they have not elect[illegible] any permits at this [illegible]

"We have not file[illegible] anything with TNRCC, and will not until we think that we have a viable project, and then we'll go through the appropriate channels," he said.

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Vulcan is not abandoning the quarry project, but moving ahead cautiously, Ransdell said. They plan to come to some conclusions before the end of the year.

Preliminary and tentative plans publicized earlier contemplated a possible railroad spur northerly to the quarry site from a projected freight terminal accessing the United Pacific line at Dunlay and not far from a cement mixing plant opened within the past year.

:CHIRHART & GAMBLE, PC

Ref. 13

Hondo
Anvil
Herald

6/01/00

Matte[illegible]

HONDO ANVIL HERALD
06/01/2000

MCEAA holds membership meeting, adopts by-laws

Submitted by
Dr. Robert and Alyne Fitzgerald

The Medina County Environmental Action's fourth meeting was held Thursday, May 25, at 6 p.m. at the Medina County Fairgrounds H[illegible]. One hundred seventeen members and their invited guests attended the membership meeting and barbecue. Landowners for the possible proposed railway between Dunlay and the quarry site in central Medina County were invited guests of the MCEAA. Committee reports were given, reporting that membership is steadily growing. During the membership meeting a board of directors was elected. Elected were Dennis Skalka, Judy Dittmar, and Brad Regnier. By-laws for the MCEAA were also adopted.

Following a catered barbecue, Gene Lanfear, a well-known attorney with expertise in legal cases concerning easements and condemnation, spoke to the gathering. He pointed out that condemnation of the land would not occur because this is a private enterprise, as also acknowledged by the Commissioners' Court and Judge David Montgomery.

Those in attendance received valuable information concerning what it means to have a railroad going through their property. Guests were informed that although they would still be paying taxes on the land used for the right-of-way, they would no longer have the use or control of the land.

Mr. Lanfear reminded those in attendance that this project would come at the cost of the people in Medina County in spite of Vulcan's propaganda that it would profit everyone in Medina County.

He stated that land easements for a railroad right-of-way would cause indefinite changes. Unlike right of way for pipelines, electrical lines, or telephone lines, the right-of-way for railroads are very intrusive. For example: noise, waiting for trains to cross, and loaded cars parked on side tracks awaiting shipment all the while [illegible] their uncovered contents [illegible] homes and property. [illegible] and control of the right-of-way [illegible] is lost to the landowner, including [illegible] control. Guests were informed that they should engage in a contract with Vulcan for a right-of-way, including but not limited to the following:

• The contract should contain a provision that the payment received for the railroad easement be equal to the highest amount received by another landowner.

• Royalties on each ton of material mined, assessed at the [illegible] on gross amount before [illegible] costs are taken out, should be paid to the [illegible].

• [illegible] of land [illegible] be divided, [illegible] provisions be paid by Vulcan for fencing, [illegible] facilities, and [illegible] alternate [illegible] right of way.

• [illegible] water pumping rights is transferred to another [illegible], this should be given consideration [illegible] of the water pumping rights. The contract should contain provisions for accessible crossing points to the other side [illegible].

• [illegible] railroad bridges should [illegible], [illegible] should Vulcan's contractors provide for culverts and [illegible] to maintain the quality to the [illegible].

• [illegible] should [illegible] crossings [illegible] of land [illegible] leaving such material on their property.

• Provisions for removing the railroad tracks including berms and bridges, etc., so when the quarry ceases production or the railroad is no longer used, this expense would not be borne by the easement grantor.

• Costs for returning the land to its original condition should also be borne by Vulcan.

Landowners were reminded that land divided by a railway is not worth what it was before the division, and landowners should be compensated accordingly on the entire property. Mr. Lanfear urged anyone signing a contract for easement to seek counsel from their own attorneys for their own protection.

He continued by stating that, although the quarry has been advertised to be in production for 'only' 50 years, the past history of similar projects and their 'track record' indicates that they would cease only when they run out of material or they were forced to cease their operation. Mr. Lanfear stated that, once in operation, other projects –such a cement plant or a concrete plant for making trusses for bridges– would in all likelihood follow, thus ensuring Vulcan's stranglehold on Medina County indefinitely.

The attendees were once again informed that what landowners do now would affect the future of Medina County indefinitely, and that the gains proposed by Vulcan would be offset by permanent sacrifices by the people of Medina County. The land will never be the same in spite of all the things Vulcan says it would do for Medina County.

A question and answer session followed, with individuals receiving answers to their special concerns. Attendees reported that it was a very informative meeting.

Ref. 14

Hondo Anvil Herald

Letter to Editor

5/4/00

Quarry's traffic ... e too much to bear

Dear Editor:

According to Vulcan Mate[illegible]s, if this proposed Quihi quarry a[illegible] rail-road spur become a reality, f[illegible] the next 30 years, there would b[illegible] 200 million tons of limestone extracted from the quarry, with 10 to 20[illegible] of the limestone being hauled out by 18-wheel trucks.

If 15% of the material is hauled by trucks, did you know the[illegible]

- There would be 324 tru[illegible]ing down CR 353 and CR 3[illegible] then onto FM 2676 to eith[illegible]o Medina at Highway 471, or [illegible]ge way 173 every week?
- There would be 17 trucks [illegible]y?
- There would be between nine and 11 trucks every hour?

And double those totals for [illegible] trips to the quarry.

Then there is the fact that 150 employees would go to the qu[illegible] to work every [illegible].

And then [illegible] quarry to go be[illegible] Plus the fact t[illegible] there wo[illegible] trucks deli[illegible] to the quarry. [illegible] next 30 years.

We have n[illegible] with walking parents, school children and senior citizens. All who drive FM 2676 will be sandwiched between 78,000-lb. trucks, with rocks breaking windshields and other driving hazards. Besides the danger of all this traffic to our cars and school buses, who can even guess how much money it would take to keep the roads in good repair? When asked why there were no asphalt roads or parking lots in the F[illegible] quarry, even though much asphalt is manufactured there, Mr. R[illegible]ll replied, "It is too expensive and our trucks beat it up too bad."

Th[illegible]rest of the limestone that would be quarried ([illegible]0 to 90%) would be hauled out by the proposed railroad [illegible] from the quarry to the existi[illegible] and to Dunlay. This presents another set of hazards which we [illegible] County need to explore.

[illegible] buzz words "growth," [illegible]," "good [illegible]on," "good [illegible]," and "good [illegible]" [illegible]less when one [illegible]d [illegible] aspect of this [illegible] reality.

Alma Fitzgerald
Quihi

Ref. 15

Castroville
News Bulletin

5/4/00

Volume 42
Eighteenth Issue

City Council - May 9
School Board- May 17
CASTROVILLE NEWS BULLETIN
5/4/00
75¢

Chamber of Commerce applause greets quarry proposal

Thomas Carlucci
Staff Writer

Vulcan Materials Southwest Division President Tom Ransdell received an unexpected round of applause following one key question from a citizen at the Castroville Area Chamber of Commerce luncheon at Sammy's Restaurant Tuesday.

"How can we, the city and the Chamber of Commerce be of help in opening the quarry?" asked a man in the back of the room.

Ransdell explained the company must apply to the Texas National Resource Conservation Commission for a permit. The TNRCC will then conduct a hearing.

"That's when we will need your help," said Ransdell.

Ransdell presented Vulcan's proposed limestone quarry and railroad spur project to the chamber members, but said the project is still in the evaluation stage.

"We want to be a good neighbor, and we have a good track record," said Ransdell. Ransdell pointed out Industry Week magazine's claim that "[Vulcan] is [illegible] of the best managed industrial companies in the world."

"We are the largest aggregate producers in the United States," said Ransdell. "My purpose is not to impress you with that," he said, "because biggest is not always the best." Instead, Ransdell used a slide presentation to promote Vulcan's plan to locate in Medina County.

The quarry, should Vulcan decide to build in the county, will be a three-pronged operation: 1 - the quarry; 2 - crushing and screening and 3 - rail transportation. Vulcan's primary product will be crushed limestone.

The product is further divided into three categories: 1 - a base material; 2 - clean, washed aggregate that will be shipped to remote markets, and 3 - a small amount of aggregate used for local consumption.

Houston is the largest aggregate market in the United States, Ransdell said.

Ransdell also addressed the concerns of citizens about what impact the company will have on the environment.

"The creeks will not be dammed, no damage will occur to the aquifer, the dust will not increase, water will not be wasted, property values will not be decreased and Vulcan will not place demands on the city's budget," said Ransdell. In fact, Vulcan recycles 80 to 85 percent of the water they use, and the company will not make concrete, according to Ransdell.

Ransdell conceded some [illegible] drilling and blasting will have to be [illegible] to [illegible] the TNRCC requires Vulcan to control the dust.

[illegible] transportation of this product [illegible] mostly by rail.

[illegible] said the company [illegible] to invest $30 million to [illegible] the quarry and produce [illegible] new jobs with an estimated [illegible] million payroll. Additionally, expenditures are [illegible] company will spend locally [illegible] $600,000 annually in fuel and $1.8 million in electricity.

"We expect to pay about $130,000 for [illegible] county taxes and around $4[illegible],000 in school taxes, paid to the Hondo Independent School District," said Ransdell.

> "Anyone with any business sense would know that."
> Ray Jagge

Summarizing, Ransdell told the group the company expects a $7.5 million annual combined input into the community, and the railroad used to transport the material is a key element of the project.

Medina County Environmental Action Association Chairman Robert Fitzgerald stood up to oppose the quarry.

"We have some very serious considerations about the quarry," he said. Fitzgerald said the railroad would be very close to Quihi. His organization has 800 signatures opposing the opening of the quarry.

"This is a financial enterprise that would benefit Medina County, but you have to consider what would be sacrificed," he said. "People will not move here from San Antonio to be near a railroad."

Fitzgerald told the group the same revenue could be realized by 200 new homes in the area. This comment drew a heated response.

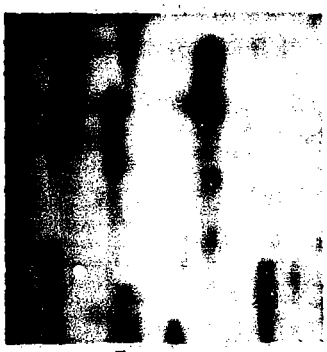
"When a family moves in an $80,000 house and brings three kids along, the demand on the school system is more than what they pay in taxes," said farmer, fireman and small business owner Ray Jagge.

"How about a $200,000 house?" asked Fitzgerald.

"An entity like this," replied Jagge, "that makes no demands on the infrastructure is a far better investment than 200 houses," sir. Anyone with any business sense would know that."

"We'll be glad to compare our business figures with you on that," said Fitzgerald.

"Medina County has very few and limited natural resources," said Jagge. "We need to attract businesses like this to develop the last natural resource we have in this county, which is limestone. If we run a company like this one away, my taxes will go up and your taxes will go up," Jagge told Fitzgerald having a company like Vulcan in the county that pays a large amount in taxes with little drain on the county will benefit all the county's taxpayers.



Tom Ransdell

Ref. 16

CASTROVILLE ... BULLETIN Thursday, April 27, 2000

SAME LETTERS ... HERALD 4/20/00

Letters to the Editor

so little reason for
no one—except
ntrol. But a clear
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Ref. 17

Appreciates coverage of event

a board of the Castro
Chamber of Commerce Association,
Alsatian Dancers of Texas,
and the community I want to
thank you and your staff for
excellent coverage in your
newspaper of the 29th
anniversary reunion of the
Alsatian Dancers of Texas on
April 9th at Medina Valley HS
Cafetorium.

We were honored to have
Roland Peltz and his family
from Wagon Mound, New Mexico, Francis
Lemar and Mary Ann Peltz of this
area.

The event drew over 100
people and was truly a cultur-
al celebration of the many
dances. Marges family
and friends have nur-
tured the group for the past
years.

Sincere Thanks,
Connie Balmer
President

Museum article was misleading

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been, city
and Lind
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home and the
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presume to
on behalf of the entire
council let me state my
on the proposed sites.
the area behind and
of the Aviation
My
following
and the
accommodate
the additional parking that would be necessary for the museum would destroy the appearance of the area and detract from its natural beauty. Second, building the museum so close to the Alsatian house would make the area look cramped and cluttered, also impacting the appearance of the area in general. Third, although Mr. Hancock presented a solution to the drainage for the area I feel the solution creates a safety issue. The drainage plan that was presented showed using a curb to divert the water around the area and into a large pipe which would drop it directly into the river. The volume of water that could be produced in a heavy rain would result in effluent from this system into a water slide. This area is adjacent to a children-oriented petting zoo and popular restaurant. [illegible] any-one who were to lose their footing at this slide could fall into the system and the result would very likely be [illegible]. And finally, the location of the Alsatian house is along a very high traffic area where several accidents have occurred. Delivery vehicles entering the traffic here would lead to even more problems. In short, the traffic in this area is [illegible] the Guerra project. In the area of the old [illegible]

The museum [illegible] has several benefits. First, it would aid in the preservation and upkeep of many historic buildings. [illegible] the space has plenty of parking available and finally it could be located in an area surrounded by historical [illegible]

In closing, I am very thrilled with the [illegible] the CMA to be successful in presenting and displaying our heritage. No council member voiced any concern about having the museum at the old hospital. All meetings are taped, [illegible] Mr. Carfucci [illegible] the tape so he can [illegible] impression he gave to the public.

Respectfully,
Karen D. Gilliam-Filfield
Councilwoman, District 2

Follow the money on quarry issue

Editor:

If you have read the local newspapers in recent weeks, one would conclude the effects of a quarry in northern Medina County are minimal and should be desired by all. I say let's "Follow The Money." We see opponents that voice their support for the project, but find that some of their income comes from providing services or support to quarries. One of our neighbors at Medina Lake concluded that after careful thought and study they were reversing their position on the quarry. This came as a surprise as only a few weeks before they were vocal about the dust and contamination. Additionally, they regarded members of the Medina County Environmental Action Association as followers of the Pied Piper.

Recently an area paper printed an article praising the quality of life while living next to a quarry in San Antonio. If you "Follow The Money", the individual interviewed was related to one of the families that stands a lot to gain by the sale of their land for quarry use.

I think we all should become familiar with the "Pied Piper" fable. To begin with, he was hired for a fee for a pest control service and he was totally successful in ridding the area of rats. It was only when the townspeople reneged on the agreement did he exert his due. God gave this earth to man to exercise good stewardship over its resources. To lay waste to 200 acres of land, which can never be used again constitutes a reneging by the stewards of that land and the degradation of the lives of our descendents.

Dennis & Maggie Skalka

Medina Co. Republican Club to meet

There will be a meeting of the Republican Club in Hamhalin Sun's Steak House, Hondo, on Tuesday, April 25, starting at 7:30 p.m.

Tim Ransdell, president [illegible] Southwest Division, will [illegible] plans for building, running [illegible] training the proposed timeshare property and associated railroad [illegible] for upper central Medina [illegible]. This will be the other side of the controversy presented by [illegible] Pitzgerald last month.

If an attendee wants to [illegible] recommended that he [illegible] about 6 p.m. so that he will be finished before the meeting starts. The Republican Club does plan to serve refreshments.

Seminar scheduled

For people just starting a business, the IRS announces a free [illegible] seminar in San [illegible], it is cosponsored by the [illegible] Development Center.

The [illegible] seminar runs Thursday, [illegible] 8:30 a.m. to 4 p.m., [illegible] SAD [illegible] town, 1222 North [illegible] room 2.0[illegible].

Topics will include [illegible] keeping, self-employment [illegible], selecting a business structure, and IRS procedures.

Reservations are encouraged since seating is limited. Please call the Small Business Development Center at (210) 458-2[illegible]. Reasonable arrangements for persons with disabilities will be made if requested in advance.

For more information, call the IRS Volunteer & Education Programs Office at (512) [illegible]-5439.

Castroville
News Bulletin
Article

4/20/00

Castroville News Bulletin
Letters to the Editor

Ref. 18 3/23/00

EDITOR'S NOTE: Some letters have been edited for length and to avoid repetition of statements.

Quarry will benefit area in many ways

Editor:

We are writing to you in regard to the proposed Medina County Quarry. As lifetime residents and involved members of the county we support this project, not just for our benefit, but for the benefit of the citizens of this community.

When Vulcan Materials approached us about the quarry, we took time to learn about the company and the relationship they have with other communities where their quarries are located. We were pleased to discover the emphasis Vulcan put on being a good community citizen. In fact, just last month, Tom Ransdell, president of Vulcan's Southwest Division, received the Uvalde Area Development Foundation's award at their annual Chamber of Commerce banquet.

As a neighbor to the ninth largest (and one of the fastest growing) cities in the U.S., growth for us is inevitable. Yet Medina County continues to resist corporate growth and instead has experienced tremendous residential growth. The quarry would bring jobs to the county, so fewer of our residents would have to make long commutes to San Antonio or other distant locations.

Let's welcome companies that can bring economic prosperity and help improve the quality of life in our county.

Every landowner and resident in the county benefits when a corporation like Vulcan comes in and converts agricultural exempt land to commercial land. For example, we pay $1,200 annually in taxes on the 1800 acres Vulcan plans to convert to the quarry site. Vulcan, which incidentally does not plan to ask for a tax abatement, will eventually pay $600,000 annually in taxes.

We are pleased that approximately $450,000 of those tax dollars would go to the Hondo Independent School District, reducing the need for costly school bonds. The other $150,000 would go the county, again helping minimize tax increases for citizens. Approximately $7 million will be pumped into the local economy to pay for salaries, supplies, services and other operating expenses.

We recommend you visit the Vulcan quarries in Helotes and San Antonio at Huebner Road. The Helotes Quarry is adjacent to O'Connor High School, one of San Antonio's newest high schools, and the Huebner Road Quarry is south of Clark High School, surrounded by some of the most expensive homes in the city. These people bought their $200,000 to $1 million-plus homes knowing the quarry was their neighbor.

Our grandson who attends Clark was not aware the quarry backed up to the athletic fields that he practices on daily. None of the students wore masks or were warned to drink bottled water. In fact, he has never seen dust, flying rocks or heard dynamite blasts.

Danger is apparently not a concern for those homeowners or for the Northside Independent School District, which has two of their largest schools next to quarries.

We have friends and relatives in the Cliff area near Medina Lake who also live within a mile of a rock quarry and they tell us the quarry has never been a problem for them.

The quarry rock will be moved by trains limited to a speed of 20 mph in the area. This will avoid causing harm to wildlife and livestock. Their eating habits and reproduction cycles will not be affected, and crop growth will be unimpeded. The slow speed will significantly lower the noise level and aid in pedestrian safety. Vulcan also plans to run the railroad either over or under the ground at major roadways in the county to reduce traffic hazards.

The availability of commercial transportation makes the agricultural land in the county more marketable thus increasing its value.

Surrounding towns like Hondo, La Coste, Devine, Natalia, Lytle and neighborhoods in San Antonio such as The Dominion and Shavano Estates have railroads running through them.

Many claim we are acting out of greed, but this is not true. We would never harm the community that we love, where we have raised our children, and that has been a part of our families for generations.

[illegible] of you to take the opportunity to [illegible] more about Vulcan, the communities [illegible] the quarries [illegible] located, and the benefits that have been afforded to the residents in those communities.

Sincerely,
Jean and Clovis Boehme
Lifetime residents of Medina County

Benefits don't outweigh hazards

Editor:

As a property owner in Medina County I am [illegible] to oppose the limestone quarry in Medina County proposed by Vulcan Materials Company. The impact this quarry [illegible] have on our [illegible] aquifer, [illegible] property values and county [illegible] quality is beyond [illegible] major concern.

[illegible] rock crushing operation [illegible] daily: [illegible] homes [illegible] community [illegible] the quarry site that is a nuisance and could produce and aggravate existing medical conditions.

• [illegible] quarry is located in a recharge area for the Edwards Aquifer. Because of the blasting and [illegible] of the quarry, a real [illegible] of aquifer contamination exists if a spill of hazardous [illegible] occurs.

[illegible] surface damage [illegible] and [illegible] structures [illegible] Lake Dam, [illegible] deterioration.

• This type of [illegible] can [illegible] underground water [illegible] the [illegible] summer [illegible] farmers [illegible] jeopardize.

[illegible] and [illegible] poor [illegible] on a [illegible] number of county roads, [illegible] everyone at risk, especially the children who [illegible] the [illegible] buses that travel this [illegible].

• Railroad tracks would need to be brought to the quarry site to remove the majority of the crushed rock. These tracks will split farms and ranches that have been in existence for over 100 years, making it hard to be efficient.

[illegible] danger and [illegible] of the constant movement of materials on these tracks produces hazards this community should not have. We know the noise that occurs when the neighbor's dog is barking. The Vulcan rock crushers will be heard for many miles in all directions from the quarry.

• The small contribution to the tax rolls by Vulcan is nothing compared to the loss of property values.

There is no guarantee that the 125 jobs that are to be created will come from Medina County residents — more likely Bexar County will benefit from the jobs and that is where the money [illegible] will be spent.

Sincerely,
Alfred M. Bishop
Jerrilyn R. Bishop
Converse [illegible], TX

Quarry will lower property values

Editor:

Our family is writing this [illegible] to let you know we [illegible] oppose the limestone quarry [illegible] County proposed by Vulcan Materials Company. This [illegible] has the danger of becoming the largest such operation [illegible] Texas [illegible] traffic, road and county [illegible] beyond reason.

The fear of [illegible] this property less than six [illegible] ago. We moved out [illegible] away from [illegible] and noise in [illegible] April [illegible] one [illegible] out [illegible] from our home [illegible] currently [illegible]

[illegible] or air pollutants. It may even cause more health problems for them as well as us.

We bought property out here because of it being God's country. It is so peaceful, clean and quiet. Now Vulcan wants to come with their blasting, heavy equipment, dust and noise in all their glory stating they will be a contribution to the tax rolls and bring 125 jobs to the area. There is no guarantee the jobs will be filled with Medina County residents. More likely Bexar County will benefit from the jobs and that is where the money from those jobs will be spent. At the very least the upper echelon (who make the most money) will be filled with persons that they bring with them, who do not live in our area. Some of the labor jobs may possibly be filled with people from Medina County.

Do you think the owner(s) of Vulcan [illegible] their children and grandchildren would like to live next to a [illegible] rock crushing quarry with [illegible] noise, dust and who [illegible] we do not think [illegible] no one should by choice [illegible] our property value [illegible].

[illegible] has numerous [illegible] where [illegible] with less impact [illegible] of the [illegible] and [illegible] Medina County [illegible] be damaged beyond [illegible] to correct.

Respectfully,
Donald E. Harp
Sharon Y. Harp
Sven H. Findley
Kimberly K. Findley

Facts don't support [illegible] of [illegible] opposers

Editor:

[illegible] a member of [illegible] opposed to the proposed [illegible] and was [illegible] decided to take [illegible] and [illegible] ability.

[illegible] representatives [illegible] and hazards, [illegible] As a resident living relatively close to the proposed quarry site, I am concerned about what's to come. I was told I would not experience any changes in my quiet lifestyle due to flying rocks, dust, toxic waste or flooding. I also learned that the quarry would have a huge positive economic effect to the county and to myself as a taxpayer.

I then furthered my investigation. I traveled to Helotes to visit the quarry. It is hardly noticeable and has a new, beautiful high school on its north side; the Helotes Little League on its south side; and households and businesses scattered throughout the area.

Thinking there must not be any danger here, I then proceeded to the Huebner quarry where I noticed things again to be exactly as I was told by Vulcan. There are hundreds of nice homes surrounding the quarry. It also can hardly be noticed from the road because there is a big rock fence built along the property. There was a railroad running along the side of the quarry and through the middle of these expensive neighborhoods. Again I noticed no evidence of danger at this location but evidence of prosperity.

Upon my return, I contacted the leader of Medina County Environmental Action Association. I asked him if he would have the Vulcan people attend the next opposition meeting. I felt it was important for the citizens to hear both sides of the story. The answer he gave me was absolutely not. I informed him that he could take my husband and my name off the petition list because we didn't want to have any part of his organization.

I recommend to anyone concerned to do what I did and investigate on your own to find out the facts surrounding the proposed quarry.

We are not children following the Pied Piper. I would hate to see this county lose yet another opportunity for economic growth because citizens failed to find out for themselves the real facts.

Sincerely,
Jon and Elizabeth Welder
Medina Lake

Medina Valley Times

3/20/00

Ref. 19

Peering into the quarry crater

Michael Stern
Staff Writer

They are immense, they are deep, and one is planned for the northern portion of Medina County.

The San Antonio area quarries operated by Vulcan Materials Co. Southwest Division are huge craters carved out of limestone deposits ringing the Alamo City. They literally are the cornerstone of the multi-million dollar aggregate business which is planning a new plant between Quihi and Medina Lake.

Visit the neighbors Page 5

A recent tour of the four San Antonio area quarries was a tutorial in one of the most basic of all industries: extracting limestone from the earth, processing it, and selling the finished product to customers.

"It is not a very easy business," said Vulcan SW president Tom Ransdell who conducted the tour. "We take limestone out of the ground and get it to our customers. It's simple, but we make quite an investment in order to do it right."

Quihi and Medina Lake area residents have raised objections to the proposed quarry in recent months. They have organized under the name of the Medina County Environmental Action Association headed by Dr. Robert Fitzgerald who serves as its chairman. The group's main objections include air pollution in the form of fine limestone dust, excessive noise from plant rock crushers and other equipment, vibrations from blasting, and an increase in traffic. The latter also includes concerns over construction of a railroad spur linking the quarry with Union Pacific tracks near Dunlay.

Ransdell explained the need for multiple quarries in the greater San Antonio area.

"Transporting crushed limestone to customers is very costly due to its weight. We have determined it is not cost-effective to sell our product in this area if it has to be trucked more than 30 miles," said Ransdell.

This formula does not apply, however, to the proposed quarry's target market. The majority of the limestone to be mined is targeted for the Houston and southeast Texas market, thus the need for the railroad. Cost of rail transportation is only 20-30 percent the cost of transporting by truck. Another factor entering the equation is area geology. The Houston area has very little limestone and customers pay $10-$12 per ton for crushed rock in southeast Texas, as opposed to a $3-$4 per ton price in the San Antonio area market.

The largest of Vulcan's area quarries is located on Loop 1604 near O'Connor Rd. in northeast San Antonio. Of the location's 1,000 available acres, 335 is currently being mined. The plant's entrance is decorated with flowered landscaping amid large live oak trees. Offices are small, as a minimum of indoor space is needed for supervisory and accounting personnel.

There are no paved roads within the quarry. There are, however, clearly defined vehicle paths marked with directional signs. Automobile and light truck drivers are warned by large signs to always yield right-of-way to the mining equipment. Some of the quarry's rolling stock is huge. Forty-ton dump trucks with gigantic tires rumble along the quarry floor. A water truck moves about constantly spraying the surface to prevent the stirring of dust by vehicle movement. Trucks ready to leave the facility must first drive through a wheel-wash near the plant's exit. Truck scales interfaced to the office computer system make note of load weights. If a truck is overweight, the computer will not process a delivery ticket and the truck is not allowed to leave until some of its cargo is unloaded.

The 1604 quarry is also home to two asphalt plants. Crushed rock in various sizes is stored in a row of large bins. Tanks containing asphalt oil rise five stories high [illegible] to a [illegible] system. The asphalt plants are modern and give off little, if any, foul odor. The remains of torn-up roadways are piled nearby awaiting recycling. The old road surface is ground up and mixed with new asphalt with [illegible] of the mixture being recycled material.

The heart of the quarry is an immense open-ended pit that could easily house a small city, theme park, or golf course. The high cliff sides of the pit reveal layers of limestone laced with varying amounts of red clay. A large drilling rig is perched high atop one of the cliffs and drills 3 1/2 to 6-inch diameter holes straight down to the level of the pit's floor. These blast holes are spaced 18 feet apart and are filled with ammonium nitrate [illegible] which have been treated [illegible] diesel fuel at an outside vendor's facility. [illegible] considered old [illegible] longer [illegible] in [illegible] quarry [illegible] explosives [illegible] at Vulcan facilities [illegible] performed [illegible] independent vendor.

The blast [illegible] is controlled to [illegible] the limestone from the quarry [illegible] process [illegible] like the [illegible] side. The rock does not fly in all directions. Instead, it simply slides toward the [illegible] of the pit. [illegible] heavy [illegible] the scene to [illegible] of loading the rock into huge dump trucks. The trucks carry their loads to the plant's rock crushers.

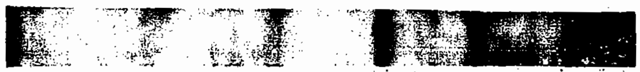
The large limestone chunks are pulverized into various sizes according to how the crusher is set. Sizes vary according to intended use. The smallest [illegible] is used in asphalt. A [illegible] larger size is used in [illegible] concrete. A still [illegible] is used for road base [illegible].

[illegible] noisy [illegible] [illegible] the quarry [illegible] during [illegible] day [illegible] the [illegible] was [illegible] of a blast that occurred just after entering the plant. No sound or vibration was felt from the blast, which was detonated approximately one-half mile from the quarry office.

Vulcan spent approximately $1 million to install a water recycling plant at the 1604 facility. The crushed rock has to be washed in water to remove clay deposits. During the washing process, 3,800 gallons of water per minute is used. The recycling equipment is able to clarify and return 78 percent of the water for reuse. [illegible]

[illegible] concrete bunkers for secondary containment of asphalt oil and diesel fuel. These bunkers are designed to prevent petroleum product contamination of the underground water supply. According to Texas Natural Resource Conservation Commission guidelines, secondary containment systems are mandatory for diesel fuel storage tanks, but not for asphalt oil containers. Asphalt oil is exempted from mandatory containment regulations since it solidifies quickly in ambient temperatures and poses no risk of contaminating the water supply. In this case, Vulcan exceeds TNRCC standards.

Vulcan's proposed quarry will be its largest in the greater San Antonio area. Approximately 2,000 acres of land will be occupied by the plant although not all of the acreage will be mined.



Heavy equipment moves about on the floor of one of Vulcan's San Antonio area quarries. (Photo by Michael Stern)

3-20-00
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MINING THE DEPTHS

[illegible] Materials Southwest Division president Tom R[illegible] water recycling system at the company [illegible]. (Photo by Michael Stern)
[illegible] stories, pages 4 and 5.

Medina Valley Times

Ref. 20 3/20/00

Neighbors find quarry pleasant company

Julie Dunnavant
Staff Writer

In the past five years, the Helotes has grown from a one stop town to a bustling city full of businesses and new families.

Sitting right on the edge of the city limits and backing up to Sandra Day O'Connor High school is a Vulcan quarry.

As school lets out for the day, quarry trucks share road space with school buses, all patiently waiting for the traffic light to change so they can move out.

O'Connor was built only a few years ago; Vulcan was already in operation.

Just down Hwy. 16, less than 200 yards, sits a gated subdivision, so new all the houses haven't been sold and the landscape still looks raw.

A sign on the front informs motorists passing by that homes for the area begin in the $90,000 range.

Principal Gloria Keller said did not return calls on how the school has dealt with having Vulcan right next door.

At the city hall, City Secretary Elvie Fernandez said Vulcan doesn't put anything on the tax roles but the business has been easy to work with over the last 20 years and conscientious when it blasts rock from the earth.

"They've been here a long time," Fernandez said. "They call us when they're going to blast and that's the only time we usually get complaints from citizens."

Fernandez estimated the quarry blasted once a month but looking back on her calendar found March to be a busy month with blasts six times in the past three weeks.

"That's a lot of activity for them," she said. "If you live here you just don't notice it."

Residents and businesses near other Vulcan quarries said the same thing.

The only complaint Clark High School Principal Larry Martin had centered on old quarries, no longer in use that weren't owned by Vulcan.

"Our exterminator tells us the standing water there is the reason we have so many mosquitos," Martin said.

Martin, a Devine native, worked for the school through the 1980s and returned in 1997.

"The quarry was here first," he said. "In the (1980s) the blasts used to rock the school but we don't get very many blasts anymore."

Clark is located less than a mile from the Vulcan site.

"As far as noise is concerned we're removed from it," he said. "We have no problems with any dust, noise or air pollution."

He said the train tracks Vulcan uses to transfer rock to IH-10 runs in front of the

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company

A landscaped entrance greets visitors to Vulcan's 1604 quarry. (Photo by Michael Stern)

school and sometimes poses a traffic problem when students were getting out at lunch or the end of the day.

"You have to be on top of the quarry to see it," Martin said. "It's just not noticeable."

Diane Pipes is raising her family in the Shavano area and her son, Nathan, is a junior at Clark who plays on the football team.

Her parents live in Castroville.

"The football field is in the corner of the school that [illegible] up to the [illegible] quarry," Pipes said. "I've sat out on that field during games and didn't know the quarry was [illegible] I don't hear it and I don't see the blasts."

> "People could live anywhere they want and they chose here."
> Diane Pipes
> Shavano resident

Pipes and her husband live approximately five miles from the Vulcan site but have friends whose houses back up to the pit.

"These people are 100 yards from the edge of the quarry site," she said. "They're close to the area and said they don't really hear the noise except the beeping the trucks make when they back up."

Her friends bought a home instead of building and [illegible] inspections [illegible] Construction passed [illegible] no problems.

"The quarry was here [illegible] of these houses [illegible] Park," Pipes said. "[illegible] in Shavano Park [illegible]

$100,000 and in Shavano Creek the going price is $500,000. These people could live anywhere they want and they chose here."

Pipes also said she didn't think the Northside Independent School District would deliberately put [illegible] and [illegible] in a position [illegible] were concerned with having near the [illegible]

An [illegible] on the north side, the [illegible] and quarries are all [illegible]

"This isn't a total disaster for [illegible] area," Pipes said. "I [illegible] deal will help the community. I understand people don't want growth but you have to [illegible] what is natural to your area."

Of all the quarries Vulcan operates in the San Antonio area, the one that most closely resembles the proposed Quihi site is on Loop 1604 at O'Connor Road.

Trucks rumble out of the Vulcan entrance. The only reason a driver would take the exit, right now, is to go into the quarry.

A high dollar housing development is going up right across the street and long established subdivisions line the loop facing it, along with Millberger nursery.

The streets are cleaned and on each side middle income families with small children live; toys scattered in the front yards.

Patrice Burkhart is self employed and works at home, just off Bal-cerde Road, groomling [illegible]

She doesn't hear the quarry blasts nor does she notice any extra dust in her house; her two daughters suffer no air pollution related diseases like asthma.

In all, Burkhart said she doesn't notice the Vulcan pit; it's just another business that's sprung up on the loop.

Medina Valley Times

3/16/00

Ref. 21

Finding out the real facts

Dear Editor:

Until recently, we [illegible] members of the opposition to the proposed Quihi quarry. Our mind was changed when we decided to further investigate the allegations and concerns by the opponent's leadership.

We contacted a Vulcan representative to inquire about the dangers, the environmental hazards and the effect the quarry would have on the local area. As residents living relatively close to the proposed quarry site, we are concerned about what's to come. We would not experience any change in our quiet lifestyle due to noise, dust, toxic waste [illegible]. We also learned that the quarry would have a huge positive effect on the county and to ourselves as taxpayers.

We then further investigated the information. We traveled to Austin to visit the quarry located there. Friendly noticeable and [illegible] high school [illegible] Helotes Little League baseball side, and houses [illegible] scattered throughout.

Thinking that there must be any danger here, we decided to visit the Huebner [illegible] where we noticed things [illegible] we were told by Vulcan [illegible] hundreds of [illegible] the quarry. It also can hardly be noticed from the road because there is a big rock fence [illegible] along the property. There was a railroad running along the side of the quarry and through the middle of these expensive neighborhoods. Again, we noticed no evidence of danger at this location, but evidence of prosperity.

Upon our return, we contacted the [illegible] a County Environmental [illegible] association. We asked him if he would have the Vulcan representative [illegible] to our community for [illegible] not for [illegible] by the quarry. [illegible] was [illegible] informed, from the [illegible] economics of the petition [illegible] our area didn't have to have any part of his organization.

We recommend to anyone considering [illegible] investigate the [illegible] to visit the [illegible] proposed.

[illegible] the [illegible] this community. [illegible] citizens failed to [illegible] themselves the real facts.

Jo[illegible]zabeth Welder

[illegible] Lake

Hondo Anvil Herald
Letters to the Editor
3/16/00

Ref. 22

Ref. 23

Your turn

P.O. Box 400, Hondo TX 78861 Fax: (830) 426-3348

Quarry will bring many benefits

Dear Editor:

As lifetime residents and involved members of the county, we support the Medina County quarry, not just for our own benefit, but for the benefit of the citizens of the community.

When Vulcan Materials approached us about the quarry, we took time to learn about the company and the relationship they have with other communities where their quarries are located. We were pleased to discover the emphasis Vulcan put on being a good community citizen. In fact, just last month, Tom Randell, President of Vulcan's Southwest Division, received the Uvalde Area Development Foundation's award at the annual Chamber of Commerce banquet.

As a neighbor to the ninth largest (and one of the fastest growing) cities in the U.S., growth for us is inevitable. Yet Medina County continues to resist corporate growth and instead has experienced tremendous residential growth. The quarry would bring jobs to the county, so fewer of our residents would have to make long commutes to San Antonio or other distant locations.

Let's welcome companies that can bring economic prosperity and help improve our county's quality of life.

Every landowner and resident in the county benefits when a corporation like Vulcan comes in and converts agricultural exempt land to commercial land. For example, we pay $1,200 annually in taxes on the 1800 acres Vulcan plans to convert to the quarry site. Vulcan, which incidentally, does not plan to ask for a tax abatement, will eventually pay $600,000 annually in taxes.

We are pleased that approximately $450,000 of those tax dollars would go to the Hondo Independent School District, reducing the need for costly school bonds. The other $150,000 would go to the county, again helping minimize tax increases for citizens. Approximately $7 million will be pumped into the local economy to pay for salaries, supplies, services and other operating expenses.

We recommend you visit the Vulcan quarries in Helotes and in San Antonio at Huebner Road. The Helotes quarry is adjacent to O'[illegible] High School, one of SA's ne[illegible]. The [illegible] quarry [illegible] of Clark High School, is [illegible] one of the most exp[illegible] in the city. These people bought their $200,000 to $1 million dollar homes knowing this quarry was their neighbor.

Dan Swanson, who attends Clark, was not aware the quarry backed up to the athletic fields that he practices on daily. None of the students wear masks or were warned to drink bottled water. In fact, he has never seen dust, flying [illegible] debris.

We have friends [illegible] in the Cliff area [illegible] who also live with the [illegible] of a rock quarry [illegible] has never [illegible].

The [illegible] will be used by tra[illegible] the [illegible] to [illegible] in [illegible] will [illegible]. The [illegible] will [illegible] lower the [illegible] and [illegible] also plan to [illegible] over or under the [illegible] roadways in the county [illegible] traffic [illegible].

The [illegible] of commercial tran[illegible] rural lan[illegible], thus [illegible].

[illegible], La Cost[illegible] and neig[illegible] such as T[illegible] and [illegible] tax[illegible] them[illegible].

M[illegible] of gre[illegible] ne[illegible] lo[illegible] dre[illegible] fa[illegible].

We [illegible] you to support Vulcan, the company [illegible] quarries [illegible] benefits that we [illegible] residents [illegible] Jo[illegible] ville

The Hondo Anvil Herald, Thursday, March 16, 2000, Sec. 2, Page 5

Terrendous impact

Dear Editor:

[illegible] oppose the [illegible] zone quarry [illegible] Medina County [illegible] by Vulcan Materials Company. This [illegible] has [illegible] of becom[illegible] the large[illegible] in [illegible] Texas. [illegible] quarry [illegible] roads [illegible] transp[illegible] four of [illegible] than [illegible] us be[illegible] way from all [illegible] air pollut[illegible] noise in San Antonio. Appr[illegible]ly one and one half [illegible] we [illegible] Vulcan wants [illegible] quarry less th[illegible] from our homes. Our chi[illegible] currently [illegible] problems. The [illegible] will aggravate their [illegible] problems, [illegible] in [illegible] will [illegible] all [illegible] Antonio.

We have property out here because of loving God's country. It is so peaceful, clean and quiet. Now Vulcan wants to come with their blasting, heavy equipment, railroad and noise in all their glory, stating they will be a contribution to the tax [illegible] and bring 125 jobs to the area. There is no guarantee the jobs will be filled with Medina County residents. More likely, Bexar County will benefit from the jobs, and that is where the money from those jobs will be spent. At the very least, the unemployment will be filled with persons that they bring with them, who do not live in our area. Some of the [illegible] jobs may possibly be filled with people from Medina County.

[illegible] you think the owners of Vulcan would live next to a limestone rock crushing [illegible] with all of the noise, dust and who knows what else? We do not think they would. No one would by choice, hence, our property value will go down.

Southwest Texas has numerous other areas where limestone may be found with less impact on the environment or its residents. Without your support and active participation, Medina County will be damaged beyond our ability to correct.

Donald & Sharon Harp
Sean & Kimberly Feasley
Hondo

[Editor's note: We received an almost identical point-for-point letter on the same subject from Medina County property owners Alfred and Jo[illegible] Bishop of Copperas Cove.]

Medina Valley Times
Article
3/9/00

Ref. 24

Most quarry protesters skipped commissioners court

Michael Stern
STAFF WRITER

There were plenty of available seats at Monday's commissioners court meeting, in sharp contrast to the previous week's packed courtroom.

At that meeting, Dr. Robert Fitzgerald, chairman of the Medina County Environmental Action Association, was allowed to express the group's concerns over Vulcan Materials Co.'s quarry proposed for a site between Quihi and Medina Lake.

Fitzgerald questioned whether County Judge David Montgomery or any individual commissioners had met with one or more Vulcan officials to discuss the quarry project. Fitzgerald was promised a written reply to his inquiry.

As of Tuesday, only Commissioner Royce Hartmann had replied in writing.

Hartmann conducted one private meeting at his home with Vulcan officials in October to discuss their plans.

Business conducted by commissioners included:

• Granted final approval to Unit II of the Fawn Valley Subdivision located off CR 4686 between Dunlay and Castroville.

• Voted in favor of final approval of the Devine Hills Subdivision Unit II located off CR 7711.

• Entered into a maintenance contract with Gillette Air Conditioning Co., Inc., of Devine for service of the heating, ventilation, and air conditioning system at the new county jail. The two-year contract will cost $8,724 and will provide preventative maintenance and system repairs. Wayne Gondeck of DRG Architects recommended using Gillette, as they had originally installed the HVAC system and have been providing warranty service. The maintenance contract will begin January 1, 2000 start date. Gillette has been providing filter changes and other service since that time.

• Beverly Luts, assistant director of federal programs, received approval of an addendum to the county's contract with the Alamo Area Council of Governments (AACOG) for home-delivered meals. The addendum is a necessary step in order to secure $668 in extra funds which have become available for the nutrition program.

• Luts also secured the court's preliminary approval of an interagency cooperation contract between the county and the Greater Southwest Area Services Inc. (GRASP) for rural public transportation. The agreement calls for GSASP vehicles and drivers to provide transportation services for Guadalupe County residents in the Sequin area. The contract will mean trips and deliveries from Medina County will not have to travel to the Sequin area whenever a single trip is requested. GRASP will be paid only for actual services provided.

• Approved a lease between the county and Jose and Maria J. Rodriguez for a radio transmission station located on top of Devine near the intersection of Hwy. 173 and CR 4686. The contract replaces an expiring lease on another location. The lease will call for an annual payment of $2,000 and will have a start date of March 1, 2000.

• Approved a donation agreement giving $1,000 per year to the Castroville Volunteer Fire Department.

• Voted to seek bids for paving oils and emulsion. The current contract for these materials expires April 5, 2000.

• Announced an animal control workshop will be held March 23 at 1 p.m.. A subdivision rules and regulations workshop is also in the works, although no time and date have been decided.

Castroville News Bulletin March 9, 2000

Ref. 25

Castroville News Bulletin
Article
3/9/00

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moved to San Antonio and joyfully brought the [illegible] and Carolyn into the world. Dr. Peery was [illegible] of private business in San Antonio, among them [illegible], and also taught in many areas [illegible] High School's Continuing Ed[illegible] Program[illegible] to become a Professor of Busine[illegible] During his 50's Dr. Peery mad[illegible] Ph.D. in marketing and busi[illegible] Peery finished his course work[illegible] which was accepted, and was awa[illegible] his Ph.D. de[illegible] '60s. A move was then made to [illegible] at Chattanooga, where Professor Peery taught [illegible] ness administration for nine years before m[illegible] Antonio.

A Memorial Service for Dr. Peery will be held [illegible] United Methodist Church Wednesday, March [illegible] at 10 a.m. in the main sanctuary. Memorial gifts should be directed to the Laurel Heights United Methodist Church Music Department, 707 E. Woodlawn, San Antonio, Texas 78212.

St. Louis Catholic Church in Castroville will celebrate a Mass of Resurrection for Dr. Peery Monday, March 20, [illegible] at 10:30 a.m. These memorial gifts may be directed to the St. Louis School Endowment fund, Castroville, Texas, 78009.

Commissioner[illegible] with quarry [illegible]

QUIHI –Medina County Environmental Action Association chairman Dr. Robert Fitzgerald called the [illegible] county commissioner this week. Pct. 1 [illegible] Royce Hartmann addressed questions put to commissioners by Fitzgerald at its Feb. 28 meeting.

At that meeting, Fitzgerald asked the court if they members had met formally or informally with officials from Vulcan Materials Co. concerning their plans to open a new quarry between Quihi and Medina Lake. Specifically, Fitzgerald asked if there had been any request for commissioners to invoke eminent domain powers to help Vulcan secure right-of-way for a planned railroad spur.

Hartmann replied that he had an informal meeting at his home in October, 1999 with two Vulcan representatives and a neighbor in order to "get a rundown on what they're doing."

Hartmann also stated in a letter, "I will not exercise any power for Vulcan in condemning property for a road right-of-way or a rail right-of-way."

Ref. 26

Hondo Anvil Herald
Letter to Editor 3/2/00

Your turn

P.O. Box 400, Hondo TX 78861 Fax: (830) 426-3346

Vulcan strives to be a good neighbor

Dear Editor:

Over the past several weeks there has been much discussion related to Vulcan Materials Company's evaluation of a possible limestone quarry in northeastern Medina County. As I have indicated publicly, we are studying all factors that are important in an evaluation of a project such as this.

As I said at the public meeting in Quihi on Feb. 3, before we decide to go forward with the filing for necessary permits for such an operation we must be satisfied that we can build and operate the proposed facilities in a responsible manner. That means being a good neighbor and having no negative impact on the surrounding environment.

The Edwards Limestone formation is well known for its use as a superior construction material. This limestone is the key "building block" for the construction of homes, schools, churches and highways not only in the local area but also in many other locations of Texas where construction materials are scarce. Medina County has an abundant supply of Edwards Limestone and the utilization of this resource means jobs for local residents and tax dollars for the improvement of school facilities and sensible roadway and infrastructure development.

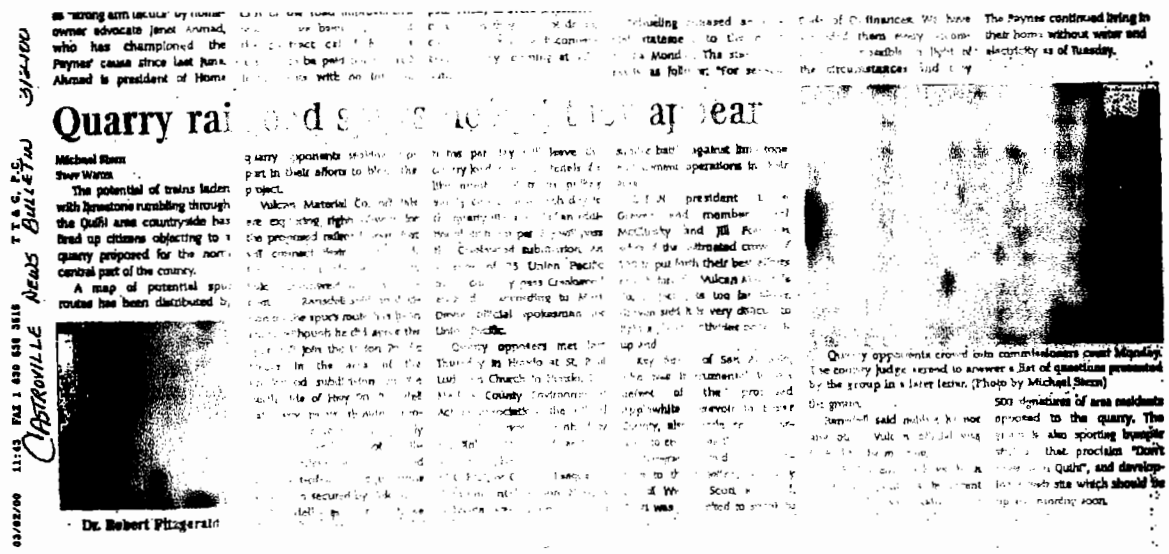
As we continue our evaluation of this project, members of my staff or myself are always available to listen to input from concerned citizens of Medina County. I hope it is evident that we want to be involved with this community about our plans. Contrary to some reports, I have not met privately with any elected officials of Medina County regarding our proposed operation. Representatives of Vulcan have had conversations with several county commissioners to understand transportation routes and to inform these public officials of the nature of this project.

Vulcan Materials Company strives to be a good neighbor and corporate citizen in all the communities in which we operate. We have many local examples of our success in this effort, i.e., San Antonio, Knippa and Uvalde. We have demonstrated in many instances that we know how to develop a state of the art construction aggregate facility, being good stewards of the environment as well as responsive to the concerns and needs of our neighbors.

Tom Ransdell
President Southwest Division
Vulcan Materials Company

Castroville News Bulletin
Article
3/2/00

Ref. 27



Quarry rai[illegible] appear

Michael Stern
Staff Writer

The potential of trains laden with limestone rumbling through the Quihi area countryside has fired up citizens objecting to a quarry proposed for the north central part of the county.

A map of potential spur routes has been distributed by

Dr. Robert Fitzgerald

The Paynes continued living in their home without water and electricity as of Tuesday.

Quarry opponents crowd into commissioners court Monday. The county judge vowed to answer a list of questions presented by the group in a letter. (Photo by Michael Stern)

500 signatures of area residents opposed to the quarry. The petition is also sporting bumper stickers that proclaim "Don't Quarry Quihi", and develop-

Ref. 28

Hondo Anvil Herald
Article 3/2/00

Quihi residents show strong opposition for Vulcan limestone quarry

Medina County Commissioners' Court held their weekly meeting with standing room only in the court. The number of visitors signified the strong opposition to the proposed Vulcan limestone quarry in Quihi.

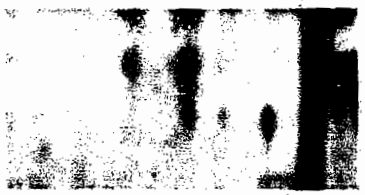
• Judge David Montgomery began the meeting with a public participation forum and allowed Dr. Robert Fitzgerald, chairman of the Medina County Environmental Action Association, four minutes to speak.

Dr. Fitzgerald addressed the court with a prepared speech, that read in part:

"I appreciate being allowed to address the court. I represent the MCEAA. We are united and steadfast in opposition to the quarry and railroad for many reasons.

"One of our concerns which involves you, the commissioners' court, is the use of the commissioners' court to obtain a road right-of-way for them (Vulcan), a private corporation, which could subsequently be accompanied by a railroad built on the same right-of-way.

"It has come to our attention that Vulcan Materials Company approached the Hondo Texas Department of Transportation requesting that a road be built from FM 2676 to the quarry site. The Hondo TexDot replied that such a road could only be built if the right-of-way for it had been already obtained, and that the commissioners court was the appropriate governing body to obtain the needed right-of-way.



"The court could accomplish this by exercising its authority to invoke eminent domain and condemn the land needed for the right-of-way.

"As Medina County taxpayers, our concerns are as follows:

"Are any of the county commissioners or the judge aware of the above information

[illegible]

[illegible] meeting in the future - official or unofficial - been held? If so when, where and with whom?

"If Vulcan officials ask you, the court, to exercise your power of eminent domain and condemn property for the road right-of-way and rail right-of-way for them - a private company, will you comply?

"If you do exercise the power, will you [illegible] for [illegible]

Fitzgerald concluded his presentation by requesting that at least two representative from MCEAA be allowed to attend any meeting with Vulcan officials and participate in the discussion and recommended that any Medina County citizens wishing to attend, be allowed to do so.

Montgomery stated he would answer these concerns in writing and hoped the commissioners would do likewise.

• Approval was granted for Marion Taylor, Justice of the Peace Pct. 4, to enter into an interlocal agreement between Medina County and the Department of Public Safety for a program that would flag the drivers license of individuals who fail to appear in court for traffic tickets. Taylor explained that at this time warrants are issued for anyone that fails to appear, but with this program their driver's license would be revoked and the individual would not be allowed to renew their license until all tickets were taken care of.

• Approval was given for a donation agreement between Medina County and Police Volunteer Fire Department for a contribution of $2000.

• The board accepted Commissioner Royce Hartmann's request to accept bids for a new rubber tire front end loader. The agreement will have a guaranteed buy-back for the lease/purchase plan, with the trade in of the old loader.

Ref. 29

Hondo Anvil Herald
Letter to the Editor
2/24/00

Your turn

HONDO ANVIL HERALD 2/24/2000

P.O. Box 400, Hondo TX 78861 Phone (830) 426-3346

Why isn't the quarry on the county agenda?

Dear Editor:

Do the people of Medina County think that a matter concerning the roads and highways can be placed on Commissioners Court agenda for discussion? I can tell them this, if County Judge David Montgomery doesn't want it on the agenda, it won't get there. What makes matters worse, county commissioners won't stand up to him. Let me explain: I have asked Judge Montgomery three times to bring out in the open the secret discussion he and other commissioners are making with the Vulcan Materials company if they open a limestone quarry in Medina County. I have been informed verbally and in writing that the commissioners are against placing it and its effect on our roads for discussion. Why?

At least three county roads will have to be crossed by trucks to reach the Union Pacific at Dudley. If the route goes along Seco Creek, we can expect the destruction of the countryside and horrendous damming effect of the high water which would be necessary to protect the railroad track. Remember the disastrous flooding caused by the government project Creekwood Acres in October 19, 87? Do we want this to happen again? Another question: Are the expansion going to pay for the necessary country road improvements required for the huge trucks which will haul 13% of the 3 million tons mined from the quarry site? Those roads, if the quarry does come into being, would have to be improved and in place before the proposed quarry is opened in order to comply with the clean air standards of the TNRCC. So who pays the bill? Mr. and Mrs. Taxpayer? I am sure Vulcan Materials would appreciate your generosity in this regard. These and other matters are issues that the county commissioners and county judge owe us, the citizens, an open forum to discuss publicly before they sell their souls to the devil. Vulcan Materials is a profit-making company and not a philanthropic organization. They are in business to make money for their shareholders. They have no concern for the people of Medina County, their roads, their environment, their water supply, their air quality, their property values, their health, their safety, their peace of mind, their children's future, their neighbors. A few citizens have been offered their "30 pieces of silver" and already has gotten the best of them. Their friends and neighbors, however, haven't been consulted or even considered in this scheme. After all, they will be wealthy and they can move away if they don't like the dust, noise, water pollution or the menace of increased traffic. To prove my point, [illegible] of one of the families that has sold an option to lease land for the quarry site. This [illegible] had faulty brakes.

I call upon the people of Medina County to make an informed decision [illegible] Vulcan Materials to [illegible] their limestone. Tell them [illegible] Tell them [illegible] the environment, [illegible] and especially [illegible] the quarry [illegible] for consideration.

Ref. 30

Castroville News Bulletin
Letter to the Editor
2/24/00

News Bulletin
Thursday, February [illegible] 2000 3

Letters to the Editor

Get county's ear at election time

Editor:

The third time was not the charm for Quihi.

Question: Do the people of Medina County think that a matter concerning the roads and highways can be placed on Commissioners Court agenda for discussion? [illegible] them [illegible] Montgomery [illegible] it on the [illegible] won't [illegible] there. [illegible] commissioners won't [illegible] up to him.

[illegible] I have asked Judge Montgomery three times [illegible] out in the open [illegible] discussions he and [illegible] commissioners are [illegible] make [illegible] Medina [illegible] if they [illegible] open [illegible] quarry in Medina County have been informed [illegible] and in writing [illegible] commissioners are [illegible] Quarry [illegible] on [illegible] for [illegible]

[illegible] county roads will [illegible] by the railroad [illegible] the South [illegible] Dunlay [illegible] goes along the [illegible] can impact flood [illegible] and [illegible] dam [illegible] the high berm [illegible] be necessary [illegible] railroad track [illegible] flood [illegible] road [illegible] acres in [illegible] this [illegible]

questions [illegible] going to pay [illegible] necessary county road [illegible] required by [illegible] gravel trucks [illegible] 15 percent of the [illegible] million tons mined from the quarry site? These roads, if the quarry does come into being, would have to be [illegible] place before [illegible] proposed quarry [illegible] standards [illegible] pay [illegible] Mrs. Taxpayer [illegible] [illegible] they have [illegible] secret meetings [illegible] officials!

We [illegible] judge [illegible] Medina [illegible] me [illegible] people [illegible] them. [illegible]

citizens [illegible] been [illegible] their "thirty pieces of silver" [illegible] greed has gotten the best of them. Their friends and neighbors, however, haven't been consulted or even considered in this scheme. After all, they will be wealthy and they can move away if they don't like the dust, noise, water pollution or the menace [illegible] gravel [illegible] improve my [illegible] of [illegible] quarter of a mile from [illegible] home of one of the families that has sold an option to [illegible] the quarry site. [illegible] truck [illegible]

[illegible] the people of Medina [illegible] we [illegible] them at [illegible] do this [illegible] us.

[illegible] I would remind [illegible] Medina County [illegible] [illegible] election. [illegible] with [illegible]

[illegible] Medina County

Ref. 31

Castroville News Bulletin
Article
2/24/00

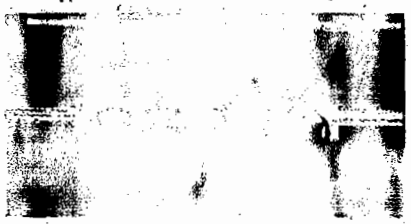
Bumper stickers added to Quihi quarry arsenal

Michael Stern
Staff Writer

QUIHI —Petitions and bumper stickers are among items making the rounds as area residents step up their efforts to block a proposed limestone quarry.

The Medina County Environmental Action Association will meet Thursday at 7 pm in the St. Paul Lutheran Church hall in Hondo. Group members went door to door throughout the area asking residents to sign a petition opposing the Vulcan Materials Co. project. The quarry site currently under review by Vulcan is located between Quihi and Medina Lake.

MCEAA chairman Robert Fitzgerald brought a formal request at the county's last week seeking to have the issue placed on the formal agenda of commissioners court. Fitzgerald received a letter of response dated Feb. 16 and signed by County Judge David [illegible]y. The letter stated that all commissioners had received a copy of Fitzgerald's request, and they believe [illegible] on the are all opposed to this [illegible] Court



Bumper [illegible] quarry are popping up [illegible] Lake areas. (Photo by Mich[illegible])

Agenda.

Last week, Fitzgerald addressed the Texas Senate of Representatives Committee on Natural [illegible] resources at a public [illegible] at the Hondo Commerce [illegible]. Rep. Bob Lewis told Fitzgerald that trying to [illegible] for any would only [illegible] sentiment MCEAA [illegible] sentiment that [illegible] opposes the [illegible] quarry. [illegible] committee chairman David Counts partially thanked Fitzgerald for bringing the matter to the committee's attention, effectively putting an end to the discussion.

The group had sought to hold Thursday's meeting at the site of their last meeting, the Quihi Gun Club. However, the venue's manager informed Fitzgerald that some club members object to using the site for "political meetings." Club members cannot make a formal decision regarding the building's use by MCEAA until its next regular meeting in March.

Fighting to [illegible] rural [illegible] for [illegible] share of rural water

Julie Dannewirt
Staff Writer

HONDO—Local groundwater districts looking to protect their turf and constituents made a heavy plea to members of the House Natural Resources Committee last

Pueblo, [illegible] to gather [illegible] local con- cerns.

[illegible] General Manager [illegible] County [illegible] Underground Water [illegible] Conservation [illegible] keep [illegible]

Permits Commissioner [illegible] MCUWCD [illegible] single county [illegible] 1997 and [illegible]

[illegible] attempt to form a [illegible] authority [illegible] would [illegible] the [illegible]

to be, it will create a conflict. They don't understand our needs, and vice versa."

Members felt a board comprised of rural and urban interests would end up with urban areas dictating policy and potentially hurting their rural coun-

2000-12-5TPM TORRES, TSCHINART & GAMBLE, PC [illegible] No. 0855 p. 1

Ref. 32

[illegible] 2/17/2000

Hondo Anvil Herald
Letter to the Editor
2/17/00

[illegible] quarry

[illegible] of the Edwards Plateau, [illegible] miles away from the [illegible] are not [illegible] to the needs of [illegible] dollars generated on [illegible] most cruel or run- [illegible] pity the property [illegible] the quarry site.

[illegible] a piece of land, [illegible] small, it's a moral re- [illegible] sponsibility to care for it. They [illegible] it ecologically if pos- [illegible] sible. [illegible] destroy it. There [illegible] value in farming and [illegible] like this more [illegible] than anything else. My wife and I are doing our part to improve and protect our piece of Texas. Even abused [illegible] limestone hills and rocks [illegible] have value then a polluting [illegible] possible future landfill [illegible] and I will never sub- [illegible] neighbor [illegible] forms re- [illegible] more [illegible] by [illegible] like out to [illegible] citizens [illegible] materials will not be a [illegible] are asking [illegible] defense join [illegible] Environ- [illegible] fight this

Scott Conrad
San Antonio

Ref. 33

Medina Valley Times
Article
2/10/00

Medina Valley Times 2-10-00

Quarry-bashing fills Quihi countryside

Michael Stern
STAFF WRITER

QUIHI -- Area residents opposing a limestone quarry rallied their forces in an emotionally charged meeting last week.

Highlight of Thursday evening's meeting at the Quihi Gun Club was Vulcan Southwest Division president Tom Ransdell's maneuvering through a mine field of tough questions laid before him by project opponents. The group, which has organized under the name of The Medina County Environmental Action Association, formally adopted their mission statement before hearing a lineup of speakers that included State Representative Tracy King.

MCEAA chairman Robert Fitzgerald opened the meeting by introducing his wife Arlene, **the association treasurer, who read the minutes of the group's previous meeting. The minutes highlighted the association's goal to "fight through political channels" in an all-out attempt to thwart the proposed quarry. The quarry is to be located between Quihi and Medina Lake.**

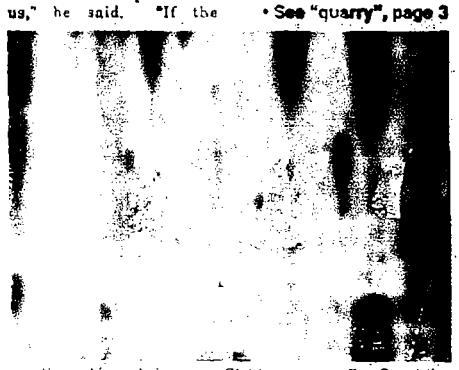
Fitzgerald then returned to the microphone and said the group "would not have any support from our government," referring to county commissioners court **which had refused to discuss the quarry issue at its Jan. 31 meeting. Citing County Judge David Montgomery's warning at that meeting that issue trying to discuss this in open court, Fitzgerald stated, "Judge Montgomery is in contempt of his own court."**

Rep. Tracy King and Robert Fitzgerald

Fitzgerald used a New Braunfels quarry as an example of potential for the association with a project by information brought to die[illegible] plant[illegible] that [illegible] Canal Spring[illegible] by the New[illegible] deny, Fitzgerald [illegible]ended an ominous warning [illegible]ince in the proposed Medina County quarry.

"Our water is precious to us," he said. "If the Edwards aquifer becomes undrinkable, it's over," he said. "The Edwards Aquifer Authority is very interested

• See "quarry", page 3



Vulcan Materials Southwest Division president Tom Ransdell (left) and consulting geologist Darrell Brownlow take notes at the MCEAA meeting in Quihi. (Photo by Michael Stern)

Proposed quarry draws 200 protestors

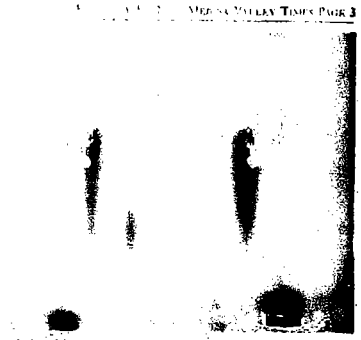
• Continued from Page 1

in this situation, although they do not have permitting authority."

The association's mission statement was read to the audience by its author, Mary Walpole. The statement read in part, "We want to continue the healthy, clean, peaceful environment that has caused our pioneer families to stay and that has attracted newcomers."

Ransdell later noted similarities in the group's mission statement compared to Vulcan's mission statement which states in part, "Our mission is....to be responsible stewards with respect to the safety and environmental impact of our operations and products..."

Rep. King promised the audience that he would make sure that Vulcan would get no special breaks or privileges in their permit application process with the Texas Natural Resources Conservation Commission. "I will make sure the TNRCC follows every single rule when considering this project. I'll make sure that



Vulcan Materials [illegible]ontine geologist Darrell Brownlow (left) [illegible]ten Ivey (corner) and Max [illegible]

[illegible] of environmental impact, [illegible] economic mobility [illegible] project, He also stat[illegible] that it will take [illegible] six to [illegible]

This was emphasized by [illegible]nadel in [illegible] the final question [illegible] the evening. What will make [illegible]ty to [illegible] pre[illegible]" asked [illegible] audience [illegible]nadel [illegible] the [illegible] row. [illegible] [illegible]. [illegible] replied. "We [illegible] started yet."

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Hondo Anvil Herald
Letter to Editor
2/10/00

Ref. 35

The Hondo Anvil Herald, Thursday, February 10, 2000, Sec. 2, Page 5

Your turn

P.O. Box 400, Hondo TX 78861 Fax: (830) 426-3348

An unwanted and undesirable neighbor

Dear Editor:

Landowners in north central Medina County, from Quihi to Dunlay, are working hard to oppose the proposed 2,000-acre Vulcan Quihi limestone quarry. This mining installation is moving at a fast pace as exploration is complete, leases with options are made, various railroad routes with marshalling yards are in consideration, truck routes are in consideration, plant size is set, Vulcan money has been allocated, plant designs are progressing and various permits are being prepared. Vulcan Materials Co. is principally engaged in the production, distribution and sales of construction materials and chemicals. Vulcan is the nation's leading producer of construction aggregate and they have all the money and clout to move the installation forward quickly.

The citizens' concerns for air, aquifer, recharge zone, land fills, roads, gravel truck dangers, traffic, property values, explosions and country tranquility are real and warranted. Our problems and concerns cannot and will not be properly addressed after the quarry is quickly put into operation. It seems Vulcan has done its homework and plans to move quickly. It is their ploy to keep opposition to a very minimum, keeping those in favor less than fully informed and known problems suppressed.

We, as concerned citizens, must study the problems, meet with our elected officials, meet with our elected officials and visit similar quarry sites. We must acknowledge that open pit quarry operations are offensive, dusty, noisy and have large amounts of explosives. These operations are notorious for being unwanted and undesirable neighbors for many reasons. Note that abandoned quarry areas fit the need and are often used for garbage dumps. With rail systems installed, this 2,000 acres could easily be used as a dump by adjoining cities.

We must remember that Vulcan is not a rich benefactor, but is a company traded on the New York Stock Exchange to make money for their stockholders. In 1999, their materials segmented earnings were $369,996,000. While a few in this area will make money from this mine, we all will have serious environmental exposures, dangers and accidents. Do we want to sell our legacy for this new mining neighbor?

If Vulcan can address public meetings in Quihi, Castroville and Hondo after meeting with our elected officials, then why can't concerned citizens also meet with officials? Why can't concerned citizens meet with officials under any form? I encourage all concerned citizens to join us in the Medina County Environmental Action League in fighting this project.

Respectfully,
L. Ray & J. Landrum
Hondo

Hondo Anvil Herald
Article
2/10/00

Ref. 36

HONDO ANVIL HERALD – 2/10/2000

House Natural Resource Committee meets in Hondo

Texas House of Representatives Committee on Natural Resources will meet in Hondo Thursday, Feb. 17, at 1 p.m. in the Hondo Community and Senior Center. Following invited speakers, the public will be allowed to give testimony on ground-water issues.

Library study committee to meet Wednesday

The Library Study Committee will meet on Wednesday, Feb. 16, at 6 p.m. at the Hondo Public Library. The meeting is open to the public and everyone is welcome to attend.

New Fountain Seniors plan monthly gathering

New Fountain Senior Citizens will have their monthly gathering Tuesday, Feb. 15, 11:30 a.m., in the Fellowship Hall of New Fountain United Methodist Church. Bring a covered dish and have fun with us.

Owls' Nest included in this issue

Don't miss this week's *Owls' Nest*, written and prepared by Hondo High School students, printed and inserted in the *Hondo Anvil Herald* as a public service of this newspaper.

Vulcan woos county citizens; studies quarry project's feasibility

...ill residents not convinced

Representatives of Vulcan Materials have been privately briefing elected officials, community and economic development leaders of Medina County to inform them of the company's plans to build a limestone quarry in Medina County.

The proposed 2,000-acre quarry site is located northeast of Quihi, about halfway between Dunlay and Medina Lake, on property owned partially by the Warzbuch and Boehme families.

Tom Randall, real estate manager for Vulcan Materials Co. Southwest Division, said the company is still in conceptual stages and have not been internally approved.

"This is a review of about forty ... that has been ... to try to ... and one was ... collector ... ter quality citations were ... settling pond discharge ... resulted in ...

"We're not perfect," he said, ... we think our record is good. ... inspectors in 1998 by the ...

Approximately 200 Quihi area ... attended a meeting Thursday ... at Quihi Gun Club Hall, ... information about what the ... consider an unwelcome ... new neighbor.

Previously, residents formed the Medina County Environmental Action League to fight the project.

Dr. Robert Fitzgerald, who was ... by ... Southwest ... at Tom Randall about the project, is not convinced that the company's words can be trusted.

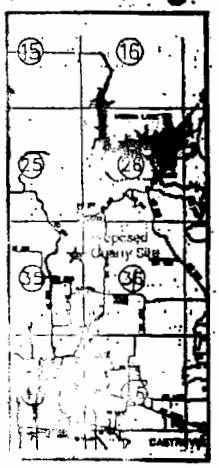
He said at Thursday's meeting a public awareness committee ... formed which will organize ... including a petition to be circulated ... letters to be sent to area and state officials and local organizations ... possible fundraising efforts.

"We are urging landowners ... are being approached for ... rights-of-way ... to stop," he said, adding that ... being forced to sell through ... eminent domain proceedings. A six-mile ... would be built from ... to the site.

"I don't think we have learned ... to ... quarry, not the equipment ... on the road.

He believes ... will be ... to health, noise, water, traffic ... and other problems "like a cancer that keeps ... Blanco.

"Many people would ... if it's a done deal," ... "but ... we know, ... three years in the ... only thing ... right now."



02/10/00 11:51 ... 30 ... T H E P.01

CASTROVILLE ... 2/10/2000

Castroville News Bulletin

Editorial Opinion

2/10/00

Ref. 37

Cont...

...he proposed quarry ... is but one ... the kind of ... industries ... of all kinds, and ... kinds ... to locate ... that ... on the ... s, it be ... n ... Industries such as ... quarry have ... only to ... that ... regulations ... locate ... there ... county. Objections ... reasonable ... do not ...

...process for ... such ... Natural Resources ... Commission.

... Judge David Montgomery ... have inquired ... residents wanting ... talk about the quarry at a recent ... meeting ... he denied the ... opportunity, he was on solid ground ... he said the commission has no ... jurisdiction.

... it may be largely by choice that ... county commission stays out of ... matters.

A zoning plan would give the county a voice in all development, and it ... be ... official ... likely ... by ... county residents ... with ... county ... ordinance is good, but these ... enough?

San Antonio Express News
Article
2/3/00

Ref. 38

Medina split on quarry

Opponents fear pollution, damage

By Zeke MacCormack
EXPRESS-NEWS STAFF WRITER

HONDO — Although Vulcan Materials is only considering creating a limestone quarry in eastern Medina County, the proposal for leaving a $20 million hole in the ground has already divided residents and elected officials.

A decision is at least one year away, but Vulcan already has lease options on about 1,000 acres for the quarry and is negotiating agreements to run a rail line to the site.

"We're in the conceptual stage of looking at this location and several others for future quarry sites," said Tom Randell, president of the company's southwest division.

Last week about 70 residents who live around the proposed quarry site packed the Medina County Environmental Action Group to fight the project.

"We're hoping that Vulcan will come to the light, so to speak, and go elsewhere to dig their limestone," said Robert Fitzgerald, group president.

Fitzgerald fears the quarry will pollute the air and groundwater. Besides, he said, the new [illegible] Display to the quarry site will [illegible] for farms.

■ See MEDINA/A 8

Medina residents split on quarry plan

■ Continued from [illegible]

ers [illegible]

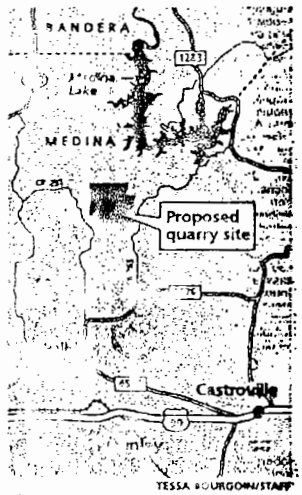
B[illegible] Wurzbach and others say these fears are unfounded. They see the quarry as a big boost for the economy here.

"We talked all this over with the company, and it's not supposed to do anybody any harm," said Wurzbach, 70, who has agreed to let Vulcan mine on her land.

She is concerned the project will be stymied by Fitzgerald's group, which [illegible] meeting at 7 tonight at the [illegible] Gun Club.

"It's [illegible]en on the ground yet, and [illegible]ing to stop it," Wurzbac[illegible]

Company officials have privately briefed [illegible] officials, community leaders, residents, including Fitzgerald, [illegible] have not held [illegible]ing to oppose it.



"[illegible] because they have an impeccable record at the TNRCC," Chris Schuchart, a Castroville lawyer acting as the company's community liaison, said Tuesday.

But TNRCC spokesman Patrick Shaughnessy said that since 1986, the company has been cited for six air quality violations and twice for water quality violations, resulting in fines.

[illegible] the concerns of Fitzgerald and others, Medina County Commissioner Roy Carden on Monday put off the quarry issue on a future meeting agenda or set it for [illegible] hearing.

[illegible] was buffeted by Medina County Judge David Montgomery, who said: "This is not something for the court to take a stand on. We have no authority over it. ... This is a private endeavor.

"We shouldn't even be in discussion on this matter."

[illegible] his prerogative to [illegible] commissioners' requests or [illegible] items.

[illegible] is subject to the county's review. It's always been that way," Montgomery said. "If it's not going on there, it is going to be on there."

[illegible] ruling by Attorney [illegible] Morales said, in part: "[illegible] commissioner may [illegible] items of his choosing on the [illegible]"

[illegible] xpress-news.net

San Antonio Express-News
February 3, 2000

Ref. 39

Hondo Anvil Herald
Article
2/3/00

HER

Our ... ns, 34 Pa... 1 Cents

County's l...

Quihi residents oppose proposed rock quarry

A group of Quihi residents are joi... ing together to protest a propos... rock ... project in their ar... Sixty-... people met last week ... proj... with the ... quality of life ... the ... area.

... lie... a handful ... people w... building money at ... who will be affec... by ... ble ... and a... ors dealing in real estate va...

They plan to form a group ... Com... ... Action ... Yuleen M... ... ale, the ... ator, from building ... quarry in McMullen C...

... anticipated to be three times the ... of the existing six ... in the county.

... determined that ... 186,220 ... project ... limestone ... y ... A rail- ... ed ... ill ... to ... port the ... quarry ... existing ... Highway ... railroad ... Ca... road ... under ... 2676.

There is expected to be two to three ... at least 50 ... a day. ... plans to acquire property ... and the ... right- ... ases from ...

... (Thurs- ... the ... ld. ... 01 ... Dr. Bob ... 210- ... 18; ...

Medina Valley Times
February 2, 2000

Ref. 40

Qui[illegible] quarry gets home[illegible]wner [illegible]old [illegible]oulder

Michael St[illegible]
Staff Wri[illegible]

A rock [illegible] for the [illegible] has caused [illegible] to organize [illegible] start to block the [illegible] The group is [illegible] incensed at county commissioners' refu[illegible] to discuss the matter [illegible] meeting [illegible]

Robert [illegible] Fitzgerald [illegible] of the court [illegible] County Judge Da[illegible] abruptly announced the quarry matter would [illegible] be put on the [illegible] "This is not [illegible] We have no authority in this matter," [illegible] said. "This is not something the court will [illegible] stand on, and [illegible] of it right th[illegible]," said Montgomery.

[illegible] said a [illegible] by Montgomery as the court reconvened following a break prevented him from addressing the court. "He said in open court that anyone who tried to talk about the matter would be held in contempt of court. I didn't [illegible] to be held in contempt, so we left," said [illegible]

Montgomery said, in fact, reminded those in attendance [illegible] the court's rules of [illegible] and decorum, and that violators would be held in contempt.

The proposed quarry will be operated by [illegible] Materials Co. [illegible] Division. Vulcan [illegible] is a Fortune 500 company based in Birmingham, Alabama. Site of the quarry is off CR 383 just [illegible] north of where the road makes a 90 degree turn to the east.

150 Jobs
New property taxes

Noise
Reduced property values

Located [illegible] the sit[illegible] Dunlay [illegible] as the [illegible]

Castroville attorney Chris Schuchart, who has been retained by Vulcan as local counsel, estimates up to [illegible] jobs at an [illegible] annual [illegible] of [illegible] 5,000 will be provided by the quarry if and when it reaches full operating [illegible] He also pointed out that Vulcan will provide top benefits for its employees. "[illegible] will be a great company to work for," said Schuchart.

Fitzgerald has organized [illegible] County [illegible] Action Association. The group met on Jan. 2[illegible] with 67 people in attendance, including Precinct 1 Commissioner Royce Hartmann. It was Hartmann who forwarded the [illegible] request to place the matter on the commission agenda.

"We felt that the county should [illegible] side," said Fitzgerald. "They could have listened to us," he said.

Currently, the county has no zoning restrictions or ordinances preventing the establishment of a pri-

• See "quarry", page 3

Thurman and Director Jeanette Williams were to meet with an election expert Feb. 7.

"We've more or less decided to do it just like we did in 1998," Thurman said. BMA converted to single member precincts in 1997.

Thurman said he didn't think there was time to decide who was eligible to vote and wasn't sure how to make that determination.

Up for re-election this year are directors Paul Marbach, Ted Kohlleppel and John Ward.

Director Grace Hitzfelder, also up for re-election, resigned in January. No replacement has been appointed.

Southern Cross flies on MLK Day

CASTROVILLE--City Administrator Donna Schuelling confirmed that a southern cross flag, also

MEDINA VALLEY TIMES 2/3/2000

Hom[illegible] protest pr[illegible]osed Quihi limestone quarry

• Contin[illegible] vate bu[illegible] activit[illegible] late [illegible] Howe[illegible] quarry [illegible] the go[illegible] Natural [illegible] Conserv[illegible] to recei[illegible] structi[illegible] This, [illegible] cold [illegible] The [illegible] er mo[illegible] cation, [illegible] lows tha[illegible] receive th[illegible]

[illegible] said [illegible] knows how much [illegible] harm [illegible] [illegible] of the [illegible] county, and it [illegible] will be [illegible] [illegible] have [illegible] the it [illegible] for [illegible]

[illegible] mation [illegible] this group is not [illegible] [illegible] a positive [illegible]

[illegible] have an impeccable [illegible] environmental record. I hope [illegible] pray that this project [illegible] off. I can't think of [illegible] like it that will h[illegible] a positive economic [illegible] on our county," [illegible] Schuchart.

Fitzgerald said that his group will meet again tonight at 7 PM at the Quihi Gun Club. "Anyone interested in this issue from both sides is welcome," he said.

[illegible] NOTICES

[illegible] NOTICE
[illegible] will accept [illegible] of a new 77 [illegible] school
[illegible] can be picked

Donald L. Wright
DONALD L. WRIGHT
Attorney for the Estate

Medina Valley Times
February 2, 2000

Medina [illegible]
Times
Article [illegible]
Letter [illegible]
Editor

2/2/00

Ref. 41

[illegible]ITO[illegible]

[illegible] harm [illegible]

Editor:

[illegible] After [illegible] about this pr[illegible]

[illegible] our lives [illegible] well [illegible] jeopardy [illegible] It is [illegible] such [illegible] an [illegible]

Vulcan Materials Southwest Division President Thomas Ransdell, and project manager [illegible] met with [illegible] and two commissioners?

Judge, if it isn't your business [illegible] mine, and those of us who [illegible] have property rights and freedom of speech. It is wrong not to allow people to speak to the court when [illegible] people have request[illegible] such a hearing. The Commissioners Court is supposed to represent us as well as govern us. Voters, remember this when you vote for your County Judge and Commissioners.

In closing, Judge Montgomery, you advised me, "If you have a problem with Vulcan Materials, you should work it out with them." [illegible] an answer would have been in contempt of [illegible] our homes, [illegible] the heritage of Medina County. I, for one, do not [illegible] Medina Co[illegible] into a huge [illegible] quarry.

[illegible] T. Fitzgerald

[illegible] It's not the first time that the White [illegible] around Capitol Hill to [illegible] something done. The

#E1-85
RY

"Coburn, David"
<DCoburn@steptoe.com>
06/06/2003 03:36 PM

To "'Jaya_Zyman-Ponebshek@URSCorp.com'" <Jaya_Zyman-Ponebshek@URSCorp.com>
cc ghoshr@stb.dot.gov
bcc
Subject RE: Some question concerning SGR's proposal- handling of debris

Jaya -- SGR has not made definitive plans in regard to the removal of debris. The only debris likely to be created by the construction of the line is vegetation. SGR will use best practices to dispose of it, but we cannot be any more specific at this point as those plans have not been made yet. As to staging areas/borrow pits, we anticipate that there will be a staging area, but cannot at this point identify where it will be. As to the need for any borrow pits, this will be up to the construction engineers. As you know, there will only be modest cutting and filling here as the terrain is reasonably flat. Finally, we cannot say at this point which routes would be used by construction vehicles to access US 90, although it seems likely that trucks will use FM 2676 and County Road 4516, depending on where they are going.

I hope this is helpful. Regards. David

-----Original Message-----
From: Jaya_Zyman-Ponebshek@URSCorp.com [mailto:Jaya_Zyman-Ponebshek@URSCorp.com]
Sent: Wednesday, June 04, 2003 12:33 PM
To: Coburn, David
Cc: ghoshr@stb.dot.gov
Subject: Some question concerning SGR's proposal- handling of debris

David,

I was wondering what is SGR planning to do with vegetation and construction debris. Will they burn them if permitted? Will they dispose them off site? Will they bury them? Will they consider any of the above? Will they establish staging areas and/or borrowing pits for the construction? Have they planned that far ahead? Which roads are likely to be utilized to haul materials off site onto Highway90?

Thanks

Jaya

Jaya Zyman-Ponebshek
Project Manager
URS Corporation
9400 Amberglen Blvd.
Austin, TX, 78729

512-419-5316
512-454-8807 (Fax)
Jaya_Zyman-Ponebshek@urscorp.com

FD-241

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David H. Coburn
202.429.8063
dcoburn@steptoe.com

July 18, 2003

VIA HAND DELIVERY

Ms. Victoria Rutson
Chief
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20402-0001

Re: Finance Docket No. 34284 -- Southwest Gulf Railroad Company -- Petition for Exemption from 49 U.S.C. § 10901 to Construct and Operate a Rail Line In Medina County, Texas

Dear Ms. Rutson:

By this letter, Southwest Gulf Railroad ("SGR") requests a determination by SEA, pursuant to its rules at 49 CFR § 1105.6, that the proposed construction and operation of the approximately 7 mile rail line that SGR has proposed to construct in Medina County, TX will not have any significant environmental impacts and that therefore an Environmental Assessment ("EA") is the appropriate type of environmental document to prepare rather than an Environmental Impact Statement. The Board's rules provide SEA with discretion to make the determination requested here. SGR believes for the reasons stated below that SEA should exercise its discretion to prepare an EA with respect to SGR's proposal.

SGR filed a petition for exemption with the Board in support of its proposal on February 27, 2003. The Board conditionally granted that petition by decision served May 19, 2003. The Medina County Environmental Action Association (MCEAA), on May 23, 2003, filed a petition seeking revocation of the exemption, to which SGR responded on June 9, 2003 That petition remains pending.

The proposed line will traverse primarily pastureland and rangeland in a rural area that is relatively sparsely populated. Under either the preferred alternative, or other feasible alternatives, no homes will be taken by the line and the line will not be any closer than approximately 400 feet from any inhabited home. The line would not be located near any schools, churches or other institutions.

The line's initial customer would be a limestone rock quarry that would be developed at the north end of the line by Vulcan Materials Company, the parent of SGR. The quarry will be located in an upland area allowing easy access to the Edwards Limestone, which, like practically

all other quarries in the region, is located in the Edwards Aquifer Recharge Zone. Such limestone is used for a variety of construction purposes in Texas and other surrounding states. The quarried limestone would be crushed and screened into various construction material products referred to as "crushed aggregate". The aggregate would then be transported by rail (or truck were no rail line constructed) from the quarry site. .

The rail line would include, at its northern terminus, a loading track (or series of tracks) on the quarry property within the general area of the stone crushing and screening plant. This crushing, screening, and rail loading plant will reside in an area of approximately 200 acres south of the actual quarry. To avoid any threat of contamination of the Edwards Aquifer, all petroleum storage and fueling facilities will be located on property further south of the crushing and screening and rail loading plant, on an area off the Edwards Aquifer Recharge Zone. These fueling facilities will be developed consistent with all relevant federal, state and local regulatory requirements regarding protection and containment of the fuel supply, and in conformity with all requirements imposed by the Edwards Aquifer Authority, which has been consulted on this project.

At its southern terminus, the line would connect with the Union Pacific line. For its initial operations, the rail would transport rock from the quarry to the UP line, with empty cars returning northbound. It is anticipated that there would be four trains operating over the line per day – two loaded trains southbound and two empty trains moving northbound. Each train could consist of as many as 100 cars.

SEA has been provided with a detailed map of the area and officials from SEA and URS Corporation, the third party contractor, have visited the site of the proposed line. In addition, several URS experts in various environmental disciplines, including hydrology, geology and cultural resources, have conducted extensive site visits. (Additional studies will also be undertaken by URS, as noted further below.) To date, SGR understands that no significant environmental issues have been identified with respect to the rail proposal. SGR further understands that URS has conducted various biological, geological, hydrological and cultural resources surveys of the area and that additional studies of noise, vibration and other impacts will be undertaken.

Under SEA's direction, URS submitted consultation letters to 19 federal, state and local entities in order to solicit views on possible impacts that might result from construction and operation of the rail line. These letters were sent to the following agencies: U.S. Environmental Protection Agency, U.S. Army Corps of Engineers, Advisory Council on Historic Preservation, U.S. Fish and Wildlife Service, Natural Resources Conservation Service, Federal Emergency Management Agency, Texas Historical Commission, Texas Commission on Environmental Quality - Environmental Protection Division, Governor's Office of Budget and Planning, Texas Parks and Wildlife, Texas General Land Office, Texas Department of Transportation, Texas Water Development Board, Kickapoo Traditional Tribe of Texas, Medina County Judge, Medina County Groundwater Conservation District, Schweers Historical Foundation, City of Hondo and City of Castroville. SGR understands that the Texas Historical Commission (possibly among

other agencies) has requested additional information to allow for its assessment of the line, but that no agency to date has identified a significant adverse impact from the line.

A public meeting was held by SEA on June 12, 2003 in Hondo, TX, the county seat of Medina County. The meeting generated numerous written comments both for and against the proposed rail line and the quarry. None of the comments made or filed in opposition to the line and/or quarry give rise to any issues that would warrant the preparation of an EIS. SGR will respond to these comments in a separate submission to your office.

In addition, Vulcan has worked cooperatively with the U.S. Fish and Wildlife Service ("FWS") to prepare a Biological Assessment for the quarry project and the rail line. The Assessment was prepared by a team of experts in biological, geological and cultural resources. An initial report was submitted to FWS in December 2001 and has been supplied to SEA. As part of the Assessment, a three year biological survey, which began in 2000, was undertaken and has now been completed. Supplemental Assessment reports are being prepared and will shortly be submitted to FWS, with copies to be provided to SEA. The Assessment concludes that the project will not have any serious adverse impacts on wildlife and vegetation in the area, and that no threatened or endangered species will be impacted.

The proposed line will not traverse any jurisdictional wetlands. Parts of the area, particularly near Quihi Creek, to be traversed by the line are already prone to flash floods. The rail line will not change or exacerbate that situation. In that regard, SGR intends to undertake detailed engineering work as required to design the stream crossings (which will be via appropriate and conventional trellis bridges) in a manner that would not exacerbate any existing flooding issues. SGR has no reason to believe, based on the work performed to date, that there are any unique issues regarding flooding here that cannot be addressed by proper engineering design and construction. In that regard, SGR has located its preferred route to allow for the crossing of Quihi Creek at its lowest point of flow. Further, on July 16, 2003, a representative of SGR met with the Medina County Flood Plain Administrator and toured the proposed stream crossing locations. SGR will consult at all appropriate stages with the Flood Plain Administrator and with the Corps of Engineers and any other relevant agencies on these matters.

The area to be traversed by the line is geologically very stable; there are no active faults in the area. San Antonio and Austin are built on the same ancient fault line (the Balcones Fault zone) that the line will cross. The fault, which created the Texas Hill Country and the uplands where the quarry will be located, has been inactive for millions of years.

Karst features are not a concern for the proposed line. Such features exist only in the limestone formations in the area, i.e., the area immediately around the quarry. Only a small portion of the loading loop near the quarry will be located in this area, which has been thoroughly surveyed by qualified geologists who have concluded that there are no environmentally significant karst features. The remainder of the rail line, constituting virtually the entire seven miles of the line, will reside on stable shale and gravel that cannot develop karst features.

SGR intends to ensure that its line is constructed in a manner that will protect cultural resources, specifically, certain historic homes in the area. At its closest point, the preferred alignment comes no closer than about 1,000 feet from the Schuehle-Saathoof Historic House. SGR understands that SEA has asked URS to review the possible impact of vibration from rail traffic on this structure. Given the distance of the structure from the line, and the fact that the trains will not operate at high speeds, SGR does not believe that vibration will be a problem, but will consult with SEA on this matter should the vibration study suggest otherwise. It bears note that movement of the line farther east, to a point more than 1,000 feet away from the historic home, is probably not feasible as this would make it impossible for the line to cross Quihi Creek at the most optimal point for such a crossing. With respect to the potential impacts of vibration on well and irrigation pipes in the area, SGR intends to consult with the engineers that will design and construct the line to ensure that any vibration impacts are minimized.

SGR also understands that SEA has asked URS to review potential noise impacts of the line. SGR believes that these impacts will be minimal given the relatively low housing density proximate to the line, the modest level of projected train traffic and the absence of any institutions (schools, churches, etc.) near the line. The four trains/day that SGR will operate are below the eight train/day threshold set forth in SEA's regulations for noise analysis. Again, SGR will be prepared to discuss noise issues with SEA once the noise study has been completed

Medina County is an air quality attainment area. Air quality impacts of the line are expected to be minimal, and the number of trains projected to be operated is below the eight train/day threshold in SEA's regulations warranting detailed air quality analysis.

The proposed rail line will be constructed to ensure that it is in compliance with requirements imposed by the Edwards Aquifer Authority ("EAA"). In its April 16, 2003 response to the environmental consultation letter it received in this proceeding, the EAA noted that most of the line is not in the Recharge Zone and that rail transport is a better alternative to the trucking option for the transportation of quarried limestone. As noted, SGR intends to construct those portions of the line that may be within the Recharge Zone in a manner consistent with all EAA requirements. SGR will consult regularly with the EAA relative to this matter.

SGR intends to construct its line in a manner that will minimize adverse land use impacts. Where possible, the line will be constructed on property already owned by entities affiliated with SGR. Further, SGR's preferred routing was designed to minimize the number of properties that would be traversed by the line. To the extent property not already owned by SGR affiliates will need to be acquired for the line, SGR will endeavor to the greatest extent possible consistent with sound engineering and design to locate the line along or near fence lines and thus reduce any impacts to agriculture. SGR will also design the line so as to avoid any potential adverse impacts to any irrigation pipes and wells that may be in the vicinity of the line.

The line will cross only one state highway, which is a lightly used farm-to-market road, FM 2676. According to Texas Department of Transportation ("Texas DOT") statistics, only about 570 vehicles/day use this road in the vicinity of the proposed crossing. SGR has begun consultations with the Texas DOT about the appropriate protection for this crossing and expects to complete those discussions within the coming weeks. The line will also cross one other paved

County road (CR 4516) and between three and four other gravel topped county roads. SGR is currently reviewing options for crossing protection for these roads and intends to discuss these matters with appropriate county officials in the near future. SGR will report to SEA on the progress of its discussions with Texas DOT and County officials.

The proposed line will also cross two pipelines. One of these is owned by Duke Energy. That pipeline, formerly used to transport natural gas, is not currently in use, although, according to representatives of Duke Energy, pressure is maintained on the pipe to insure its integrity in the event of future use. SGR has initiated discussions with Duke Energy about requirements with respect to crossing the pipeline, which is located north of the planned Quihi Creek crossing. Further, SGR is investigating the ownership of the other pipeline that will be crossed (which is about one mile north of the southern terminus of the line) and is prepared to consult with its owners with respect to all appropriate measures that may need to be taken to ensure safety. SGR understands that this other pipeline was also used to transport natural gas, but it is unclear whether or not the pipeline is still in use.

Based on the above, SGR reiterates that there do not appear to be any significant environmental impacts associated with its proposed rail line. For that reason, SGR requests that SEA move forward to prepare a Draft EA in this matter and thereby waive the provisions of 49 CFR 1105.6 to the extent that that regulation may call for an EIS. SGR appreciates that a determination to prepare an EA in this matter would be subject to re-examination in the event that subsequent developments indicated that an EIS is warranted.

Sincerely,

David H. Coburn
Attorney for Southwest Gulf Railroad Company

cc: Ms. Rini Ghosh, SEA
Ms. Jaya Zyman-Ponebshek, URS
Mr. Darrell Brownlow

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#EI-259

August 4, 2003

VIA HAND DELIVERY

Ms. Victoria Rutson
Chief
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20402-0001

Re: Finance Docket No. 34284 -- Southwest Gulf Railroad Company -- Petition for Exemption from 49 U.S.C. § 10901 to Construct and Operate a Rail Line In Medina County, Texas

Dear Ms. Rutson:

By this letter, petitioner for exemption Southwest Gulf Railroad ("SGR") replies to those public comments that have been submitted to SEA in recent weeks, following the June 12, 2003 public meeting on this matter in Hondo, TX. SGR is aware of comments that are adverse to the rail line, as well as comments filed in support of the rail line. In many cases, comments were submitted by multiple family members echoing one another. In other cases, comments were filed by persons who do not live in the immediate vicinity of the line. Further, many of the comments address concerns that relate to the quarry that SGR's parent, Vulcan Materials Company, intends to develop in Medina County. The development and operation of that quarry is outside the scope of the Board's jurisdiction.

SGR will reply here only to those comments that were directed to the rail line and to environmental issues within the appropriate ambit of consideration by SEA in connection with the NEPA review process. The comments repeatedly raise many of the same issues, and virtually all of them fall into the classic "not in my backyard" category. None of the comments come close to justifying a finding that the railroad's impacts are so significant and adverse that the line should not be constructed or that its impacts would outweigh the adverse impacts of a no-build alternative that would result in significant trucking operations in the area.

SGR will organize this reply issue by issue, addressing those issues that were most frequently raised. SGR would be pleased to provide additional information to SEA and URS on any specific issue upon request.

1. **Flooding.** Some local residents are concerned that the line, which crosses a few ephemeral streams, might result in flooding. The area of Medina County where the line is being planned is already prone to flash floods during occasional periods of heavy rain. The rail line would not exacerbate this pre-existing situation. The preferred alternative (as well as each of the other alternatives) were the product of preliminary engineering evaluations on the basis of which the optimal stream crossing locations were identified. In the case of Quihi Creek, which is most often mentioned by project opponents as a potential flooding source, the proposed crossing is at a point of minimal flow, upstream from a point where that creek intersects with other creeks. If the Board approves the preferred alignment, SGR intends to undertake more detailed engineering work as required to design the trellis bridges that will be used for the stream crossings in a manner that would not exacerbate pre-existing flooding risks. SGR has no reason to believe, based on the work performed to date, that there are any unique issues regarding flooding here or that sound engineering practices cannot address the concern that the line would worsen the existing situation. Further, an SGR representative has toured the relevant area with the Medina County Flood Administrator and his assistant. SGR is committed to keeping the Administrator, as well as (to the extent appropriate) the Corps of Engineers and other relevant officials and agencies, informed as to its plans for stream crossings to ensure that any legitimate water control issues are properly addressed.

2. **Geological Faults/karst features..** SGR has carefully examined the geology of the area and concluded that there are no active geological faults in the area. The fault which is responsible for the uplands where the quarry is located, which also passes through San Antonio, has been inactive for millions of years. SGR also believes that studies of the area will confirm its determination, based on geological review of the area, that karst features do not present a problem for rail line construction in the area.

3. **Traffic Issues.** Claims have been made that the crossing by the rail line of certain county roads and one state farm-to-market road (FM 2676) will create a dangerous traffic situation, and highway delays. SGR has been in consultation with the Texas Department of Transportation concerning the nature of crossing protection appropriate for FM 2676 and has retained a consultant to advise it with respect to crossing the County Road 4516. SGR is committed to safety and will ensure that these crossings, and the other planned crossings, are properly protected pursuant to applicable safety standards. As to delay, it bears noting that the railroad would be constructed in a very rural area (not near Hondo or Castroville) and that traffic volumes on the roads that will be crossed are light. For example, the most heavily traveled of the crossed roads (FM 2676) carries on average less than 520 vehicles/day according to the most recent TexDOT statistics. Thus, the number of vehicles impacted by delay will not be significant. Further, assuming trains that are about 100 cars long moving at about 20 mph, the delay at each crossing per train will not exceed about 3-4 minutes/train. This is comparable to delays regularly experienced at hundreds of crossings of major rail lines in Texas, including numerous crossings of city streets by the UP line in Hondo.

4. **Cultural Resources.** Claims that the railroad will impact, or even destroy, historic resources in the area around Quihi have been vastly overblown. These claims seem to be based on the notion that the railroad will cause flooding in the area, which as stated above is not true. The rail line will not directly impact any historic homes or other cultural resources and SGR does

not believe that there are likely to be any significant indirect impacts on such resources. SGR is sensitive to the need to preserve the area's history. The Schweers Historical Foundation has, in fact, stated its support for the project. Further, any concerns about the railroad's impact on historic resources will be addressed during the course of the on-going environmental and Section 106 historical review processes, in which the Texas Historical Commission and other interested entities will have ample opportunity to review and comment on the rail line's impacts.

5. Noise/health issues. Some parties complain that the rail line will bring noise to a quiet area of the countryside, while others claim that the line will impair the health of nearby residents. SGR does not deny that trains (like trucks and farm equipment) make some noise. But if that were a disqualifying feature of trains, no new railroads would be constructed. SGR's line will not pass any closer than 400 feet to any residence and will not pass near many residences at all in the very rural area in which it would be built. Nor will it pass near any schools, churches, parks, hospitals or other non-residential noise receptors. SGR believes that further studies of the noise impacts of its line by SEA will underscore that such impacts will not be significant. Further, SGR is not aware of any link between a railroad and public health, and has no basis for believing that its railroad will degrade the health of persons living in the area. Emissions from the railroad will be minimal -- SGR will be operating only 4 trains/day for the forseeable future and this is well below SEA's 8 train/day threshold for more intensive air quality analysis in Medina County, an air quality attainment area. In fact, the railroad will generate a much lower level of emissions than would the large number of trucks that would be needed were the line not built. In addition, rail operations at other quarries provide demonstrative proof that the limestone dust feared by some commenters will not materialize.

6. Impacts on Wildlife and Agriculture. Claims have been made that the rail line will adversely impact wildlife, impair the quality of hunting in the area and interfere with irrigation pipes and area agricultural pursuits. None of these claims have been sustained with any verifiable evidence. A thorough Biological Assessment has been completed in coordination with the U.S. Fish and Wildlife Service and it concludes that the rail line (and quarry) will not interfere with any threatened or endangered species. Further, SGR is not aware of any study that has shown that the rail line will impair hunting in the area, and is not aware of any reason why this should be the case in comparison, for example, to roads in the area. As to agriculture, SGR intends to take steps to design its line so that it will not interfere with irrigation pipes or with wells that are used for agricultural or other purposes. In addition, it is intended that the line will, to the greatest extent possible, be built along property boundary lines so that agricultural lands will not be unnecessarily bisected The routing preferred by SGR will traverse fewer properties than alternative routings that have been considered. Further, SGR understands that vibration impacts of its line, which it does not expect to be significant, are being carefully reviewed.

7. Impacts to Aquifer. The proposed rail line would not impact the Edwards Aquifer Recharge Zone as all of the rail line except the connection with the quarry would be located outside the recharge zone, including fueling and maintenance facilities. The rail line will not, directly or indirectly, have any adverse impact on the Aquifer, and will be constructed and operated consistent with the requirements of the Edwards Aquifer Authority, which is responsible for aquifer issues. SGR and Vulcan have consulted with that Authority and intend to continue to do so going forward to ensure that water quality is not impaired by the rail line.

8. Quality of Life Issues. SGR and Vulcan intend to be good neighbors, just as Vulcan is in many rural areas in Texas and other states where it operates quarries. The rail line will support the quarry and other businesses, bringing much needed jobs and tax revenues to an area that currently offers few economic opportunities for residents. Some area residents believe that the rail line will reduce their ability to subdivide their property for future home sales or will degrade the general value of the area. SGR does not concur that a line that will operate 4 trains/day will have such impacts or that any such impacts outweigh the economic benefits to the area. Further, some opponents raise the specter of their community being destroyed by an influx of SGR and perhaps Vulcan employees who they fear will not necessarily be able to afford the expensive houses that they envision for the area. They are concerned that their plans to subdivide their property and sell it for "high-end" homes may thus be threatened by those who will fill new jobs in Medina County. The efforts of these relatively wealthy area landowners to inject a form of class warfare into this environmental review should be seen for what it is and summarily rejected.

9. Need for Line/Eminent Domain. SGR's line is designed to support the quarry that Vulcan plans for Medina County, and to transport freight for other businesses that locate in the area. Were the line not built, the quarry would nonetheless be developed as there is a growing need for the aggregate and other products it will generate. To state the obvious, Vulcan would not develop the quarry were their no market for its products. However, without a rail line hundreds of trucks would be needed to transport the quarry's product over 7 miles to the UP line, where a rail loading facility would need to be constructed. In addition, SGR's potential exercise of eminent domain rights, aside from being a highly speculative proposition at this time, is not in SGR's view an appropriate issue for consideration by SEA in its study of the environmental impacts of the SGR line. Should the Board allow the construction of the line, SGR will negotiate in good faith with those landowners whose property it may need for the line.

Again, SGR will be pleased to respond to any questions that SEA may have concerning these or other matters.

Sincerely,

David H. Coburn
Attorney for Southwest Gulf Railroad Company

cc: Rini Ghosh, SEA
Jaya Zyman-Ponebshek, URS
U.S. Senator John Cornyn
U.S. Representative Henry Bonilla
Texas Senator Frank Madla
Texas Representative Timeteo Garza
Jim Barden, County Judge, Medina County
Royce Hartman, Commissioner Pct. 1, Medina County
Medina County Economic Development Committee
Ed Fischer, Mayor City of Hondo
Hondo Chamber of Commerce

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SURFACE TRANSPORTATION BOARD

Washington, DC 20423

Office of Economics, Environmental Analysis, and Administration

August 4, 2003

Mr. David Coburn
Steptoe & Johnson, LLP
1330 Connecticut Avenue, NW
Washington, DC 20036-1795

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad Company – Construction and Operation Exemption – Medina County, TX – Request for Additional Information

Dear Mr. Coburn:

As you know, the Surface Transportation Board's Section of Environmental Analysis (SEA) is conducting an environmental review of Southwest Gulf Railroad Company's proposed rail construction and operation in Medina County, Texas. Based on the questions received from the public through our June 12, 2003 Open House and the information gathered in our preliminary studies, we have identified several areas that we believe warrant additional or more detailed analysis. In consultation with URS Corporation (URS), SEA's independent third-party consultant for this proceeding, we have prepared a list of information we need from SGR in order for us to conduct this analysis. We are writing to request SGR to provide SEA with information on the points listed below:

Maintenance or Fueling Facility

- Comments received from the public have indicated concern about fueling operations. Information provided by SGR and our preliminary studies indicate that a rail-related maintenance or fueling facility would be constructed and operated as part of the proposed project. In order to assess potential environmental impacts from this facility, we request the following information:

  1. Please provide the footprint and location of the maintenance or fueling facility (located on a map).

  2. Please briefly describe proposed fueling and maintenance operations and spill prevention measures and procedures at the facility and how SGR would meet regulatory requirements for the amount of fuel storage it would require. If Vulcan

Materials Company (Vulcan) has a general procedure manual used in other facilities, which describes the procedures that would be used at the proposed facility, it would suffice to include a copy of it.

3. Please indicate whether the facility would be used for rail only or if it would also be used for trucks.

4. If known, please indicate the number of fuel tanks, tank size, and fuel type (vapor pressure) that would be stored at the facility. What would be the maximum amount of fuel stored? How much fuel would be used for the locomotives? If known, please indicate the number of valves, flanges, and other appurtenances. Would the facility be regulated by any permits?

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5. Please indicate the general types of materials to be handled at the facility. Would materials be stored in tanks or other containers? If possible, please indicate the amount of material that would be stored.

6. Would the facility be built as part of the no-build alternative as well? If so, how would operations at the facility differ?

Switch Yard

- Information provided by SGR states that a switch yard would be built as part of the no-build alternative. In order to assess more fully the potential environmental effects of the no-build alternative, we request the following information:

  1. Please provide the footprint and location of the switch yard (located on a map).

  2. Please briefly describe proposed operations at the switch yard that would be built as part of the no-build alternative. Please indicate how operations at the switch yard would comply with Federal and state requirements. Please indicate what spill prevention measures and best management practices would be used or provide a general manual from other similar facilities for compliance with Federal and state regulations.

  3. Please indicate the general types of materials to be handled at the switch yard. Would materials be stored in tanks or other containers? Any idea of how much material would be stored?

Air Quality

- Although SGR's proposed project does not meet our thresholds for air quality analysis, based on questions received from the public, we are examining potential air quality

impacts from the proposed project. In order to assess potential effects on air quality from the action and no-build alternatives, we request the following information:

1. Would the trucks be idling while they are being unloaded or loaded at the quarry and at the switch yard? How long would they idle?

2. Please indicate how many trucks would be needed for deliveries to the local market under the proposed action.

3. Please indicate who would be responsible for operating and maintaining the trucks, and whether the trucks would be fueled off site for the action and no-build alternatives.

Vibration

- Based on public concern regarding vibration impacts to residences and cultural resources from the proposed project, we are assessing the potential vibration impacts from the proposed project. In order to assess the potential vibration effects, we request the following information:

  1. The amount of energy transmitted depends on the smoothness of the steel wheels and rail and the resonance frequencies of the vehicle suspension system and the track support system. Train type, speed, as well as the surface condition and the configuration of the system are also factors. If possible, please provide any specific information on the technical details of the trains that would be used. Information on similar trains used at other Vulcan quarries would suffice.

Noise

- Although SGR's proposed project does not meet our thresholds for noise analysis, based on questions received from the public, we are examining potential noise impacts from the proposed project. In order to assess potential effects on noise from the action and no-build alternatives, we request the following information:

  1. Please indicate the average number of locomotives per train. Please also indicate the reference sound levels for locomotives, warning horns, freight cars, idling and locomotives, if available.

  2. Please indicate the types of trucks that would be used for local markets for the action and no-build alternatives, and for long distance markets, as part of the no-build alternative.

Other Facilities

- Information provided by SGR indicates that a rail loading facility and a rail interchange facility (at the connection with the Union Pacific Railroad Company) would be constructed as part of the proposed project. In order to develop a comprehensive map of the proposed project, which includes all project components, we request the following information:

  1. Please provide a general description and the footprint and location of the rail loading facility (on a map). built alternative

  2. Please provide a general description and the footprint and location of the rail interchange facility (on a map).

Specific Questions Asked by the Public

- Please provide detailed information regarding the level of traffic over the proposed rail line, including projected initial traffic levels, an estimate of when the traffic levels would increase to the projected 2 loaded and 2 empty trains per day, and whether traffic would increase from 2 loaded trains and 2 empty trains per day in the reasonably foreseeable future.

- If possible, please indicate which streams SGR would cross by bridge for the action alternatives and any information regarding these proposed crossings.

- Please indicate whether SGR would use any chemicals for weed control or for other right-of-way maintenance activities.

Please send one copy of your response to Jaya Zyman-Ponebshek of URS and one copy to Rini Ghosh of SEA. If you have any questions or need additional information to respond to this information request, please feel free to contact me or Ms. Ghosh of my staff at (202) 565-1539. Thank you for your assistance.

Sincerely yours,

Victoria Rutson
Chief
Section of Environmental Analysis

Saya .

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September 2, 2003

VIA HAND DELIVERY

Ms. Rini Ghosh
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20402-0001

Re: Finance Docket No. 34284 -- Southwest Gulf Railroad Company -- Petition for Exemption from 49 U.S.C. § 10901 to Construct and Operate a Rail Line In Medina County, Texas

Dear Ms. Ghosh:

This will respond to the August 4, 2003 letter from Victoria Rutson requesting various information in connection with the environmental review of the above proposed rail line.

Maintenance or Fueling Facility

1. **Please provide the footprint and location of the maintenance or fueling facility (located on a map).**

   A map showing the approximate proposed location of the facility is attached as Exhibit 1. Note that the maintenance/fueling facility is located off the Edwards Aquifer recharge zone. Further, the map at Exhibit 6 shows the same information, as well as the elevations in the area and the location of the few residences in the general vicinity of the facility. These Exhibits also show the property leased by Vulcan and owned by Vulcan in the vicinity of the quarry.

2. **Please briefly describe proposed fueling and maintenance operations and spill prevention measures and procedures at the facility and how SGR would meet regulatory requirements for the amount of fuel storage it would require. If Vulcan Materials Company (Vulcan) has a general procedure manual used in other facilities, which describes the procedures that would be used at the proposed facility, it would suffice to include a copy of it.**

   The facility will be used to support operations at the quarry, as well as for rail transportation operations. Specifically, the facility will serve as a location for maintenance of plant equipment, as well as for maintenance of any SGR

locomotive and rail equipment. In addition, the facility will serve as a fueling base for plant and rail equipment.

A list of federal and state regulations to which the facility will be subject, e.g., air quality and spill prevention regulations, is submitted herewith as Exhibit 2 (the regulations pertinent to blasting would not apply). A November 2000 chapter drawn from *Local Government Guide to the Texas Natural Resource Conservation Commission* (TNRCC), describing the regulation to which petroleum storage tanks are subject in Texas, is also attached. Note that while the regulatory regime described in that chapter is accurate, the TNRCC has since been replaced by the Texas Commission on Environmental Quality, which now undertakes the same regulatory responsibilities relative to these matters. All tanks will be provided with secondary containments in accordance with 40 CFR Part 112, the EPA rule governing Oil Pollution Prevention. The secondary containment is typically reinforced concrete and is designed to hold the volume of the largest tank, plus the 25-year twenty four-hour storm. All appropriate tanks will be registered as required with the State of Texas. In addition to the EPA rules noted above, a Storm Water Pollution Prevention Plan (SWPPP) prepared for the Texas Pollution Discharge Elimination System (TPDES) Permit that will be procured will address pollution prevention measures for the facility and containment area.

Compliance with these requirements, and the other relevant rules identified on Exhibit 2, would be required for the fuel/maintenance facility independent of the existence or operation of the SGR.

3. **Please indicate whether the facility would be used for rail only or if it would also be used for trucks.**

As noted above, the facility would be used to support quarry operations and thus would be constructed whether or not the SGR railroad is exempted by the STB. The facility could also be used to support truck operations, particularly in the event that the railroad were not built and Vulcan opted to develop a trucking operation for the benefit of the quarry.

4. **If known, please indicate the number of fuel tanks, tank size, and fuel type (vapor pressure) that would be stored at the facility. What would be the maximum amount of fuel stored? How much fuel would be used for the locomotives? If known, please indicate the number of valves, flanges, and other appurtenances. Would the facility be regulated by any permits?**

5. Although the maintenance and fueling area has not been designed, a facility needed to support quarry and rail operations would normally utilize up to three 10,000 gallon diesel tanks along with numerous other containers and tanks ranging in size from 55 gallon to 1,000 gallons for containment of various oils, lubricants, anti-freeze, and used oil for recycling. The relatively modest diesel fuel use for SGR would not warrant a separate containment area. Thus, the facility would be essentially the same size whether or not the SGR line is built since most of the facility and stored fuel would be used to support quarry operations. The number of valves, flanges, and other appurtenances at the facility is not known at this time. The facility would be subject to the relevant permits described above and on Exhibit 2.

6. **Please indicate the general types of materials to be handled at the facility. Would materials be stored in tanks or other containers? If possible, please indicate the amount of material that would be stored.**

   This question has been withdrawn.

7. **Would the facility be built as part of the no-build alternative a well? If so, how would operations at the facility differ?**

   See response to questions 2, 3 and 4, above. The facility would be built even if there were no railroad since it will be used in part to support the fueling and maintenance of plant equipment. In the case of the no-build alternative, the facility likely would be used for plant equipment fueling and maintenance, and be used as a trucking fueling/maintenance facility to support a fleet of trucks delivering materials to the remote rail loading facility. See discussion below under "Switch Yard."

Switch Yard (Remote Rail Loading Facility)

1. **Please provide the footprint and location of the switch yard (located on a map).**

   A map showing where an approximately 100 acre truck-to-rail remote rail loading facility would have to be built if the railroad were not built (no-build alternative) is attached as Exhibit 3. We believe that the most appropriate name for this facility (to avoid confusion with rail switching) is a remote rail loading facility.

2. **Please briefly describe proposed operations at the switch yard that would be built as part of the no-build alternative. Please indicate how operations at the switch yard would comply with Federal and state requirements. Please indicate what spill prevention measures and best management practices**

would be used or provide a general manual from other similar facilities for compliance with Federal and state regulations.

The remote rail loading facility will serve as a facility at which the aggregate would be off-loaded from trucks that originate at the quarry and loaded onto railcars. There would be a modest-sized fueling facility at this location to accommodate fueling of the locomotive used in the rail interchange operations, and this same fueling facility might also serve the needs of the trucks used to transport the aggregate to the remote loading facility in the event that these trucks are not fueled elsewhere, e.g., at the maintenance/fueling facility located at the quarry. The operation of the remote rail loading facility would likely fall under the jurisdiction of certain of the regulations associated with dust/air quality, noise, traffic, water and petroleum products identified in Exhibit 2.

3. **Please indicate the general types of materials to be handled at the switch yard. Would materials be stored in tanks or other containers? Any idea of how much material would be stored?**

The types of materials to be stored at the remote rail loading facility would be diesel fuel and lubricants associated with the relevant equipment. We would anticipate a single 10,000 gallon storage tank. Of course, the aggregate (consisting of crushed limestone) from the quarry also will be handled at the remote rail loading facility, and there will be substantial stockpiles of the aggregate maintained there prior to its loading.

Air Quality

1. **Would the trucks be idling while they are being unloaded or loaded at the quarry and at the switch yard? How long would they idle?**

The trucks will be idling during the loading/unloading process at the quarry and at any remote rail loading facility. We estimate each vehicle will idle for about 10 minutes during the loading process in the vicinity of the quarry and 10 minutes during the unloading process at the remote facility.

2. **Please indicate how many trucks would be needed for deliveries to the local market under the proposed action.**

We estimate approximately 20 to 30 trucks/day. These trucks would operate were the SGR line built or under the no-build alternative.

3. **Please indicate who would be responsible for operating and maintaining the trucks, and whether the trucks would be fueled off site for the action and no-build alternatives.**

Transportation

Trucks used for local delivery likely will be controlled, operated and fueled by area trucking companies under either the build or no-build alternatives. These trucks could be maintained and fueled at the plaint maintenance and fueling area or at the remote rail loading facility.

See Exhibit 3 for anticipated truck routings to/from the remote rail loading facility under the no-build alternative. It is likely that some road improvements would be required on these routes to accommodate the level of truck traffic under the no-build alternative.

For local market use under either the build or no-build alternatives, trucks would exit from quarry area via CR 351 or CR 353, and proceed onto FM 2676 heading east toward Rio Medina or west toward Hondo, depending on the final destination. Vulcan would consult with County officials about the optimal routing for these trucks.

Vibration

1. **The amount of energy transmitted depends on the smoothness of the steel wheels and rail and the resonance frequencies of the vehicle suspension system and the track support system. Train type, speed, as well as the surface condition and the configuration of the system are also factors. If possible, please provide any specific information on the technical details of the trains that would be used. Information on similar trains used at other Vulcan quarries would suffice.**

Although various options are available to SGR, SGR has not at this time decided specifically on the type of locomotives to be used. SGR anticipates using three locomotives, each supplying approximately 2500-3000 horsepower. SGR intends to use welded rail, with appropriate railbed ballast.

Noise

1. **Please indicate the average number of locomotives per train. Please also indicate the reference sound levels for locomotives, warning horns, freight cars, idling and locomotives, if available.**

As noted above, SGR anticipates using approximately three diesel or diesel/electric locomotives per train, each with about 2500-3000 horsepower.

These may be owned by SGR or by the Class I railroad. No further information on reference sound levels is available at this time, but SGR is further reviewing this issue. SGR commits that its rail operations will comport with FRA noise guidelines at 49 CFR Part 210.

2. **Please indicate the types of trucks that would be used for local markets for the action and no-build alternatives, and for long distance markets, as part of the no-build alternatives, and for long distance markets, as part of the no-build alternative.**

All trucks will comply with all federal and state DOT specifications for the roads being utilized. Typically, local market trucks will consist of tractor trailers (end dumps) carrying approximately 20-23 tons of material and tandem trucks that typically carry between 8-10 tons of material. Similar trucks likely would be used to transport aggregate to a remote rail loading facility under the no-build alternative.

Other Facilities

1. **Please provide a general description and the footprint and location of the rail loading facility (on a map).**

See Exhibit 1 for the description of the rail loading facility that will be located near the quarry site. We anticipate an automated aggregate loading system will be integrated into the facility and used to load railcars. Most of the aggregate will have been washed in the aggregate processing facility. The track layout will consist of either a loading loop or a series of parallel tracks in the same general vicinity as the loading loop depicted on Exhibit 1. The crushing, screening and other plant operations for the quarry would be located near the rail loading facility.

2. **Please provide a general description and the footprint and location of the rail interchange facility (on a map).**

See Exhibit 4. As shown on that Exhibit, this will consist of a single main track with a possible side track approximately one mile long which could be used to temporarily store a loaded or unloaded train. This interchange area would not require fuel storage or material handling areas, as in the no-build alternative since the SGR locomotives will be serviced and maintained in the quarry maintenance/fueling area. In addition, there would be no material handling necessary at this site. The operation would involve the Class I railroad picking up a waiting loaded unit train or leaving an unloaded unit train.

Specific Questions Asked by the Public

1. **Please provide detailed information regarding the level of traffic over the proposed rail line, including projected initial traffic levels, an estimate of when the traffic levels would increase to the projected 2 loaded and 2 empty trains per day, and whether traffic would increase from 2 loaded trains and 2 empty trains per day in the reasonably foreseeable future.**

   SGR anticipates that there will be 1 loaded unit train per day (and 1 unloaded train) following start-up, assuming that the quarry will produce about 3 million tons/year. Depending of course on market conditions this is expected to grow, within an approximately five year period from start-up, to 2 loaded unit trains per day and 2 unloaded trains/day. SGR does not anticipate any more than that number of trains/day within the reasonably foreseeable future.

2. **If possible, please indicate which streams SGR would cross by bridge for the action alternatives and any information regarding these proposed crossings.**

   Exhibit 5 shows, for the preferred alternative, the location of the stream crossings. SGR anticipates that trellis bridges will be constructed as indicated on that Exhibit. An exhibit that shows these stream crossings for the other action alternatives will be submitted shortly.

3. **Please indicate whether SGR would use any chemicals for weed control or for other right-of-way maintenance activities.**

   SGR has not made a final determination as to whether or not it will use chemicals for weed control or other right-of-way maintenance activities. However, SGR plans to maintain the right-of-way in a manner that will minimize fire hazard consistent with industry and local standards.

Sincerely,

David H. Coburn
Attorney for Southwest Gulf Railroad Company

Enclosure

cc: Ms. Jaya Zyman-Ponebshek
Dr. Darrell Brownlow

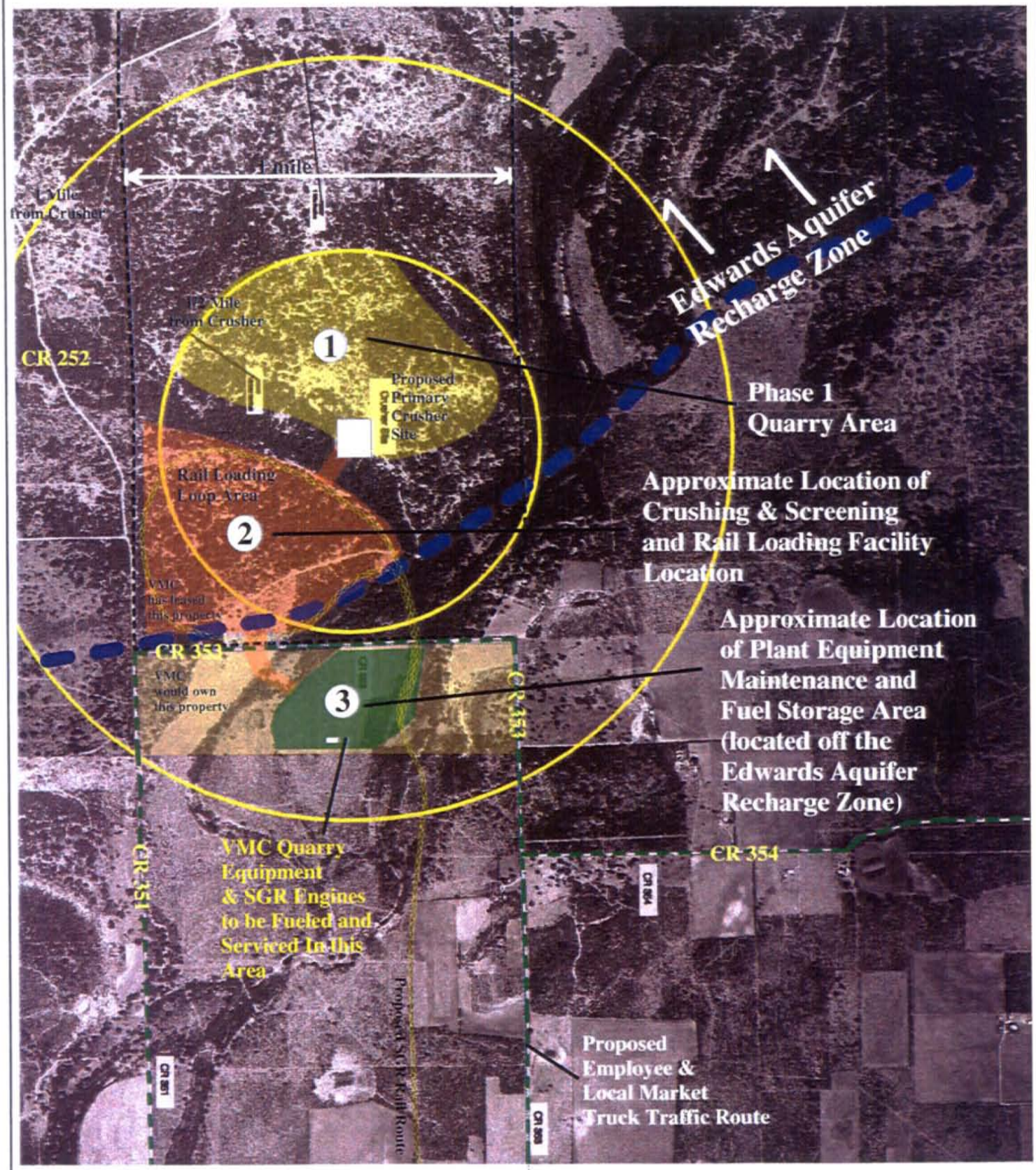


Exhibit 1
Conceptual Layout of Proposed Vulcan Medina Quarry Area and SGR Rail Facilities
Prepared by Vulcan Materials Company **August 2003**

Exhibit 2 — Regulation of the Stone Industry in Texas

Issue	Agency	Law	Elements
Blasting	-Federal ATF -Federal MSHA -Federal OSHA -City or County Fire Marshall	-Public Law 91-452 -Mine Safety & Health Act -Occupational Safety & Health Act	-Use, storage and sale of explosives -Onsite use, transport & storage-explosives -Onsite use, transport & storage –explosives -Onsite use of explosives, vibration, etc.
Dust	-Federal MSHA -Federal OSHA -Federal EPA -State TCEQ	-Mine Safety & Health Act -Occupational Safety & Health Act -Clean Air Act -Texas Clean Air Act	-Defines Permissible Exposure Limits (PEL) -Dictates sampling -Dictates controls -Regulates stack and fugitive air pollution emissions
Noise	-Federal MSHA -Federal OSHA	- Mine Safety & Health Act -Occupational Safety & Health Act	-Defines action levels (85 dBA) -Requires sampling -Requires hearing conservation program -Requires controls (PPE)
Traffic	-Federal DOT -State DOT	-Highway Transportation Act	-Requires vehicle inspections & maintenance -Defines driver qualifications -Requires driver licensing -Dictates requirements for transporting certain materials -Defines weight limits (per axle) for trucks -Defines speed limits for roads and highways
Water	-Federal EPA -State TCEQ -Regional Edwards Aquifer Authority -Local County Underground Water Conservation District -Local River Authority	-Clean Water Act -Texas Clean Water Act	-Regulates discharges of process water -Regulates discharges of storm water -Regulates above ground storage tanks on recharge and transition zones -Regulates discharges of storm water over recharge zone -Regulates water use from Edwards Aquifer and provides source protection -Regulates ground water activities other than Edwards Aquifer and provides source protection -Regulates surface water use and provides source protection
Petroleum Products	-Federal EPA -State TCEQ -Federal MSHA -Federal OSHA	-Resource Conservation & Recovery ACT -NPDES -Texas Spill Prevention -Mine Safety & Health Act -Occupational Safety & Health Act	-Regulates handling, storage & disposal of petroleum waste -Dictates spill prevention plans -Dictates spill prevention requirements -Dictates storage and handling -Dictates storage and handling -Dictates safety measures
Plants, Wildlife and Wetlands	-Federal Fish and Wildlife -Federal EPA -Federal Army Corp of Engineers -State Parks and Wildlife	Endangered Species Act Clean Water Act	-Regulates protection of endangered and threatened species -Regulates protection of wetlands
Cultural Resources	-Texas Historical Commission		-Protects resources that have been determined eligible for listing with the National Register of Historic Places or formally designated as State Archaeological Landmarks

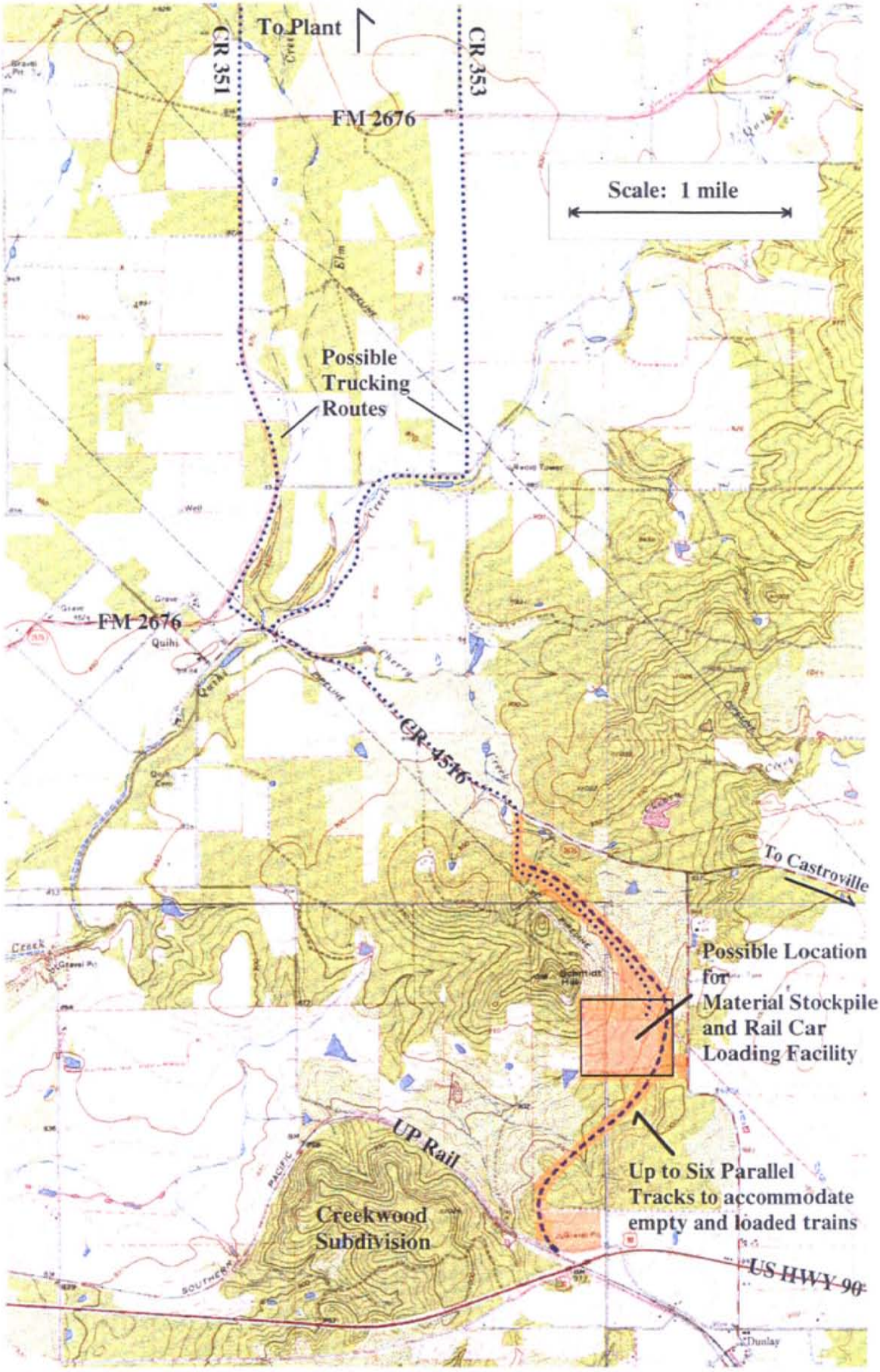


Exhibit 3 No-Build Alternative:
SGR Remote Rail Loading Facility Conceptual Layout

Prepared by Vulcan
Materials Company
August 2003

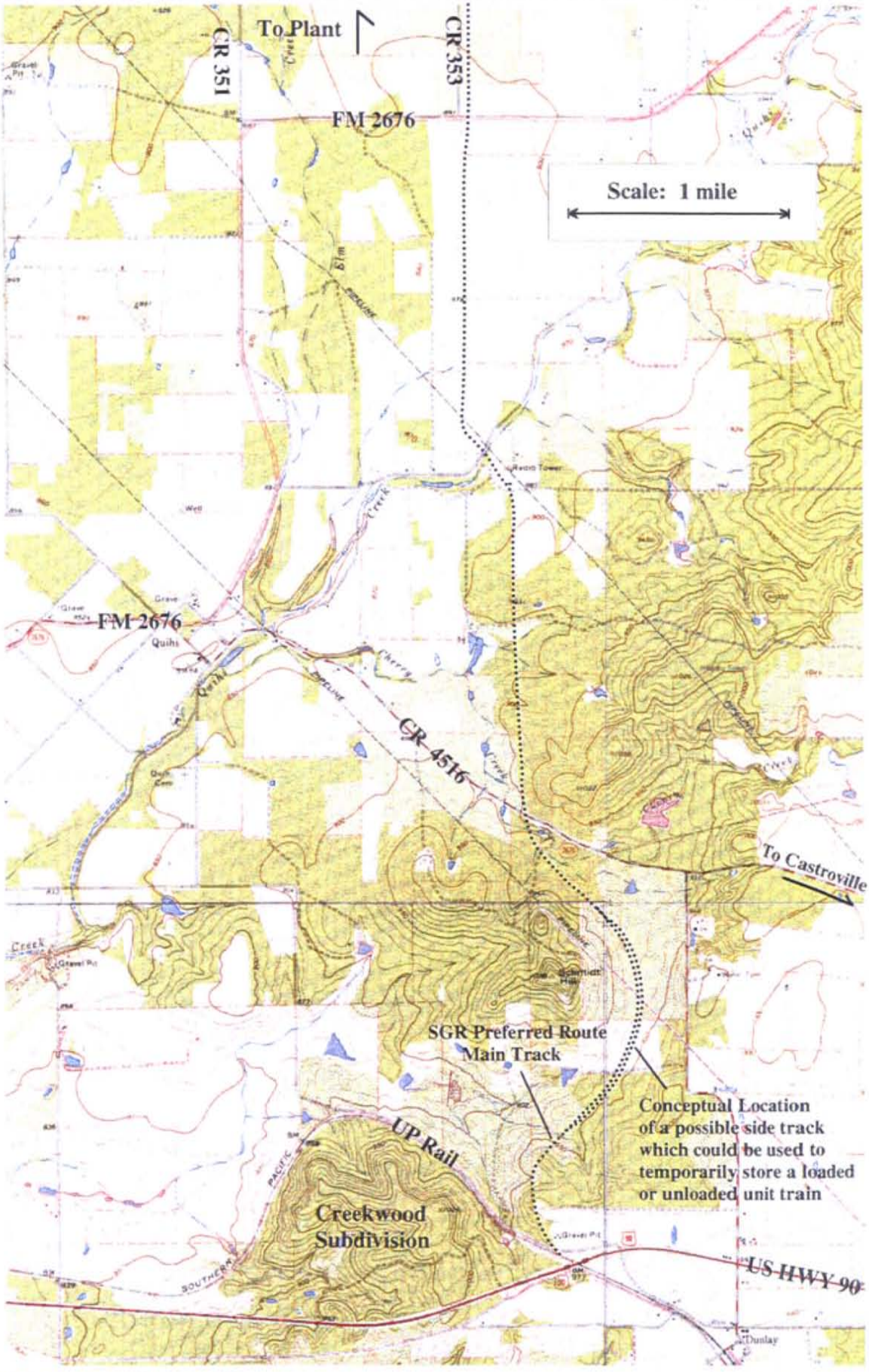


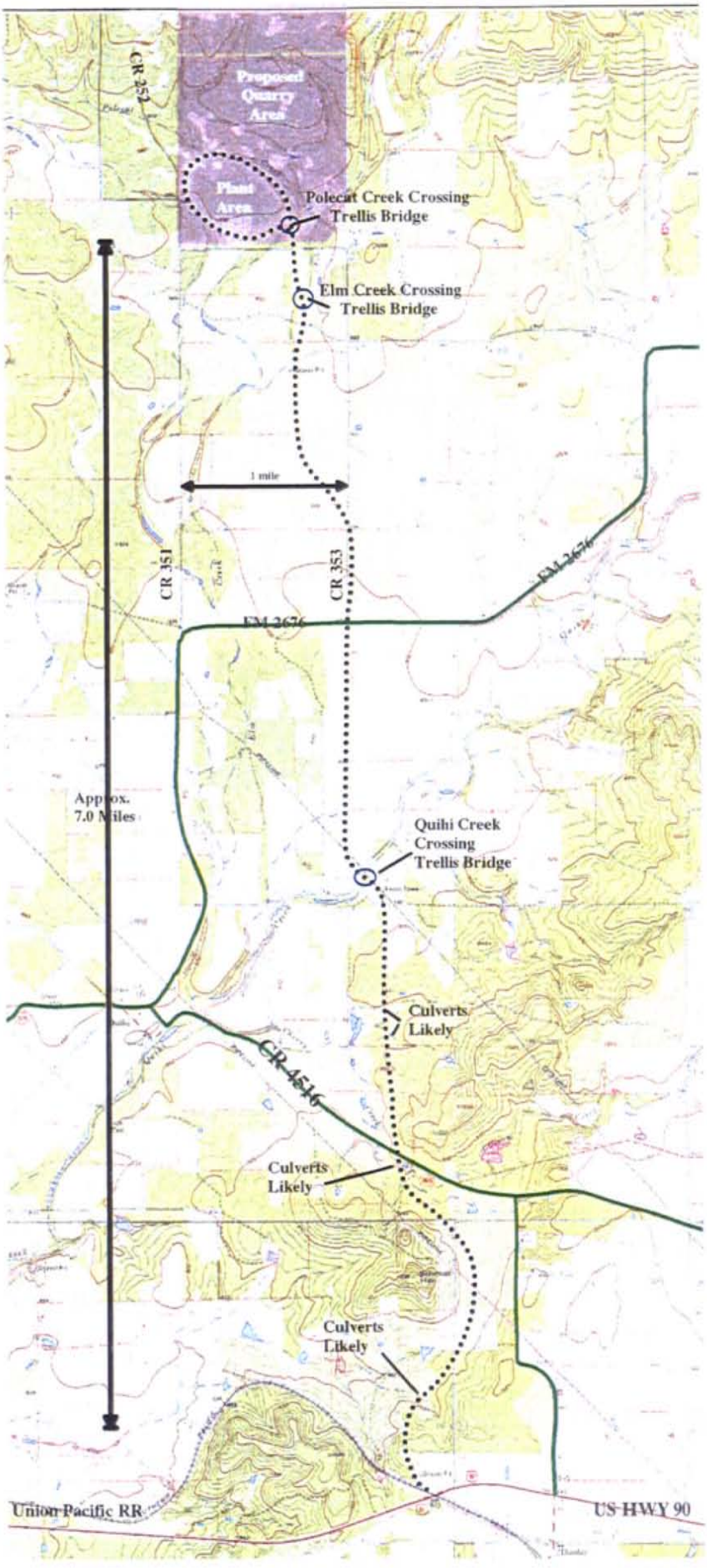
Exhibit 4 Preferred Route:
Proposed SGR - UP Rail Interchange Layout

Prepared by Vulcan
Materials Company
August 2003

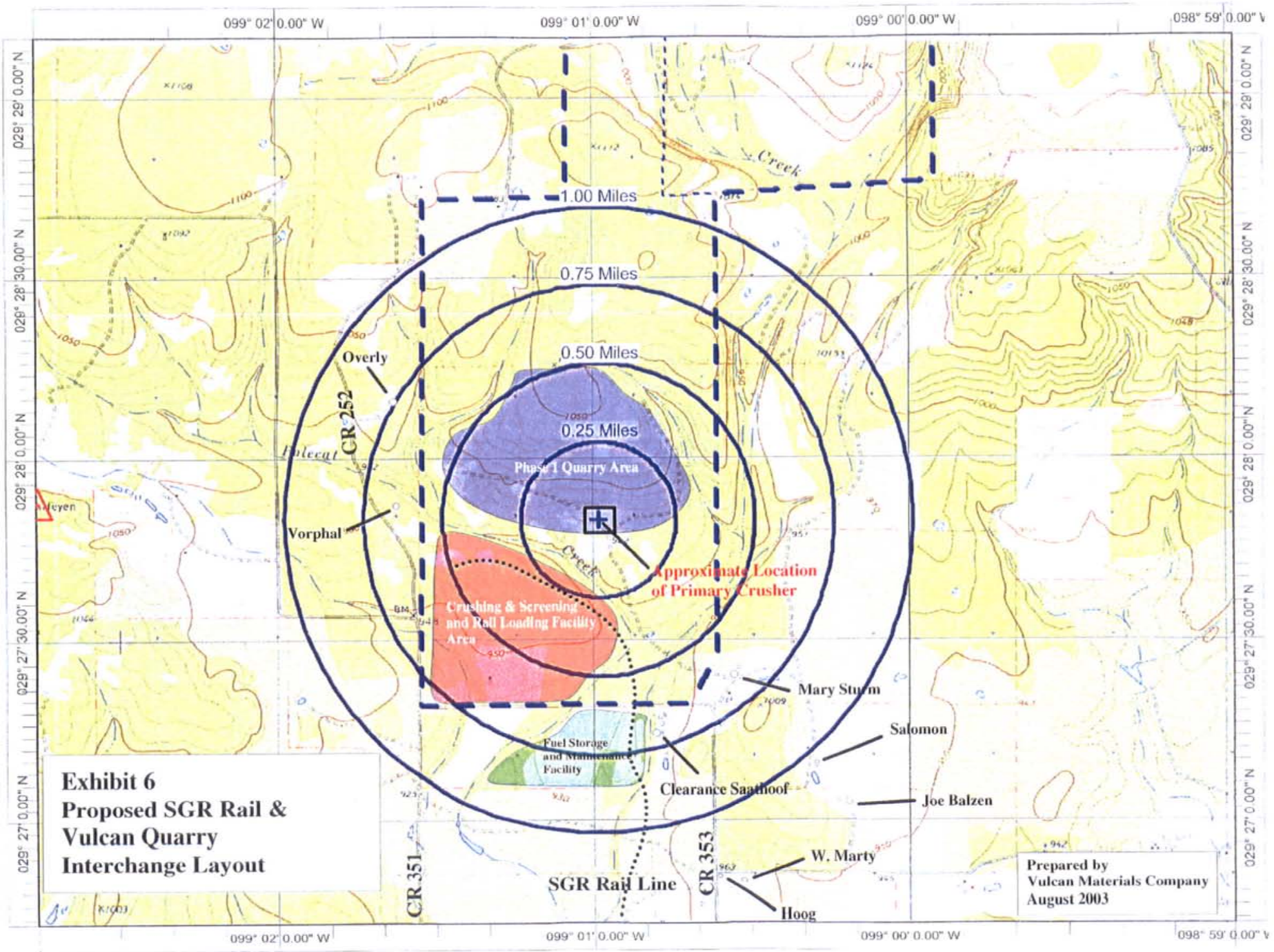
Exhibit 5

SGR Preferred Route Approximate Stream Crossing Locations

Additional culverts may be necessary pursuant to final engineering design recommendations



Prepared by
Vulcan Materials Company
August 2003


099° 02' 0.00" W
099° 01' 0.00" W
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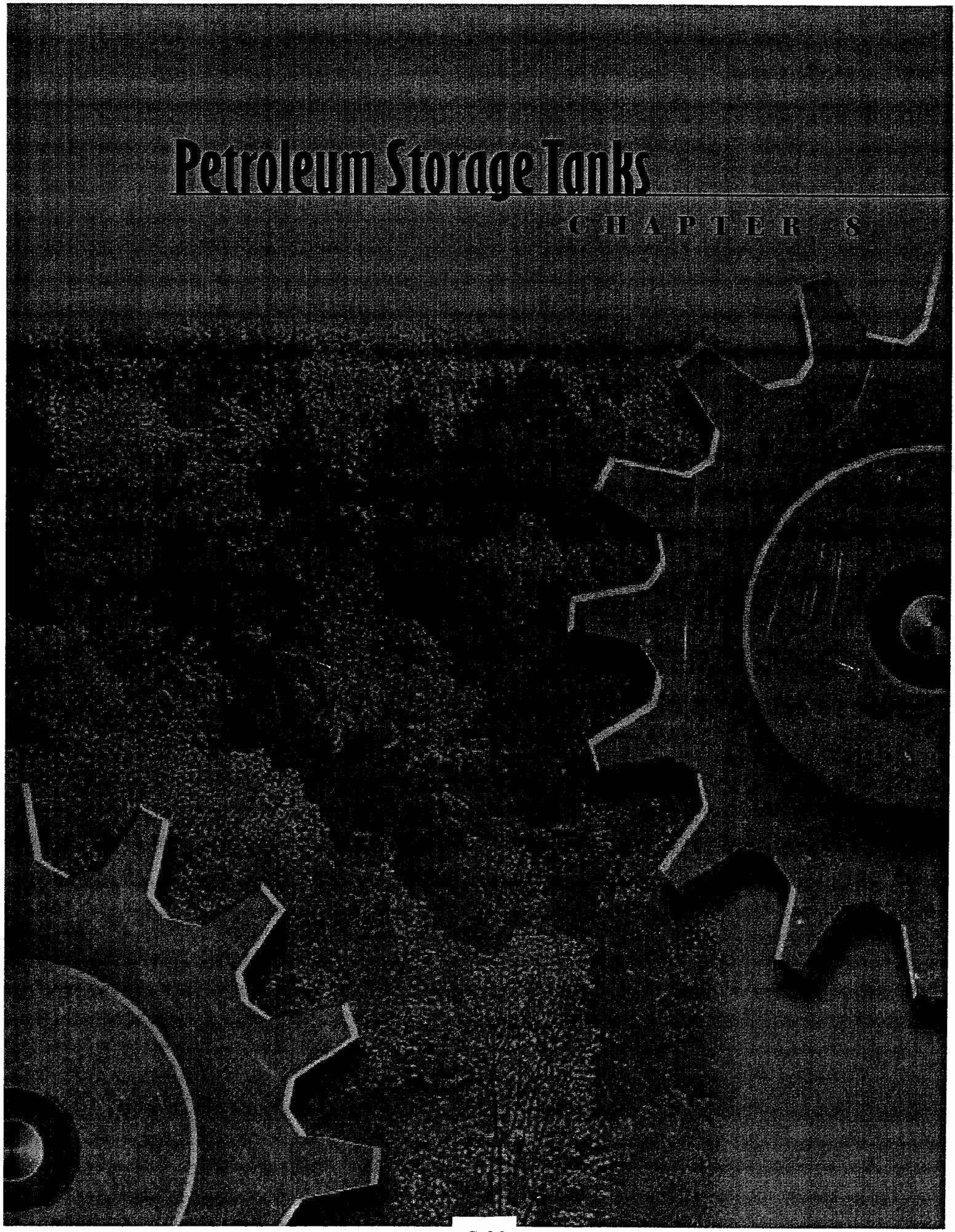
029° 28' 0.00" N
029° 27' 30.00" N
029° 27' 0.00" N
1.00 Miles
0.75 Miles
0.50 Miles
0.25 Miles
Overly
CR 252
Polecat
Creek
Vorphal
Phase 1 Quarry Area
Approximate Location of Primary Crusher
Crushing & Screening and Rail Loading Facility Area
Fuel Storage and Maintenance Facility
Mary Sturm
Salomon
Clearance Santhoof
Joe Balzen
W. Marty
Hoog
CR 351
CR 353
SGR Rail Line
Exhibit 6
Proposed SGR Rail &
Vulcan Quarry
Interchange Layout
Prepared by
Vulcan Materials Company
August 2003

Petroleum Storage Tanks

CHAPTER 8



Petroleum Storage Tanks

Program Assistance

Air emissions—For information on air requirements for systems utilized in the treatment of petroleum-contaminated soil or groundwater, contact the Chemical and Coatings program of the Air Permits Division at 512/239-1277.

Automotive waste recycling—For information on automotive waste recycling regulations applicable to the handling and storage of used oil, call 512/239-6683.

Certification—For assistance with certification and licensing for companies or individuals who perform the installation, repair, modification, maintenance, and removal of regulated underground storage tank (UST) systems call 512/239-2191. For information on those who perform remediation activities at leaking petroleum storage tank (LPST) sites, call 512/239-2192.

Construction notifications—For questions on UST construction or aboveground storage tank (AST) installation notifications, contact Petroleum Storage Tank (PST) Technical Services at 512/239-2182.

Emergency spills—For assistance with emergency petroleum or hazardous substance spills, call the Environmental Emergency Hot Line at 1-800-832-8224.

Financial assurance and reimbursement—For assistance with post-payment audits of reimbursement claims from the Petroleum Storage Tank Remediation (PSTR) Fund or financial assurance requirements, contact Administrative Audits and Financial Assurance at 512/239-6239.

Inspections—For information about on-site investigations of regulated UST or AST systems, call the local regional office Field Operations at 512/239-0400.

Petroleum storage tank enforcement issues—For questions on compliance issues, contact Enforcement at 512/239-2545.

Preapproval questions—For information on responsible party preapproval or corrective actions on LPSTs, contact Responsible Party Remediation at 512/239-2200.

Reimbursement—For questions on the reimbursement guidelines, claims for reimbursement from the PSTR Fund, or disputes regarding the review of claims contact Reimbursement at 512/239-2001.

Runoff—To prevent runoff from stored, removed USTs, call 512/239-4563.

Special wastes—For assistance with soils contaminated with nonpetroleum hazardous substances and petroleum-contaminated soils destined for disposal in a landfill, contact Waste Evaluation at 512/239-6832.

Tank registrations—For questions on how to register a tank, fees, certificates, or tank status, contact PST Registration at 512/239-2160.

Technical standards—For questions on technical requirements for the installation, repair, modification, maintenance, or removal of UST systems, and for questions on technical rule variances or construction notification requirements, contact PST Technical Services at 512/239-2182.

Water wells—For information on petroleum UST and public drinking water supply well requirements, call public drinking water program, at 512/239-6020.

Web site—www.tnrcc.state.tx.us

Levels of Authority

FEDERAL

The EPA is authorized to develop and administer a regulatory program for underground storage tanks (USTs) under Subtitle I of the Resource Conservation and Recovery Act (RCRA). The TNRCC has received program approval from the EPA. The EPA retains authority to take enforcement actions in Texas, and has the authority to withdraw program approval (and establish a federal substitute program) if the TNRCC does not effectively administer and enforce the approved state UST program.

EPA Region 6, Dallas, is responsible for overseeing the Spill Prevention Control and Countermeasures Plan (SPCC) and secondary containment, which are required under Title 40 CFR Part 112 for (1) any petroleum UST over 42,000 gallons in capacity, (2) any petroleum AST that has a volume greater than 660 gallons for a single tank, or (3) any facility containing more than one petroleum AST in which the total volume of the ASTs exceeds 1,320 gallons. The EPA Region 6 SPCC Program may be reached at 214/665-2277

STATE

TNRCC

State laws grant the TNRCC the authority to regulate ASTs and USTs. The Texas Water Code Chapter 26, Subchapter I, authorizes the TNRCC to operate a regulatory program for UST and AST systems storing petroleum and hazardous substances and a reimbursement program for corrective action. Subchapter K authorizes the TNRCC to register UST contractors and license UST installers and on-site supervisors. For information on the UST and AST regulations, call the PST program at 512/239-2182. For information related to UST contractors and on-site supervisors, call the installer certification program at 512/239-2191.

Texas Department of Insurance

Local fire marshals should always be contacted on rules and regulations affecting USTs and ASTs at retail stations or at any other site where human health and safety might be a concern. The state Fire Marshal's Office (512/305-7900) may be contacted if the name and number of a local fire marshal is needed or if questions arise with regard to rule interpretation.

Texas General Land Office (GLO)

The GLO Oil Spill Division (512/475-1575) has jurisdiction, under the Texas Oil Spill Response Act of 1991 (OSPRA), over petroleum USTs or ASTs along the coast that present the potential for affecting coastal waters.

Railroad Commission of Texas (RRC)

Tanks, liquid traps, gathering lines, or other facilities used in connection with an activity associated with the exploration, development, or production of oil, gas, or geothermal resources are regulated by the RRC Oil and Gas Division (512/463-6887) and are exempt from TNRCC regulation.

Texas State Comptroller of Public Accounts

The comptroller's Fiscal Management Division (512/463-4903) oversees the fuel surcharge bulk facility payments, which are dedicated to the Petroleum Storage Tank Remediation (PSTR) Fund.

LOCAL

Local officials should always be contacted with regard to any UST or AST system regulated by any of the listed agencies to determine whether local regulations might be stricter than state or federal requirements in given areas. If local regulations are stricter, they prevail over state or federal requirements unless their measures are prohibited by state or federal law.

Program Requirements

TANK REGISTRATIONS

UST Registration

An underground storage tank (UST) is a single tank or any combination of underground tanks and underground connecting pipes used to contain a regulated substance if the volume of the portion of the tank or tank system below the ground exceeds 10 percent of the total volume of the tank system. Regulated substances include petroleum substances (such as gasoline, diesel, new motor oil, used oil, and jet fuel), and hazardous substances (such as dry cleaning fluid, methanol, and ethylene glycol) listed under the Comprehensive Environmental Response Compensation and Liabilities Act (CERCLA) Chapter 101(14).

Owners of certain USTs existing on or after September 1, 1987, are required to register their tanks with the TNRCC unless they were removed from the ground before May 8, 1986, or they were emptied and filled in place with solid inert material on or before January 1, 1974. Tanks that are just empty or unused still must be registered.

UST registration is not required for:

- tanks containing petroleum substances that are not liquid at standard temperature (32° F) and pressure (1 atm);
- farm or residential tanks with a capacity of 1,100 gallons or less;
- heating oil tanks;
- septic tanks;
- flow-through process tanks;
- sumps with a capacity less than 110 gallons;
- hydraulic lifts (but they remain subject to release reporting and cleanup action).

AST Registration

Some aboveground storage tanks (ASTs) must also be registered. Regulated ASTs include those with a capacity greater than 1,100 gallons that store petroleum *products* that are capable of being used as a motor fuel, including gasoline, diesel, kerosene, gasohol, aviation gasoline, and distillate fuel oil. Registration is not required for ASTs containing petroleum substances such as new motor oil and used oil, nor is registration required for ASTs containing jet fuel.

Registration Forms

To register a tank, request either a TNRCC UST Registration Form (form TNRCC-0724) or a TNRCC AST Registration Form (form TNRCC-0659) from PST Registration at 512/239-2160, or download the forms from our Web site. These forms are also used to amend registered tank information when a tank's status changes. Tank owners must submit an amended registration form, signed and dated, within 30 days of any change.

Compliance Self-Certification

At the time of publication, TNRCC was promulgating rules to require compliance self-certification and to change some tank registration requirements to implement legislation that went into effect September 1, 1999. One proposed change would make tank operators, as well as tank owners, liable for tank registration requirements. The new form will be a combined tank registration and compliance self-certification form. Call PST registration staff at 512/239-2160 for current information and forms.

Registration Response Times

The following are general TNRCC response time frames for standard registration activities or requests for assistance:

- New facilities are registered within two days of receipt.
- Registration certificates are issued four to five weeks after registration. (Under the proposed rules, this will be replaced by a delivery certificate, specifying that a tank has been registered and certified as compliant by the owner or operator.)

- Amendments to registrations are processed as soon as possible, but can take as long as three months, depending on workloads (most forms are processed within three weeks of receipt).
- Fees are invoiced annually. Most owners will receive an invoice the first of each fiscal year, and supplemental billings may occur as often as once a month afterward.
- Phone calls are returned within 24 hours.
- Requests for information by phone usually receive same-day service. If a records search is required, the response may take a few days.

OTHER REQUIREMENTS

Technical Requirements

PST Technical Services advocates the proper design of new UST systems and the proper retrofit of existing ones by responding to verbal and written requests for technical assistance from UST owners, related industry, TNRCC staff, and other state, federal, and local governmental entities. Technical Services also performs these functions:

- reviews and approves or denies requests for variances from the technical requirements of the rules;
- processes, files, and tracks all notifications of UST and AST construction; and
- receives, files, and tracks documentation related to other activities (such as compliance evaluation inspections) at UST systems that are not leaking petroleum storage tank (LPST) sites.

For more information, go to the TNRCC Web site and use the Index to select "Petroleum Storage Tanks."

Financial Assurance

Facilities with petroleum product USTs must have financial assurance, such as pollution insurance, as detailed in agency regulations. Failure to have and maintain proper financial assurance may subject the owner of a tank to administrative and civil penalties, risk of court-ordered closure of the tank system, and possible criminal prosecution. For assistance with financial assurance requirements, contact Financial Assurance at 512/239-6239.

Air and Water Regulations

In addition to the storage tank requirements noted above, the removal or installation of a storage tank must also be evaluated for any impact on air quality. No action can legally result in a condition of nuisance smoke, odor, dust or aerosol; cause a traffic hazard; or contribute to a condition of air pollution. Reports of or complaints about nuisance conditions should be made to your TNRCC regional office.

There may also be specific air or water regulations that affect the operation, installation, or removal of a PST. For information on air regulations, contact New Source Permits at 512/239-1240.

Spills

Regulations for spills from USTs and ASTs are outlined in 30 TAC Section 334.75, Reporting and Cleanup of Surface Spills and Overfills. Owners and operators of UST systems must contain and immediately clean up a spill or overfill, report the event to the TNRCC within 24 hours, and begin corrective action in accordance with 30 TAC Sections 334.76–34.81.

Spills include:

- any spill or overfill of petroleum that results in a release to the environment that exceeds 25 gallons, or that causes a sheen on nearby surface water; and,
- any spill or overfill of a hazardous substance that results in a release to the environment that equals or exceeds its reportable quantity under CERCLA (40 CFR Part 302).

Owners and operators of UST systems must contain and immediately clean up a spill or overfill of petroleum that is less than 25 gallons, or a spill or overfill of a hazardous substance that is less than the reportable quantity under CERCLA. If cleanup of

these small spills or overfills cannot be accomplished within 24 hours, owners and operators must immediately notify the TNRCC.

For petroleum spills that either exceed 25 gallons or cause a sheen on nearby surface water, or for hazardous substance spills that exceed CERCLA reportable quantities, owners and operators must:

- contain and immediately clean up the spill or overfill;
- notify the TNRCC within 24 hours of the spill/overfill occurrence; and
- begin corrective action steps required by TNRCC rule.

Spills related to petroleum or hazardous substance USTs or ASTs that are exempt or excluded from regulation under the PST Program are regulated under Title 30 TAC, Chapter 327, Spill Prevention and Control, and must still be reported in accordance with the requirements of that chapter to the TNRCC's Emergency Response Unit at 512/239-2507 (emergency 800-832-8224) under the requirements of Chapter 327 of TNRCC rules.

See the *Small Business Handbook for Spill Response* (TNRCC publication RG-285) if you need more information about Chapter 327 reporting requirements.

FEES AND REIMBURSEMENT

Fees

The Texas Water Code (TWC Chapter 26 Subchapter I) authorizes the TNRCC to assess annual storage tank contractor, tank installer, and tank ownership fees, which are deposited in the Storage Tank Fund. Revenue from this fund:

- supports corrective actions on eligible leaking petroleum storage tanks (LPSTs);
- provides matching funds for grants and contracts under Subchapter I; and
- pays administrative, inspection, enforcement and other costs associated with carrying out the duties and purposes of Subchapter I.

Reimbursement

The Petroleum Storage Tank Remediation Fund covers eligible expenses of corrective action taken in response to a release of:

- petroleum products from a PST;
- hydraulic fluid from a hydraulic lift system located at a vehicle service and fueling facility; or
- spent oil from spent oil tanks located at a vehicle service and fueling facility, provided that the tank is also subject to regulation under 30 TAC Subchapter D (see Sections 334.71— 334.85).

Eligibility

In order to be eligible for this program, an owner or operator must meet the following criteria:

- They must own or operate a regulated PST system.
- They must have reported releases to the TNRCC by December 22, 1998. The TNRCC must also have confirmed those releases before December 22, 1998.
- They must have registered their tanks with the TNRCC by December 31, 1995, unless the tank was unknown and was discovered while upgrading, during a site assessment, or during construction in the right-of-way, or was unknown and was not indicated by the title search and previous use of the property. (Tanks installed after December 1, 1995, must have been registered within 30 days of their completion.)
- They must have paid all annual tank fees since September 1, 1987.
- All corrective actions and costs must be approved in writing by the TNRCC. Reimbursement claims for corrective action taken without written pre-approval will be processed after all claims for pre-approved activities have been paid. (Some activities require the seal and supervision of a registered and duly licensed professional engineer.)

- The tank must contain a petroleum product (as defined in 30 TAC Chapter 334.322).

Corrective actions for spent oil tanks and hydraulic lift systems are reimbursable if the release meets eligibility requirements similar to those for gasoline or diesel storage tanks. The release must also have occurred at a vehicle service and fueling facility where the system was used in conjunction with and contemporaneously with that facility.

Application Review

The TNRCC must receive the original properly completed application to initiate the reimbursement review process. All applications for reimbursement must be filed by certified mail, return receipt requested; express mail or other overnight delivery service, return receipt requested; or hand delivery to the appropriate offices.

The original application, including all required documentation and any overdue fees and registration information should be submitted to:

TNRCC Petroleum Storage Tank Program
Reimbursement Section MC-139
PO Box 13087
Austin TX 78711-3087

Upon receipt of an application for reimbursement of corrective action costs, the TNRCC will:

- perform an administrative screening for eligibility;
- conduct a technical review;
- conduct a financial review;
- verify through the TNRCC inspections that the activities to be reimbursed have been performed;
- verify that all tank registration fees are paid.

For more information on reimbursement eligibility, application forms and assistance, contact the Reimbursement staff at 512/239-2001, or go to the TNRCC Web site and use the Index to select "Reimbursements, PST."

Enforcement

INSPECTIONS

The TNRCC conducts inspections of PST facilities to ensure compliance with applicable state requirements. A general description of the inspection process is outlined in Chapter 3. For more information on inspections, contact Field Operations (512/239-0400) or your TNRCC regional office.

Types of Inspections

There are several types of inspections of PST systems. A system may be inspected for any of the following reasons:

- **Imminent endangerment response**—Response to and abatement of impending threats to human health and the environment caused by PSTs.
- **Permanent removal from service**—The observance of the permanent removal from service of a PST system due to removal from the ground, abandonment-in-place, or permanent change in service, and the completion of associated documentation.
- **Tank installation**—The observance of the installation of a PST system and the completion of associated documentation.
- **Tank upgrade**—The observance of various types of PST system upgrades, additions to an existing PST system, or both, and the completion of associated documentation.
- **Compliance evaluation inspection**—A comprehensive or modified compliance evaluation inspection to determine compliance with 30 TAC Chapter 334.
- **Comprehensive evaluation inspection follow-up**—A re-inspection of a facility where violations

were documented and where compliance is being confirmed or further technical assistance is required.

- **Stage II compliance evaluation inspection**—A compliance evaluation inspection in nonattainment areas to determine compliance with Stage II vapor recovery requirements.

Review of Records

The inspector may examine any records, documents, plans, and reports that are required by law. Depending upon the release detection method employed, the inspector may inspect the following records:

- required release detection records;
- record of the last two line leak detector performance tests;
- record of the last two tank and piping tightness tests;
- inventory volume measurements;
- monthly reconciliation of inventory records;
- inventory control records for the past year;
- maintenance records;
- documentation for the calibration and maintenance of automatic gauging systems;
- water well driller's report for each groundwater monitoring well;
- installation records for corrosion protection systems;
- installation records for interstitial monitoring systems.

Visual Inspection

A tour of the site provides the inspector with a better understanding of its operations. The inspector may check the following items, among others:

- any tank to determine whether it is presently in use;
- whether spill and overfill prevention equipment is present and functioning on all USTs;
- whether dispenser pump has a current calibration sticker;
- whether the gauge stick, if it is used, is marked legibly and can determine the product level to 1/8 inch over the full range of the tank's internal height;
- whether the gauge stick is long enough to reach the tank bottom, and has ends that are flat, not worn down;
- whether any other measuring devices are capable of measuring the level of the stored substance to 1/8 inch over the full range of the tank's internal height;
- mechanical and electronic leak detectors;
- automatic tank gauge equipment;
- corrosion-protection system equipment;
- whether an appropriate calibration chart is used to convert product level height to gallons;
- whether the well is clearly marked and secured to prevent unauthorized access;
- whether the well is equipped with a liquid-tight cover;
- whether the well is free of debris.

ENFORCEMENT

The inspection is the first step of several steps in the enforcement process. If violations are noted during an inspection, the TNRCC may:

- give the respondent a **verbal notice** to correct all violations within 14 days, if possible;
- send a **notice of violation** letter (NOV) alleging violations found and request the submittal of a compliance schedule to resolve the violations; or
- begin **formal enforcement** if the violations have not been resolved through a NOV or are significant.

Formal enforcement will usually result in a TNRCC order to correct the violations and pay administrative penalties. This process may include a hearing and frequently involves attorneys for both parties.

Additional information regarding the general enforcement process is provided in Chapter 3. For more detailed information on any aspect of the enforcement process, contact the TNRCC Enforcement Division (512/239-2545) or the Small Business and Local Government Assistance program (1-800-447-2827).

Supplemental Environmental Projects

A Supplemental Environmental Project (SEP) is a project that does something good for the environment in your community. During an enforcement action, a governmental entity may negotiate an agreement to perform a SEP in return for a reduction in the administrative penalty. Doing a SEP does not reduce the out-of-pocket expense, but it does give some choice about where the money goes. For more information, see Chapter 3 or call the SEP coordinator at 512/239-3400.

In Addition

FREQUENTLY ASKED QUESTIONS

Can an application for reimbursement for cleanup activities be submitted at any time?

No. An application should be submitted only after the completion of a preapproved phase of work.

Are costs associated with a tank removal reimbursable if no additional corrective action is required?

No. To be eligible for reimbursement, tank removals must be necessary for the performance of corrective action.

How do I qualify for the state-lead program?

Admission to the state-lead program is limited to responsible parties who are financially unable to perform corrective action, parties who are unwilling to perform necessary corrective action, or sites where the responsible party is unknown. The agency will file suit against 'unwilling" responsible parties to recover all allowable costs incurred by the agency concerning the contaminated site. For information about financial review or admission under one of the other criteria, call the site assessment and management staff at 512/239-2120.

Are city and county governmental bodies required to comply with state UST and AST regulations the same as other regulated entities?

Yes.

Local taxing authorities that foreclose on properties with ASTs or USTs containing regulated substances were provided some protection under state legislation effective in 1999.

Did I have to remove my UST from the ground before December 22, 1998?

If a UST system was in compliance with TNRCC rule requirements, it did not have to be removed from service. Any regulated UST system not brought into compliance by December 22, 1998 must have been permanently removed from service by one of these methods:

- removal from the ground, or
- filling in place with solid inert material, or
- change in service to the storage of a nonregulated substance.

Since April 1, 1990, permanent removal from service must be (or have been) performed by a qualified contractor, registered with the TNRCC.

Are there any statewide secondary containment requirements for USTs?

Yes. All tanks installed in Texas and used for nonpetroleum hazardous substance must have had secondary containment on installation. The deadline for adding secondary containment to existing tanks was December 22, 1998.

What kinds of tanks are allowed for new UST systems?

If they meet industry specifications, fiberglass tanks, composite tanks (steel with

fiberglass or polyurethane coating or jacketing), and steel tanks equipped with cathodic protection are all allowed under TNRCC regulations.

What kind of piping is allowed for new UST systems?

If they meet industry standards and TNRCC rule requirements, steel piping with cathodic protection, UL listed fiberglass piping, and UL listed flexible nonmetallic piping are allowed in most areas of the state. However, flexible nonmetallic piping is not allowed over the transition or recharge zones of the Edwards Aquifer.

SIGNIFICANT LAWS AND REGULATIONS

The following is a brief summary of the federal and state laws and regulations relating to PSTs. Please refer to the official rules for specific questions regarding compliance and applicability. See Chapter 2 for more information about obtaining copies of the agency's rules.

Federal Law

RCRA Subchapter I

- Authorizes the EPA, states, and territories to develop and administer comprehensive regulatory programs for UST systems storing petroleum and hazardous substances
- Requires financial assurance for owners of petroleum USTs
- Establishes a $500 million Leaking UST Trust Fund to assist states with the cleanup of releases

Federal Regulation

40 CFR Part 280

- Establishes technical standards and corrective action requirements
- Defines owner and operator requirements for notification, technical standards, tank registration, corrective action, and financial assurance

State Law

Texas Water Code Chapter 26 Subchapter I

- Authorizes a comprehensive regulatory program for UST systems storing petroleum and hazardous substances
- Permits a limited regulatory program for ASTs storing motor-fuel-type petroleum products
- Establishes a limited reimbursement program, with funds to be paid from the PST Remediation Fund
- Authorizes the registration of UST contractors and the licensing of installers and on-site supervisors who install, remove, or repair UST systems
- Authorizes the registration of corrective action specialists and project managers who conduct storage tank remediation projects

State Regulation

30 TAC Chapter 334

- Implements the provisions of federal and state statutes regulating PSTs
- Establishes registration, administrative reporting, and record-keeping requirements for regulated USTs and ASTs
- Sets annual facility fee assessments for in-service USTs and ASTs
- Sets technical standards for new and existing USTs, including standards for tank system design; installation, repair, and removal; tank spill containment and overfill prevention; release detection; and corrosion protection
- Establishes release reporting, site assessment, and corrective action for releases from USTs and ASTs, including procedures for risk-based corrective action determinations
- Establishes regulations regarding the treatment of petroleum-contaminated soil

Conceptual Plan

Conceptual Plan

Conceptual Plan

SGR
Alternative
Alignment 3

Stream Crossing
and Significant
Drainage
Feature Locations

LOCATION PLAN
Scale 1"=2000

D-2" - Conceptual Plan

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#EI-288

September 23, 2003

VIA HAND DELIVERY

Ms. Victoria Rutson
Chief
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20402-0001

Re: Finance Docket No. 34284 -- Southwest Gulf Railroad Company -- Petition for Exemption from 49 U.S.C. § 10901 to Construct and Operate a Rail Line In Medina County, Texas

Dear Ms. Rutson:

On July 18, 2003, Southwest Gulf Railroad ("SGR") submitted a request to your office for a determination that its proposed construction and operation of a rail line in Medina County, TX does not warrant the preparation of an Environmental Impact Statement ("EIS"). Rather, SGR urged in that letter that SEA utilize the discretion provided to it under the Board's rules at 49 CFR § 1105.6 to prepare an Environmental Assessment ("EA"). SGR observed that an EA would be more appropriate for this proceeding given the absence of any significant environmental impacts associated with the proposed action. SGR reaffirms its July 18 letter, and hereby supplements that letter with more recent information that further supports its request.

First, SGR understands that all, or virtually all, of the agencies contacted by SEA or its contractor for comment on the SGR proposal have responded. As was the case at the time that SGR prepared its July 18 letter, none of these agencies has raised any issue that would warrant the preparation of an EIS or identified a specific substantial adverse impact from the proposed construction or operation of the line.

Second, the July 18 letter noted that a final Biological Assessment report, prepared for the benefit of the U.S. Fish and Wildlife Service, was in process. That report, which addresses the quarry site, but also the preferred rail corridor, has now been completed and a copy was submitted to SEA and its contractor on September 2, 2003. As relevant here, the report demonstrates that there are no substantial biological or geological issues raised by the proposed rail line and that the rail project should not jeopardize any threatened or endangered species habitats. Further, the Assessment notes that the rail line is not expected to traverse any

jurisdictional wetlands, and that steps would be taken to avoid any wetlands that may have to be crossed. The U.S. Army Corps of Engineers will be consulted to the extent, if any, necessary.

Third, on August 4, 2003 SGR supplied SEA with its responses to the comments filed by certain persons, some of whom reside in the general area of the proposed line, who oppose the rail line and/or quarry. That letter underscored that the proposed line will not result in any significant traffic issues or exacerbate flooding and that other issues raised by rail line opponents are without merit. Further, as explained in that letter, and underscored in SGR's September 2, 2003 response to SEA's information requests, the fueling/maintenance facility for the quarry and the rail line will not be located on the Edwards Aquifer. Also, the September 2 letter makes clear that that facility's size and nature will not be significantly different regardless of whether or not the rail line is built.

Fourth, SGR is prepared to participate fully in the Section 106 process. SGR understands that certain other interested parties may be consulted as part of the Section 106 process, and SGR looks forward to consulting with SEA and/or the Texas SHPO on cultural and historic resource matters and to responding to any specific questions that may arise. As SGR has previously stated, it does not have any information that would suggest that the line would have a significant impact on any cultural or historic resources. Nonetheless, SGR is prepared, to the extent feasible, to adjust the proposed alignment to avoid any such resources that may be located in the proposed right-of-way.

Fifth, SGR and TexDOT are moving forward toward an understanding with respect to the crossing by the proposed rail line of FM 2676. Further, with respect to the two pipelines referenced in our July 18 letter that need to be crossed, SGR intends to pursue efforts toward reaching an understanding with Duke Energy, the owners of one of those pipelines. SGR has also determined that the second pipeline referenced in the July 18 letter is no longer in operation and therefore will not pose any crossing issues.

Sixth, while SGR is aware of some local opposition to the rail line and quarry project, SGR believes that there has been, and will be, ample opportunity to date for persons to voice their concerns and for those concerns to be addressed by SEA through the EA process. SGR understands that further opportunities for the expression of public views and assessment of issues would be provided through the issuance of a Draft EA and through the Section 106 process. Given the apparent absence of significant environmental impacts, devoting the additional SEA and other resources that would be associated with the preparation of an EIS is not warranted in our judgment.

Finally, SGR notes that on August 21, 2003, the Board denied the petition for revocation of SGR's exemption that was pending at the time of the July 18 letter, thus reaffirming the Board's earlier conditional grant of SGR's exemption petition. In doing so, the Board noted (as relevant here) that the environmental issues raised by the petitioner, Medina County Environmental Action Association (MCEAA), would be considered in either an EA or an EIS,

and that either process would allow an opportunity for MCEAA to review and comment on the relevant environmental issues it has raised. The Board's decision thus reflects that an EA would offer an appropriate means of addressing those issues. *See also, City of Auburn v. United States*, 154 F.3d 1025, 1032-1033 (9th Cir. 1998) (finding that STB met its NEPA obligation to take a "hard look" at environmental issues through preparation of a thorough EA on which public had an opportunity to comment.)

For all of these reasons, SGR reiterates its request that the SEA waive its rules and prepare a Draft EA in this proceeding.

Sincerely,

David H. Coburn
Attorney for Southwest Gulf Railroad Company

cc: Ms. Rini Ghosh
Ms. Jaya Zyman-Ponebshek
Dr. Darrell Brownlow

NOTE: Although SEA initially determined that preparation of an EA was appropriate in this proceeding, SEA later decided that an EIS would be required, as discussed in Chapter 1 of the DEIS.

EO-39

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Economics, Environmental Analysis, and Administration

October 10, 2003

David Coburn, Esq.
Steptoe & Johnson, LLP
1330 Connecticut Avenue, NW
Washington, DC 20036-1795

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad Company – Construction and Operation Exemption – Medina County, TX; Request for Waiver of Environmental Impact Statement Requirement

Dear Mr. Coburn:

Pursuant to 49 CFR 1105.6(d), we are granting your request of July 18, 2003 and supplementary letter of September 23, 2003, for a waiver of 49 CFR 1105.6(a), which generally provides for the preparation of an Environmental Impact Statement (EIS) for a rail line construction proposal. Based on all information available to date, at this time we believe that with appropriate environmental mitigation, the proposed construction and operation is unlikely to result in significant environmental impacts, and therefore, preparation of an Environmental Assessment (EA) is the appropriate level of environmental review. However, should our continuing environmental review disclose impacts that are significant, we will require preparation of an EIS at that time.

Background

Southwest Gulf Railroad Company (SGR) is proposing to construct and operate an approximately seven-mile rail line from a proposed Vulcan Construction Materials limestone quarry to a connection with the Union Pacific Railroad Company (UP) in Medina County, Texas. The purpose of the proposed rail line would be to transport limestone south from the quarry to the UP rail line. Traffic over the rail line would be four trains per day (two southbound loaded trains and two empty northbound trains) for the reasonably foreseeable future.

The Surface Transportation Board's (Board) Section of Environmental Analysis (SEA) is the office responsible for conducting the Board's environmental review pursuant to the National Environmental Policy Act and related regulations. URS Corporation is SEA's independent third-party consultant for the environmental review of SGR's proposed project, and under the supervision, direction and control of SEA, is assisting SEA in the preparation of the appropriate

environmental documentation. In addition to the information about the anticipated effects of this proposal that SGR has provided in its letters of July 18, 2003 and September 23, 2003 and in response to several information requests submitted by SEA to SGR, SEA and URS have engaged in extensive information gathering and have conducted preliminary environmental studies regarding SGR's proposal, including:

- Consultation with appropriate Federal, state and local agencies, as well as citizens' organizations, such as: the Federal Emergency Management Agency; the Natural Resources Conservation Service; the National Park Service; the U.S. Environmental Protection Agency; the U.S. Army Corps of Engineers; the U.S. Fish and Wildlife Service; the Cherokee Nation; the Comanche Nation; the Edwards Aquifer Authority; the Governor's Office of Budget and Planning; the Iowa Tribe of Oklahoma; the Kickapoo Traditional Tribe of Texas; the Texas Attorney General's Office; the Texas Commission on Environmental Quality; the Texas Department of Transportation; the Texas General Land Office; the Texas Historical Commission; Texas Parks and Wildlife; Texas Water Development Board; Medina County Judge; Medina County Environmental Action Association; Medina County Groundwater Conservation District; and the Schweers Historical Foundation;

- A public Open House in Hondo, Texas, which was attended by over 200 people and generated comment letters from over 100 people;

- An overview site visit by SEA and URS staff to develop a general understanding of the area of the proposed project;

- Extensive research about the affected environment;

- Technical studies, including several field studies, about potential impacts to land use and socioeconomics, geology, water resources, biological resources, transportation and traffic safety, air quality, environmental justice communities of concern, and cultural resources, as well as noise and vibration studies.

Discussion

Based on the information available to date, we believe that the environmental impacts of this project will generally be minimal, and that, as mitigated, there is no potential here for significant environmental impacts. Therefore, an EA is appropriate in this case. We base our determination on the following:

(1) Land use impacts are expected to be minimal. Current land uses in the area are primarily evergreen forest, cropland and pasture, and shrub and brush rangeland. Although some land would be permanently converted to rail use as a result of the proposed project, much of the land impacted by construction activities would be

returned to maintained grasslands following construction. In its July 18, 2003 letter, SGR states that no homes would be taken by the proposed project. SGR also states that where possible, the rail line would be constructed on property already owned by entities affiliated with SGR. To the extent property not already owned by SGR affiliates would need to be acquired for the line, SGR states that, where possible, it intends to locate the line along or near fence lines to reduce impacts to agriculture. The schools closest to the proposed rail line are approximately seven miles from the proposed project area, and no churches or other institutions are nearby.

(2) Preliminary results of geological and karst studies conducted by SEA indicate that the potential for development of any geological hazards is expected to be minimal and could likely be adequately mitigated.

(3) Potential impacts to groundwater sources, surface waters, and wetlands are expected to be minimal. In its July 18, 2003 letter, SGR states that it would design the line to avoid potential impacts to irrigation pipes and wells, and would design the stream crossings in a manner that would not exacerbate existing flooding concerns. SGR states that it would be willing to work with appropriate agencies to avoid impacts associated with crossings of large creeks. SGR states that any petroleum storage and fueling facility would be located off of the Edwards Aquifer Recharge Zone.

(4) The U.S. Fish and Wildlife Service (FWS) has submitted comments to SEA stating that there is currently no designated critical habitat for any species in Medina County. FWS states in its comments that two federally listed bird species are present in Medina County (the black-capped vireo and the golden-cheeked warbler), but the preliminary results from SEA's field surveys indicate that these species are not present in the proposed project area. SEA expects potential impacts to other wildlife to be minimal or easily mitigable.

(5) The proposed rail line would cross one state maintained road, three county roads once and one county road twice. SEA has determined that traffic volumes on these roads are generally low (approximately 610 vehicles per day on the state maintained road and less on the county roads). SGR would operate a maximum of four trains per day over the line for the reasonably foreseeable future. Therefore, grade crossing delays are expected to be minimal. SGR states, in a letter dated February 27, 2003, submitted in response to an information request from SEA, that it would install appropriate grade crossing safety/warning devices at each intersection. SGR also states in a letter dated August 4, 2003, submitted in response to comments submitted at the June 12, 2003 Open House, that it has begun consultations with the Texas Department of Transportation regarding the development of appropriate mitigation to address potential grade crossing concerns related to the crossing of the state maintained road, and is committed to

safety and would ensure that the crossings are properly protected pursuant to applicable safety standards.

(6) Air quality impacts from the proposed project are expected to be minimal given the low level of projected train traffic that would move over the rail line.

(7) SEA's studies indicate that there are no environmental justice communities of concern in the vicinity of the proposed project.

(8) Significant cultural resources exist in the area of the proposed project, including 19th century structures that are listed on or potentially eligible for inclusion in the National Register of Historic Places. However, SEA has initiated consultation with the Texas Historical Commission and appropriate consulting parties, and will follow the procedures required by section 106 of the National Historic Preservation Act at 16 U.S.C. 470f. Moreover, according to the Advisory Council on Historic Preservation's regulations for implementing section 106, a finding that a project has the potential to adversely affect historic properties does not necessarily require the preparation of an EIS. See 36 CFR 800.8(a)(1).

(9) SEA's technical studies indicate that vibration effects on cultural resources from the proposed project are not expected to be significant. SEA's technical studies also indicate that noise impacts from proposed operations are not expected to be significant because noise sensitive receptors (*e.g.* schools, libraries, hospitals, residences, retirement communities, and nursing homes) are not expected to experience a significant increase in noise levels from the proposed operations. Although residences near proposed grade crossings could experience adverse effects from train horn noise, SEA believes these effects could likely be adequately mitigated.

(10) The proposed rail line would cross two pipelines. In its September 23, 2003 letter, SGR states that it would consult with the owner of the one of the pipelines regarding any crossing issues; the other pipeline is no longer in operation. Thus, there is no potential for significant environmental impacts as a result of the pipeline crossings.

(11) The available information does not indicate that cumulative impacts from the proposed project, or impacts which result from "the incremental impact of the action when added to other past, present, and reasonably foreseeable future actions" (see 40 CFR 1508.7) are expected to be significant.

Accordingly, based on all the currently available information, preparation of an EA rather than an EIS is warranted in this case at this time. As discussed above, the environmental impacts of this project are generally expected to be minimal, and with appropriate mitigation, there does not appear to be any potential here for significant environmental impacts. Although the public

has raised a number of issues in letters submitted in response to the June 12, 2003 Open House, including substantial opposition to the proposed project and requests to participate throughout the environmental review process, SEA believes that preparation of an EA will address the concerns of the public and enable them to participate fully in the environmental review process.

After the EA is prepared, SEA will make the document available for public review and comment. SEA will then review all comments and conduct additional studies, if necessary, before preparing a Post EA, setting forth SEA's final recommendations and conclusions. The Board then will consider the EA, the public comments, and the Post EA in making its final decision in this proceeding. Of course, as stated above, should the environmental review process disclose unanticipated impacts that are significant, SEA will require the preparation of an EIS at that time. If you have any questions, please do not hesitate to contact me or Rini Ghosh of my staff at (202) 565-1539.

Sincerely,

Victoria Rutson
Chief
Section of Environmental Analysis

STEPTOE & JOHNSON LLP
ATTORNEYS AT LAW

#EI-472
RS

DAVID H. COBURN
(202) 429-8063
dcoburn@steptoe.com

January 13, 2004

Ms. Jaya Zyman Ponebschek
URS Corporation
P.O. Box 201088
Austin, TX 78720

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad – Construction and Operation Exemption

Information on SGR Road Crossings

Dear Ms. Zyman:

You have asked Southwest Gulf Railroad for information concerning the number of road crossings for the preferred route and each alternative route. We can confirm the following crossings (from north to south):

Preferred Route
353 twice[1]
FM 2676
365
4512
4516
454

Total 6-7 crossings

Alternative 1
353
FM 2676
365

[1] This road would be crossed once if the County opts to realign this road.

4516
4517
454
4545 (twice)

Total: 8 crossings

Alternative 2.
353
2676
365
4516
454

Total: 5 crossings

Alternative 3.
353
2676
365
4512
4516
454

Total: 6 crossings

Please let me know if you have any questions.

Sincerely,

David H. Coburn
Attorney for Southwest Gulf Railroad

cc: Mr. Darrell Brownlow

#EI-599
RA

STEPTOE & JOHNSON LLP

ATTORNEYS AT LAW

DAVID H. COBURN
(202) 429-8063
dcoburn@steptoe.com

February 18, 2004

Ms. Vicki Rutson
Chief
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad Company – Construction and Operation Exemption – Medina County, TX

Dear Ms. Rutson:

On behalf of the petitioner Southwest Gulf Railroad Company ("SGR"), this will respond to the January 15, 2004 letter written to you by Mr. David Barton, the attorney for the Medina County Environmental Action Association, Inc. ("MCEAA"), and the January 12, 2004 letter of Dr. Lynn Kitchen, an environmental consultant to that group. In these letters, these MCEAA representatives urge your office to prepare an Environmental Impact Statement ("EIS") with respect to SGR's proposal to construct an approximately 7 mile common carrier rail line in Medina County, TX. That rail line, as you know, would be designed to link a limestone quarry to be operated by a subsidiary of SGR's parent, Vulcan Materials Company ("Vulcan"), with the Union Pacific Railroad line, facilitating the transportation of aggregate essential for construction projects in Texas and other states. The line would also serve any other businesses that might choose to locate on or near it.

As you know, the request of the MCEAA's representatives that an EIS be prepared for this project comes weeks after SEA had obviously already decided to prepare an EIS for this project. SEA's decision was reflected in its Notice of Intent to Prepare an EIS and proposed scoping notice, which was published in the Federal Register on January 28, 2004. That scoping Notice recites that the decision to prepare an EIS was made due the level of controversy that has been generated by this project. The Notice does not recite any significant adverse environmental impacts expected from the construction and operation of SGR line.

While MCEAA, a small but vocal group, has itself generated most of the "controversy" over SGR's project, SGR nonetheless fully supports SEA's decision to prepare an EIS. SGR is confident the EIS will conclude that the SGR line will not result in any significant adverse

environmental impacts or impacts that cannot be adequately mitigated. Further, given that SEA and its contractor have already undertaken a significant amount of work on this matter over the last several months, and that MCEAA and other interested parties have already exhibited substantial familiarity with the SGR project through their letters and other submissions, SGR is confident that the relevant areas of interest already have been identified and therefore that EIS process can move forward expeditiously.

In that regard, the draft scoping notice makes clear that SEA will address in the EIS each of the issues raised by MCEAA in the letters of its representatives. Thus, SGR is not going to undertake here to respond further to those issues, virtually all of which have previously been raised by MCEAA and addressed by SGR. Instead, we will limit our response to a few points, as to which further response is warranted to address factual errors in the assertions of MCEAA's representatives and to one point not previously raised.

Mr. Barton states in his letter that SGR was mistaken in having told your office that the rail fueling/maintenance facility will not be located over the Edwards Aquifer. We wish to reiterate that there has been no change in SGR's plans. SGR never planned to locate that facility over the Aquifer, and still has no plans to do so. SGR has consulted with the Edwards Aquifer Authority (EAA) with respect to its plans, and the Authority has expressed no concerns about the location of this facility. Further, SGR is prepared to accept, as a condition to the approval of its project, a requirement that it consult with the EAA prior to commencing construction of its facility.

Mr. Barton raises questions about the safety of the proposed at-grade crossing of FM 2676 by the rail line, and repeats an old claim that Vulcan representatives had committed to a grade separated crossing some years ago. That claim is not true, and in fact was recently disavowed by the official of the Texas Department of Transportation who was its alleged source. Putting that issue aside, SGR is fully committed to a safe crossing, which is obviously in the interests of everybody in the area. TexDOT has recently written to your contractor on this matter expressing its intention to review the safety of the proposed at-grade crossing once the EIS has been completed. SGR commits to work with TexDOT in that regard, and has already fully committed to funding the appropriate gates, lights and other protections for a safe at-grade crossing.

Mr. Barton states that SGR has failed to explain why rail routes other than its preferred route and the three alternatives under review were excluded from consideration. Mr. Barton's decision to raise this point is curious, as the group he represents has expressed unalterable opposition to any new rail line in Medina County, and thus has demonstrated little interest in alternative routings. The one alternative that has been mentioned by others is a route that would follow the route used by a railroad built in the early part of the 20th century in connection with the construction of the Medina Lake Dam. SGR has previously explained to SEA why this route would not be a viable alternative, noting that (among other problems) this route does not connect the proposed quarry with the point on the UP line that lies north of U.S. 90 (thus requiring an expensive and unnecessary grade crossing of that busy highway), would be much longer and

intrude on many more property owners, and would require that land and a new easement be acquired, as there is no longer any legal easement for that old route.

Turning to the routes that were assessed by SGR, at the outset of its rail planning process, SGR's engineering consultants identified a total of 15 potential routes between the quarry and a point of interchange with the UP rail line. These 15 routes consisted of eight potential routes, as well as seven additional routes that reflected minor variations from some of these eight routes. Each of the 15 options was assessed based on a variety of criteria, including operational considerations (SGR sought to reduce grades and curves, thus facilitating efficient rail operations), cut and fill requirements (SGR sought to minimize or eliminate the need for cuts and fills, thus reducing unnecessary costs), impacts on wetlands (SGR sought a route that would reduce or eliminate such impacts), number of impacted property owners (SGR sought to minimize the number of impacted landowners), location of property boundaries (SGR's goal was to locate the line as close as possible to property boundaries so as to minimize impacts on landowners) and avoidance of driveways.

After filtering the 15 routes through these criteria, SGR determined that four routes were more advantageous from the perspective of these criteria. These consisted of the SGR preferred route and the three alternatives. The preferred route is the most advantageous of the routes assessed in terms of the minimization of impacts. SGR would be pleased to respond to any specific requests for information on the route selection process additional to that already provided to the extent that such additional information may be necessary for purposes of preparing the EIS.

Finally, we note that Dr. Kitchen states in his letter that SGR has ignored or overlooked issues related to threatened or endangered species, flooding and cultural resources. SGR is confident that the EIS will address each of these issues. Dr. Kitchen will of course have a full opportunity to comment on the Draft EIS to be issued by SEA.

While we take issue with most of his comments, given that these matters will be addressed in the EIS, we will respond to only one significant factual error. He states that the U.S. Fish and Wildlife Service ("USFWS") has not yet commented on the Biological Assessment submitted by Vulcan's consultants in connection with the quarry and rail corridor, noting only an April 22, 2003 letter from USFWS. That is not correct. Vulcan's consultant has also received the attached October 17, 2003 letter from USFWS, which SGR hereby submits for the environmental record in this proceeding. By this letter, USFWS offers some comments on the most recent Biological Assessment, states its appreciation of Vulcan's cooperation with USFWS in designing "an environmentally sound quarry project" and thanks Vulcan for its "concern for endangered and threatened species and other natural resources." Of course, USFWS will have full opportunity to comment on the scope of the EIS and on the Draft EIS to the extent that it has any concerns.

We would be pleased to respond to any specific questions that SEA may have with respect to any of these or other matters.

Sincerely,

David H. Coburn
Attorney for Southwest Gulf Railroad

Enclosure

cc: Senator John Cornyn
Congressman Henry Bonilla
Senator Frank Madla
Representative Timeteo Garza
Ms. Rini Ghosh, SEA
Ms. Jaya Zyman-Ponebshek, URS
Dr. Darrell Brownlow

United States Department of the Interior

FISH AND WILDLIFE SERVICE
10711 Burnet Road, Suite 200
Austin, Texas 78758
(512) 490-0057

October 17, 2003

Dr. William J. Rogers
Department of Life, Earth, and Environmental Sciences
West Texas A&M University
Box 60808
Canyon. Texas 79016-0001

Consultation Number 2-15-00-I-0658

Dear Dr. Rogers:

This letter responds to your August 2003 submittal to the U.S. Fish and Wildlife Service (Service) of the "Vulcan Materials Company's Biological Assessment Report for its Medina Project in Medina County, Texas." Vulcan proposes construction of a limestone quarry on an approximately 712 hectares (1760 acres) tract approximately 8 kilometers (5 miles) north of the community of Quihi, Texas. This biological assessment (BA) assesses Phase I, the southernmost approximately 243 hectares (600 acres) of the site, and is an updated version of the Vulcan Materials Company (Vulcan) BA submitted to our office in December 2001. Four additional phases will be assessed and submitted to the Service in the future.

On October 15, 2003, Jana Milliken of our staff toured portions of the future quarry site with you and project geologist Dr. Darrell Brownlow to discuss the project's potential impacts to the endangered golden-cheeked warbler (GCW) (*Dendroica chrysoparia*). It was determined in the previous BA that potential habitat for the GCW did exist within and adjacent to the quarry site. However, those areas with the highest potential to support GCW habitat (approximately 81 hectares (200 acres) of the total Phase I area) are to be set aside as buffer zones and undisturbed wildlife "preserve" areas surrounding quarry operations. It is not clear exactly how much of the total 712 hectares (1760 acres) property will remain undisturbed over the life of the project, but estimates given during our tour suggest as much as half of the tract may be set aside.

Presence/absence surveys for the GCW were initiated in the Spring of 2001. Horizon Environmental Services, Inc. was contracted to do the surveys for 2001, 2002, and 2003 field seasons. From these surveys, we understand that you have determined that "take" of GCWs is

not likely to occur on the quarry site because of lack of suitable habitat. Section 9 of the Endangered Species Act of 1973, as amended (Act) defines take as "to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct." Take is further defined to include "significant habitat modification where it actually kills or injures wildlife by significantly interfering with essential behavioral patterns such as breeding, feeding and sheltering" (50 Code of Federal Regulations 17.3).

We appreciate the cooperation of Vulcan with the Service over the years to design an environmentally-sound quarry project. As we discussed during our October 15, 2003, visit, we recommend Vulcan consider limiting clearing of vegetation on the quarry site to outside of the breeding season for the GCW, March 1 - August 15. This would further reduce the chance of take occurring incidental to quarry operations. In addition, we determined that if it is necessary to clear inside the breeding season, the Service would be contacted for further guidance. We appreciate the opportunity to work with Vulcan on a clearing schedule that would avoid impacting the local wildlife community to the greatest extent possible.

In a March 20, 2002, letter, we expressed concern about the phased approach that Vulcan is taking to assess potential habitat for the GCW. Generally, the Service requests that projects be assessed for habitat in their entirety prior to initiation of project activities. However, given the fact that operations will not begin in areas outside of Phase I for several years, surveys in those areas would likely need to be reinitiated to show absence. Therefore, we look forward to working with Vulcan in the future to avoid impacts to the GCW on future phases prior to quarrying activities.

Thank you for your concern for endangered and threatened species and other natural resources. We appreciate the opportunity to comment on the proposed project. If we can be of further assistance or if you have any questions about these comments, please contact Jana Milliken at 512-490-0057, extension 243.

Sincerely,

Robert T. Pine
Supervisor

cc: Dr. Darrell Brownlow, Floresville, Texas
Mr. Tom Ransdell, Vulcan Materials Company, San Antonio, Texas

EI-751
ORIG

STEPTOE & JOHNSON LLP

ATTORNEYS AT LAW

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1330 Connecticut Avenue, NW
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Tel 202.429.3000
Fax 202.429.3902
steptoe.com

March 26, 2004

Via Hand Delivery

Ms. Vicki Rutson
Chief
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20402-0001

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad Company – Construction and Operation Exemption – Medina County, TX

Dear Ms. Rutson:

SGR is providing the attached maps and photos of the preferred route and the three alternative routes under consideration by SEA. The enclosures consist of U.S.G.S. topographic maps and aerial photos of the alternative alignments (including structures). Integrated into the illustrations are recent (February 2004) photographs of known residences and historical structures and their proximity to the individual alignments. The enclosures reflect all structures, as well as ruins, within 1000 feet of each alignment. We will supply larger versions of these maps, which will allow for more detailed examination of the photos, together with a CD Rom that contains the photos, early next week.

In comparing the information on the enclosures to that provided in the Preliminary Cultural Resources Assessment Report, one significant correction must be offered. Specifically, the Preliminary Cultural Resources Assessment Report apparently misidentified the location of the only NRHP certified structure, that being the Schuele-Saathoof House (see Figure 3 in the Report). As the attached illustrations point out (see the enclosed Preferred Alternative Map), the actual location of this property is near Quihi Creek, approximately 1000 feet south of the area of the proposed rail crossing of Quihi Creek.

SGR is hopeful that this information will be useful to SEA in assessing the cultural resources impacts affecting final route selection.

Sincerely,

David H. Coburn
Attorney for Southwest Gulf
Railroad Company

DHC/dyj
Enclosures

Southwest Gulf Railroad
Medina County, Texas

Preferred Alternative Alignment

NORTH

Scale: 1 mile

Aerial Date: October 1999

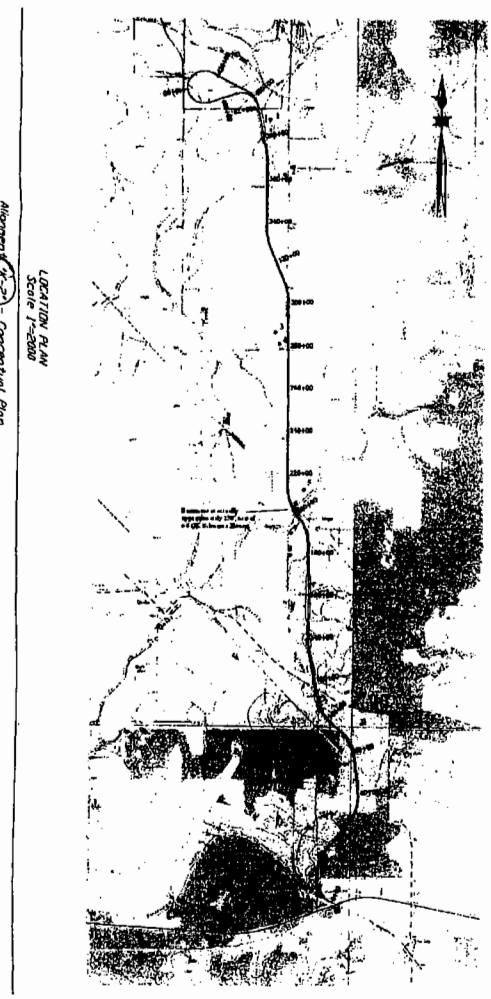
500' Radius Around Known Residence

500' Radius Around Potential Historic Structure

80' Wide Rail Easement (Yellow)

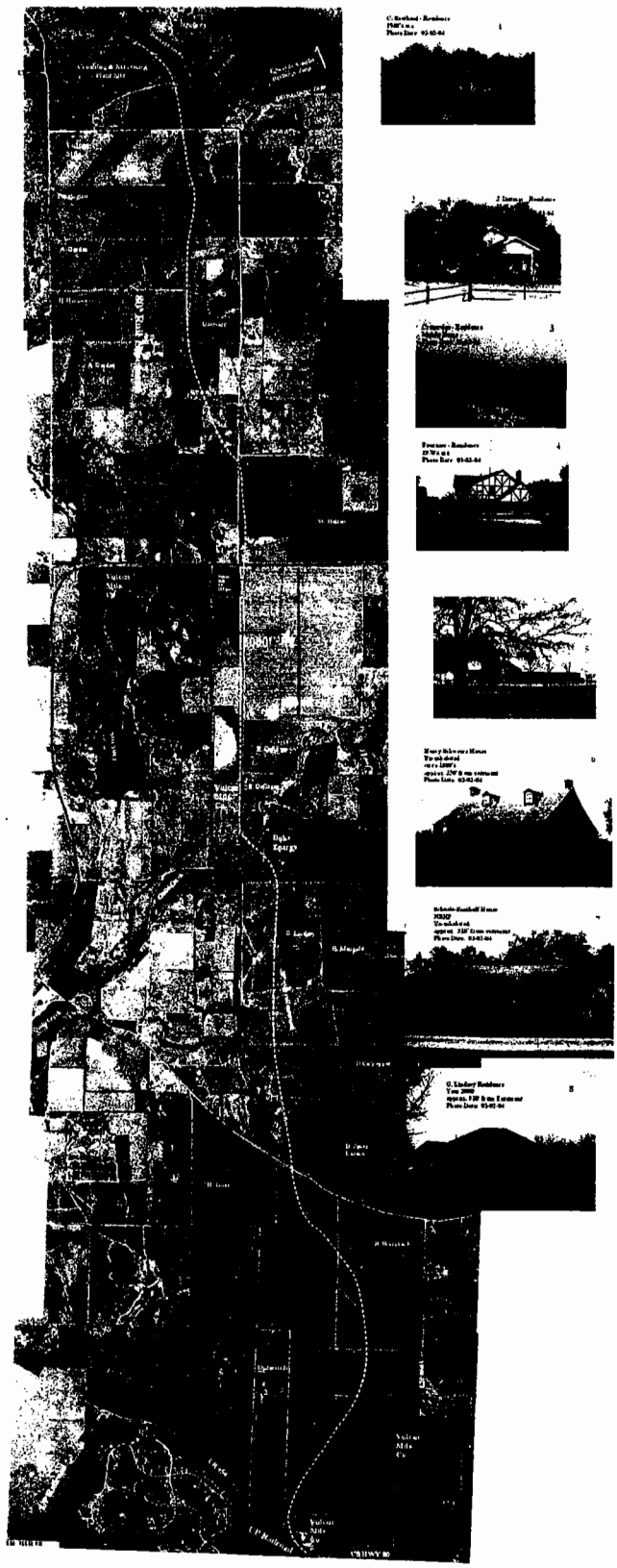
1000' Wide Area of Potential Effect on either side of Rail Easement (Red) Total Distance on Either Side of Easement = 2000'

All Photo's taken on 03-02-04



LOCATION PLAN
Scale 1"=2000'
Alignment (K-2) - Conceptual Plan

Conceptual Plan



Prepared by Vulcan Materials Company
03/04/04 dtb

Southwest Gulf Railroad
Medina County, Texas

Alternative
Alignment 1

80' Wide Rail Easement (Yellow)

1000' Wide Area of Potential Effect on either side of Rail Easement (Red) Total Distance on Either Side of Easement = 2000'

All Photo's taken on 03-02-04

NORTH

Scale: 1 mile

Aerial Date: October 1999

500' Radius Around Known Residence

500' Radius Around Potential Historic Structure

Prepared by Vulcan Materials Company
03/04/04 dlb

Southwest Gulf Railroad
Medina County, Texas

Alternative Alignment 3

NORTH

Scale: 1 mile

Aerial Date: October 1999

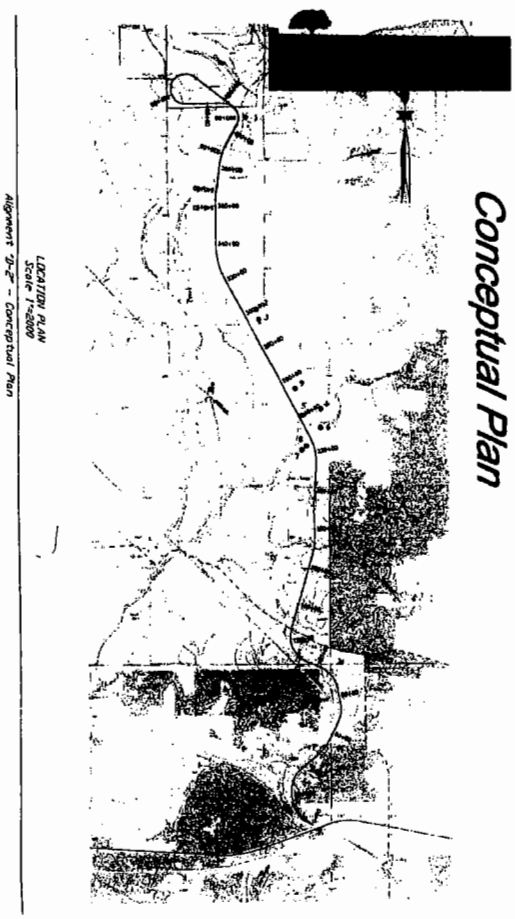
500' Radius Around Known Resident

500' Radius Around Potential Historic Structure

80' Wide Rail Easement (Yellow)

1000' Wide Area of Potential Effect on either side of Rail Easement (Red) Total Distance on Either Side of Easement = 2000'

All Photo's taken on 03-02-04



LOCATION PLAN
Scale 1"=2000'
Alignment "D-E" - Conceptual Plan

Conceptual Plan

Prepared by Vulcan Materials Company

#EI-755
Q1

STEPTOE & JOHNSON LLP

ATTORNEYS AT LAW

David H. Coburn
202.429.8063
dcoburn@steptoe.com

Oversized maps too large to scan on website. May be made available by contacting the Section of Environmental Analysis.

1330 Connecticut Avenue, NW
Washington, DC 20036-1795
Tel 202.429.3000
Fax 202.429.3902
steptoe.com

March 31, 2004

Via Hand Delivery

Ms. Vicki Rutson
Chief
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20402-0001

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad Company – Construction and Operation Exemption – Medina County, TX

Dear Ms. Rutson:

As promised in my March 26, 2004 letter, I have attached a set of oversized maps, with imbedded photos of the SGR preferred route and the three alternative routes. These are the same as the maps/photos provided to you with my prior letter, other than that the enclosures are much larger. A CD that contains copies of these same maps/photos is also enclosed.

Sincerely,

David H. Coburn
Attorney for Southwest Gulf
Railroad Company

cc: Ms. Rini Ghosh
Ms. Catherine Glidden
Ms. Jaya Zyman-Ponebshek

#EO-122
RS

SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Economics, Environmental Analysis and Administration

May 7, 2004

Mr. David Coburn, Esq.
Steptoe & Johnson, LLP
1330 Connecticut Avenue, NW
Washington, DC 20036-1795

Re: STB Finance Docket 34284, Southwest Gulf Railroad Company - Construction and Operation Exemption - Medina County, TX

Mr. Coburn:

As you know, the Surface Transportation Board's Section of Environmental Analysis (SEA) is conducting an environmental review of a proposed rail line construction and operation in Medina County, Texas, pursuant to the National Environmental Policy Act (NEPA) and related environmental laws, including the National Historic Preservation Act (NHPA). SEA appreciates your interest and participation in the environmental review process as a consulting party under Section 106 of the NHPA and is writing to update you on the next steps in the Section 106 process for this proceeding.

SEA has determined that an Environmental Impact Statement (EIS) is the appropriate type of NEPA document for this proceeding, and has recently completed the Final Scope of Study for the EIS, which we have mailed to you under separate cover. SEA is currently preparing a Draft EIS (DEIS) that will be made available for public review and comment. The DEIS will include a discussion of potential impacts to cultural resources and a draft version of a Programmatic Agreement (PA) prepared pursuant to 36 CFR 800.14(b). Although a preliminary cultural resources assessment of the entire project area has been conducted, the PA will outline the process for additional identification, evaluation, effect assessment and treatments to resolve any adverse effects to significant cultural resources located within the area of potential effect (APE) for the approved corridor.

We look forward to working with you to ensure proper completion of the Section 106 process and will appreciate any comments you may provide on the DEIS and Draft PA, when

available. If you have any questions, please do not hesitate to contact me or Rini Ghosh of my staff at (202) 565-1539.

Sincerely,

Victoria Rutson
Chief
Section of Environmental Analysis

#EO-100
RL

SURFACE TRANSPORTATION BOARD

Washington, DC 20423

Office of Economics, Environmental Analysis, and Administration

April 19, 2004

Mr. David Coburn
Steptoe & Johnson, LLP
1330 Connecticut Avenue, NW
Washington, DC 20036-1795

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad Company – Construction and Operation Exemption – Medina County, TX

Dear Mr. Coburn:

As you know, the Surface Transportation Board's Section of Environmental Analysis (SEA) is currently conducting an environmental review of Southwest Gulf Railroad Company's (SGR) proposed rail construction and operation. SEA issued a Notice of Intent to prepare an Environmental Impact Statement (EIS) and draft scope of study for public review and comment on January 28, 2004. SEA is currently reviewing the comment letters received and is preparing a final scope of study for the EIS. We are writing to request SGR to provide information regarding some issues that have been raised in these comment letters.

SEA has received comments on the draft scope that question the feasibility of using truck transportation as an alternative to the proposed rail line. According to SGR, if the proposed rail line were not built, Vulcan Construction Materials, LP (VCM) would use trucks to transport the limestone from the proposed quarry to the Union Pacific Railroad Company (UP) rail line. Based on information previously provided by SGR, each truck would transport 20 to 23 tons of limestone aggregate per trip, which would necessitate approximately 850 round trips per day for loaded and unloaded trucks. In order to gain a more thorough understanding of the truck transportation alternative, SEA is requesting SGR to provide the following information:

1. Please provide a detailed description of the use of truck transportation at other Vulcan Materials Company quarries, including how much limestone aggregate is transported by truck from each quarry per year, the number of round truck trips per day and per year, the types of trucks used (hauling capacity), and the types of roadways used (paved or unpaved and roadway width).

2. Please provide an estimate of how much limestone aggregate would be transported by truck from VCM's quarry to local markets, including the number of round truck trips per day and the approximate distances these trucks would travel.

If you have any questions, please do not hesitate to contact me or Rini Ghosh of my staff at (202) 565-1539.

Sincerely,

Victoria Rutson
Chief
Section of Environmental Analysis

#EO-128
RS

SURFACE TRANSPORTATION BOARD

Washington, DC 20423

Office of Economics, Environmental Analysis, and Administration

May 18, 2004

Mr. David Coburn, Esq.
Steptoe & Johnson, LLP
1330 Connecticut Avenue, NW
Washington, DC 20036-1795

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad Company – Construction and Operation Exemption – Medina County, TX

Dear Mr. Coburn:

Thank you for your letter dated May 4, 2004 in which you provide information regarding the feasibility of using trucks to transport limestone aggregate from Vulcan Construction Materials, LP's proposed quarry to the Union Pacific Railroad Company rail line at Dunlay, Texas, if Southwest Gulf Railroad Company's proposed rail line were not built. In your letter you mention that trucks would operate 20 hours per day, 250 days per year, when the quarry produces 5 million tons of aggregate per year. Could you please provide us with the hours of operation (the specific 20-hour time period) for these trucks?

If you have any questions, please do not hesitate to contact me at (202) 565-1539.

Sincerely,

Rini Ghosh

Rini Ghosh
Section of Environmental Analysis

Color copy of [illegible] Section of Environmental Analysis

STEPTOE & JOHNSON LLP

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#EI 287

September 16, 2003

VIA HAND DELIVERY

Ms. Rini Ghosh
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20402-0001

Re: Finance Docket No. 34284 -- Southwest Gulf Railroad Company -- Petition for Exemption from 49 U.S.C. § 10901 to Construct and Operate a Rail Line In Medina County, Texas

Dear Ms. Ghosh:

In Southwest Gulf Railroad's September 2, 2003 response to SEA's information request letter, we advised in response to the question about which streams SGR would cross that we would supplement our response to provide information on each of the action alternative routes, as had been requested. Exhibit 5 to the September 2 letter provided the requested information for the preferred alternative. The three attached maps provide similar stream crossing information for the three alternative routes (Alternatives 1, 2 and 3) that SGR has previously described. As discussed by SGR in its February 27, 2003 reply to previous SEA information requests, each of these alternatives entails crossing the property of a larger number of landowners than the preferred route. Each would entail a larger number of stream/drainage feature crossings as well.

We trust that the attached maps and Exhibit 5 provide the data that you need. Should you have any further questions, however, please let us know.

Sincerely,

David H. Coburn
Attorney for Southwest Gulf Railroad Company

Enclosure

cc: Ms. Jaya Zyman-Ponebshek
Dr. Darrell Brownlow

Conceptual Plan

SGR Alternative Alignment 1

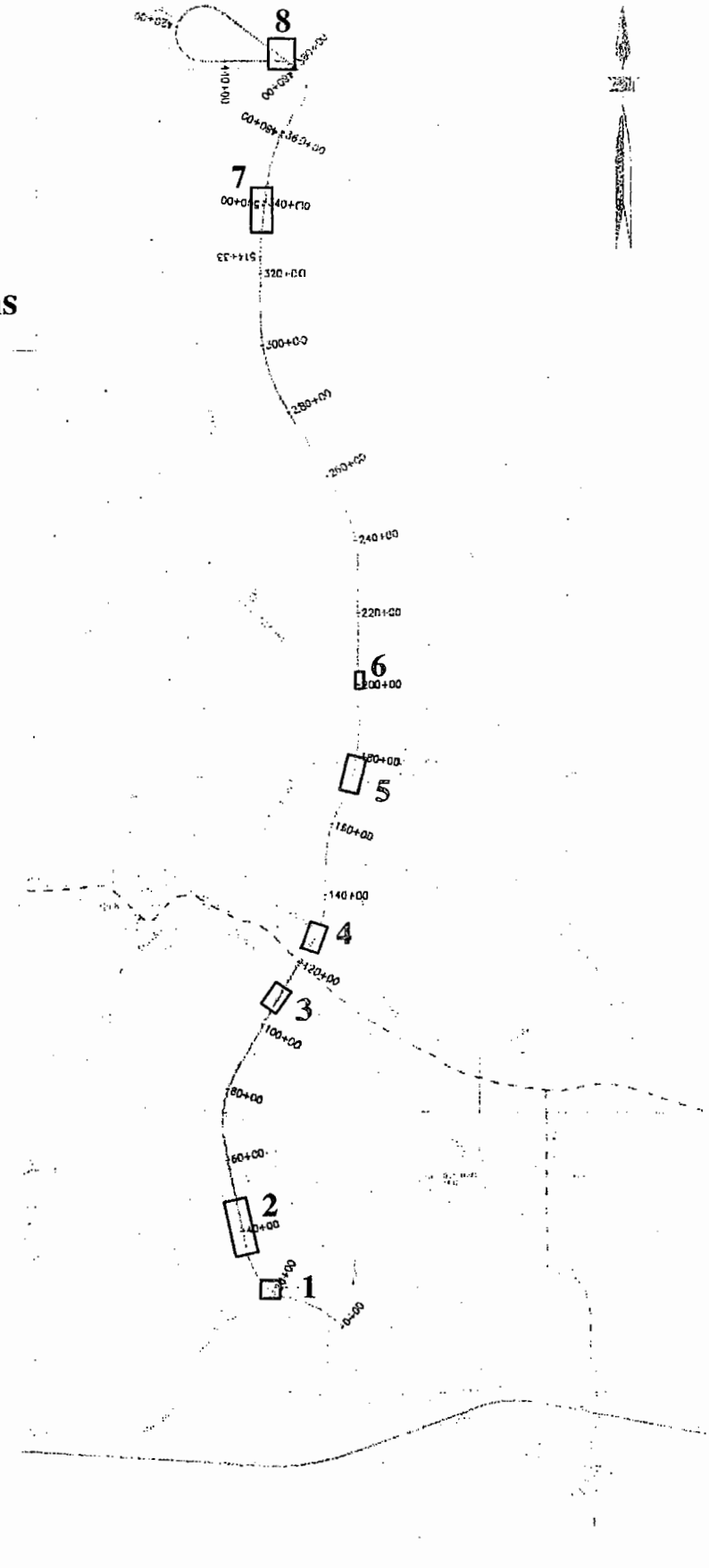
Stream Crossing and Significant Drainage Feature Locations

LOCATION PLAN
Scale 1"=2000

Alignment "F" - Conceptual Plan

SGR Alternative Alignment 2

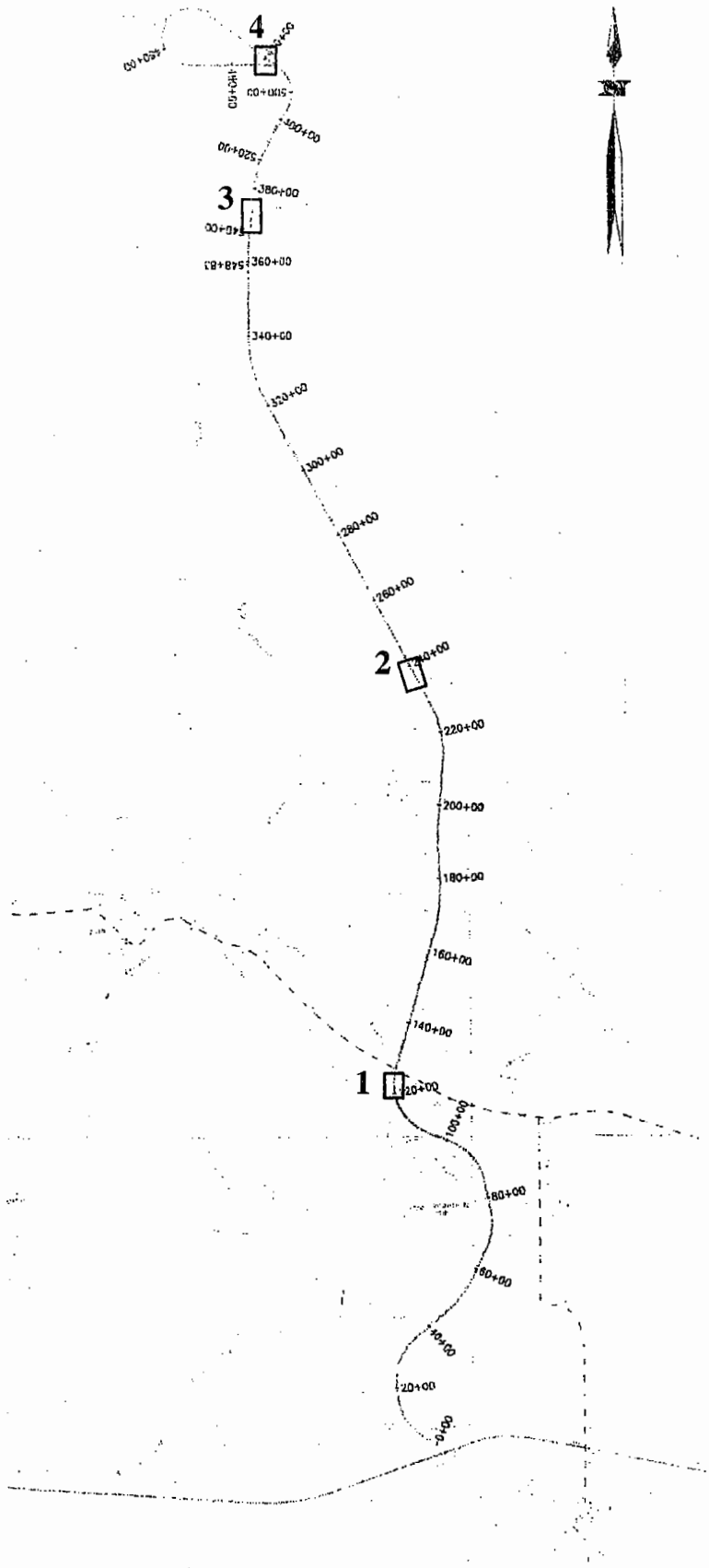
Stream Crossing and Significant Drainage Feature Locations



Conceptual Plan

SGR
Alternative
Alignment 3

Stream Crossing and Significant Drainage Feature Locations



LOCATION PLAN
Scale 1"=2000'

D-2 - Conceptual Plan

Conceptual Plan

#EI-733
RH

STEPTOE & JOHNSON LLP

ATTORNEYS AT LAW

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March 10, 2004

Via HAND DELIVERY

Ms. Victoria J. Rutson
Chief
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Re: **Finance Docket No. 34284, Southwest Gulf Railroad Company -- Construction and Operation Exemption -- Medina County, TX**

Dear Ms. Rutson:

We are writing on behalf of the Southwest Gulf Railroad Company ("SGR") in response to certain issues raised in four recent submissions by the Medina County Environmental Action Association ("MCEAA") in this proceeding. These are two February 19, 2004 letters addressed to SEA, a February 20, 2004 "Letter for Placement in the Record" which MCEAA filed with the Board on the merits side of this proceeding,[1] and February 24, 2004 "Scoping Comments" submitted in response to the January 28 Notice of Intent to Prepare an Environmental Impact Statement and Notice of Initiation of Scoping Process and Draft Scope ("Draft Scoping Notice") served by the Board.

In its submissions, MCEAA argues that the scope of the Board's forthcoming Environmental Impact Statement ("EIS") for the proposed seven mile SGR common carrier rail line should be expanded to include the direct impacts of a proposed quarry. That quarry, which would be served by the rail line (together with any other businesses that might choose to locate on or near the line), is to be

[1] SGR will respond here to the environmental issues raised in MCEAA's February 20 "merits": letter and will submit a separate response, to be filed with the Board on the merits side of the proceeding, responding to other arguments raised by MCEAA in that submission.

developed by an SGR sister corporation, Vulcan Construction Materials LP ("Vulcan").[2] MCEAA alleges that the rail line and the quarry are "connected actions," and therefore that the direct impacts of both must be considered in the EIS under the applicable Council on Environmental Quality ("CEQ") regulations.

MCEAA's rambling and convoluted submissions appear to skirt a key fact concerning the SGR rail line and the Vulcan quarry, namely, that the only project for which SGR seeks federal action in the form of STB exemption is a rail transportation project, not a quarry project. Vulcan has consistently stated that a quarry, which is a non-federal action, could be operated at the Medina County site even if there were no rail line. Such a quarry would be served by trucks, which would transport the limestone aggregate, which will be the product of the quarry, over local roads to a remote rail loading facility that would be located near the same point proximate to the Union Pacific line to which the SGR's line would otherwise connect. SGR thus understands that the "no action" alternative to be assessed in the EIS is, correctly, not "no rail line, no quarry," but rather "no rail line, truck-served quarry."[3]

As shown below, the Board has no obligation under NEPA to assess anything other than the direct environmental impacts of the rail line and the "cumulative impacts" of the line and the proposed Vulcan quarry. Both the CEQ regulations and National Environmental Policy Act (NEPA) case law clearly show that the quarry and the rail line are not interdependent connected actions, as MCEAA alleges. Rather, the Board's January 28 Draft Scoping Notice specifically and correctly states that the quarry will be considered under the cumulative impacts analysis of the EIS. SGR submits that such an approach is fully consistent with NEPA, and the relevant case law, which MCEAA consistently misinterprets in its submission.

SGR will also address here bogus arguments raised by MCEAA in one of its February 19 letters, in which MCEAA argues that the Endangered Species Act ("ESA") requires the STB to revise the

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[2] Both SGR and Vulcan Construction Materials, LP are wholly owned by Vulcan Materials Company.

[3] While the rail line is not a prerequisite for a quarry to be developed, SGR's proposed seven mile rail line will significantly enhance the efficiency of transportation of aggregate between the quarry and the national rail system, while also facilitating the possibility that other businesses that utilize rail transport may, at some future point, locate in the area to be served by SGR's common carrier line. Not only will the rail line allow for more productive and efficient transportation of the bulk product of the quarry (and the products of any other businesses that choose to take advantage of the line), SGR has every reason to believe that the line will bring with it environmental benefits -- including safety and air quality benefits -- when compared to the alternative of hundreds of trucks per day traveling local roads to and from UP line. In these ways, SGR will serve the public need by providing an improved transportation infrastructure in the area.

existing biological assessment for the quarry and that actions to comply with the ESA to date have been inadequate. To state the obvious, the quarry is not an STB undertaking, nor is it funded, authorized, or permitted by the Board. The Board has no ESA responsibilities for the quarry. Moreover, the Draft Scoping Notice specifically stated that the EIS would describe the threatened and endangered species and potential impacts to such species from the rail construction and operation. The approach outlined in the Draft Scoping Notice is consistent with the Board's responsibilities under the ESA.

I. The Proposed Rail Line and Quarry Are Not Interdependent Connected Actions

CEQ regulations define "connected actions" as actions which "(i) automatically trigger other actions which may require EISs; (ii) cannot or will not proceed unless other actions are taken previously or simultaneously; or (iii) are interdependent parts of a larger action and depend on the larger action for their justification." 40 C.F.R. § 1508.25(a)(1) (2003). Thus, connected actions are federal actions that are so closely related that it would be irrational to consider them in separate environmental reviews under NEPA, such as two segments of one federally-funded highway. *See* Daniel R. Mandelker, *NEPA Law and Litigation* § 9.11-9.16 (2d ed. 2003).

In this case, the rail line and quarry are separate events that meet none of the three CEQ "connected action" tests. Under the first CEQ test, the construction of the rail line will not "automatically trigger" the development of the quarry, which is a private action that will proceed whether or not the rail line is built. Under the second test, the quarry can be developed as a truck-served quarry regardless of whether the rail line moves forward or not. And, under the third test, the quarry and rail line are not interdependent parts of some larger action. Thus, there is no basis on which the EIS must or should be expanded to consider the direct impacts of the quarry, a private action outside the Board's jurisdiction and not dependent on the rail line.

Cumulative impacts, on the other hand, may arise from non-federal actions, and CEQ sets forth no requirement of interdependence, only that the projects be "related." The standard for when two projects must be considered concurrently under NEPA, in their entirety, as "connected actions" is clearly much higher than for when the cumulative impacts of two projects must be considered in a single project review. *See Coalition for a Liveable Westside v. United States HUD*, 1997 U.S. Dist. LEXIS 8860 (S.D.N.Y. 1997) (connected actions are those that are interdependent, not those that are merely interrelated).

Under the cumulative impacts standard, in contrast to the connected action tests, the rail line and quarry are "related" to the extent that the rail line will serve the quarry. Therefore the cumulative impacts of the quarry are appropriately considered in the forthcoming EIS, even though the two projects do not meet the tests of being "connected." The Draft Scoping Notice properly recognizes this.

The quarry is not a "connected action" with the rail line because, as discussed above, the quarry is not dependant on the rail line, and could exist even if there were no rail line. Thus, the cases cited by MCEAA finding interdependent connected actions are readily distinguishable. For example, in *Thomas*

v. Peterson, 753 F.2d 754, 759 (9th Cir. 1985), the Ninth Circuit held that a logging road was a "connected action" with the timber sales for which the road was built. In *Thomas*, there would be no timber sales if the road were not built as that portion of the forest would be inaccessible to loggers. *Id.* Here, however, the mining at the quarry could go forward with or without the rail line because of the availability of trucks to haul the aggregate. Indeed, numerous quarries are currently in operation that are not served by rail lines, including, for example, other exclusively truck-served quarries operated by Vulcan.[4] The Board in fact considered and approved construction of a rail line to a currently truck-served aggregate quarry operated by Martin Marietta in *Alamo North Texas Railroad Corporation -- Construction and Operation Exemption -- Wise County, TX* without analyzing the direct impacts of the quarry.[5] In short, contrary to MCEAA's claims, the Vulcan quarry is not dependent on the proposed rail line, and the two projects are therefore not interdependent "connected actions." *See Citizens' Comm. To Save Our Canyons v. U.S. Forest Serv.*, 297 F.3d 1012, 1023-24 (10th Cir. 2002) (federal land exchange and a master development plan were not connected actions because the development plan would proceed whether or not the exchange occurred); *Coalition for a Liveable Westside v. U.S. HUD*, 1997 U.S. Dist. LEXIS 8860 (S.D.N.Y. 1997) (finding that because developer would proceed with project regardless of whether the other federally-funded projects went forward, those projects were not connected actions).

It also bears note that the quarry is not dependent on the federal action sought by SGR (i.e., exemption of the rail line) or, for that matter, on any federal action that might trigger a NEPA analysis.[6] The typical situation where actions have been found to be "connected" involves two federal actions approved or implemented by the same federal agency. For example, in *Thomas v. Peterson, supra*, the

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[4] Exclusively truck-served Vulcan quarries include Geronimo Quarry (Mico, Texas), Helotes Quarry (Helotes, Texas); 1604 Quarry (San Antonio, Texas).

[5] STB Finance Docket No. 34002 (Aug. 30. 2002).

[6] The quarry will be required to obtain certain permits from the state such as air permits. However, the issuance of such permits does not trigger NEPA. *See* 15 U.S.C. § 793(c) (EPA actions under the Clean Air Act exempt from NEPA); *Save the Bay, Inc. v. U.S. Army Corps of Engineers*, 610 F.2d 322, 326 (5th Cir. 1980) (holding that issuance of a Clean Water Act NPDES permit does not trigger NEPA). Given that the quarry is not subject to NEPA analysis, MCEAA's claim at page 2 of its February 19 letter that Vulcan has decided to proceed with the quarry in phases to avoid various regulatory requirements is entirely unsupported. The phases to which MCEAA appears to refer are merely steps in the biological assessment process adopted in consultation with the U.S. Fish and Wildlife Service as part of a responsible, programmatic approach to providing accurate and detailed information concerning threatened and endangered species for assessment at various times during the life of the quarry. The "phase I" area for biological assessment encompasses both the initial quarry site and sufficient reserves for approximately the first 20 years of quarry operation. The northern terminus of the SGR line was also encompassed within the phase one area.

road and the associated timber sales would both occur on U.S. Forest Service lands, and therefore both "projects" were under the jurisdiction of the Forest Service. *Thomas*, 753 F.2d at 759. Similarly, in *Oregon Natural Res. Council v. Marsh*, the court addressed whether the Corps of Engineers was required to combine three dams to be constructed into a single EIS. 832 F.2d 1489, 1497 (9th Cir. 1987), *rev'd on other grounds*, 490 U.S. 360 (1989). These situations are vastly different from the instant case where the quarry (allegedly "connected" to the proposed rail line) is not part of a single federal project or plan, but is rather a private project not dependent on the rail line and wholly outside the authority or control of the STB.

The Ninth Circuit in *Wetlands Action Network v. Corps of Engineers*, 222 F.3d 1105, 1117 (9th Cir. 2000) ("*WAN*"), rejected an argument that a private action was a "connected action" where the federal agency, like here, did not have independent jurisdiction over the non-federal action. In that case, the court found that the non-federal action "certainly could proceed without the [federal action] and. . .is currently proceeding without the [federal action]." *Id.* The non-federal action at issue in *WAN*, as here, was not financed by federal funding, and federal regulations did not control the design of the non-federal action. *Id.* Moreover, the fact that the federal action would not occur without the non-federal project was not sufficient to place the non-federal action within the federal agency's jurisdiction. *Id.* at 1116-1117.

Similarly, in the present case, the "connected action" requirements are not applicable because the quarry is (1) not dependent on the relevant federal action and (2) an independent private project, over which the STB has no jurisdiction. *See also Save the Bay v. U.S. Army Corps of Eng'rs*, 610 F.2d 322, 327 (5th Cir. 1980) (NEPA review of entire plant not necessary in consideration of a permit for just one outfall pipeline); *Border Power Plant Working Group v. Dep't of Energy*, 260 F. Supp. 2d 997, 1015-16 & n.10 (S.D. Cal. 2003) (where agency does not have jurisdiction over related private project, NEPA's connected action requirement is inapplicable). Indeed, it is axiomatic that rail transportation projects are planned based on the existing or planned development in the area and the associated transportation needs. This does mean, however, that assessing the impacts of the rail project requires a complete NEPA assessment of the various private facilities to be served by the rail line.[7]

MCEAA incorrectly argues that *Sylvester v. U.S. Army Corps of Eng'rs*, 884 F.2d 394 (9th Cir. 1989), supports the inclusion of both the quarry and rail line within the EIS. Rather, *Sylvester's* holding suggests that SGR's EIS should solely address the rail line. In *Sylvester*, the Ninth Circuit ruled that the Corps' EIS for a planned golf course properly excluded a separate, nearby planned resort because while the resort was not entirely independent from the golf course, the resort could exist without the course. *Id.* at 398-401 The court noted that while the resort "would benefit from the [golf course's] presence," its existence was not dependent on the golf course. *Id.* at 400. Likewise, while the quarry will benefit

[7] As discussed further below, the Board has not made a practice of assessing the direct environmental impacts of such rail-served facilities.

from the rail line, the quarry could exist without the rail line, and the quarry and rail line are not "connected actions" under the CEQ regulations.

Similarly, the "independent utility" cases cited by MCEAA at pages 10-11 of its February 19 letter do not support assessing the direct impacts of the quarry in the EIS. These cases are fundamentally no different than the other connected action cases discussed above. In fact, a case cited by MCEAA acknowledges that the "independent utility" test is "merely an application of subsection (iii)" of the CEQ regulations, the test that focuses on whether the activities in question are "interdependent parts of a larger action and depend on the larger action for their justification." *See Blue Ocean Preservation Society v. Watkins*, 754 F. Supp. 1450, 1459, n 8 (D. Haw 1991) (citing two other cases relied on by MCEAA, *Town of Huntington v. Marsh*, 859 F.2d 1134, 1141-42 (2d Cir. 1988) and *Hudson River Sloop Clearwater v. Dep't of the Navy*, 836 F.2d 760, 764 (2d Cir. 1988)). Further, in *Fritiofson v. Alexander,* 772 F.2d 1225, 1242 (5th Cir. 1985), the Fifth Circuit recognized that the independent utility analysis is the same as the CEQ connected action analysis. As explained above, the rail line and the quarry are not connected actions under the CEQ regulations; therefore, the independent utility test does not yield a different result.

By contrast to the present situation, all of the independent utility cases relied upon by MCEAA involve two allegedly interdependent projects, each subject to some form of NEPA review due to agency permitting or funding. Here, the quarry is not subject to NEPA review by any federal agency, and has independent utility wholly apart from the rail line. There is no foreclosure of alternatives nor irretrievable commitment of federal funds that would result from the quarry not being considered part of the NEPA project because there will never be a NEPA analysis for the quarry. Therefore the independent utility test is not applicable. See *Save Barton Creek*, 950 F. 2d at 1139-1140 (citing FHWA's NEPA implementation regulations stating that the criteria including independent utility only are applicable where the FHWA exercises sufficient control over the project approval and are not applicable to projects that do not require Federal approvals). While outside the EIS's direct impacts analysis, the quarry is not exempt from discussion in the EIS. As a non-federal foreseeable action development of the quarry should be included in the cumulative impacts analysis for the EIS.

MCEAA's reliance on the cost benefit analysis in *Sierra Club v. Sigler,* 695 F. 2d 957 (5th Cir. 1983), also is misplaced. In *Sigler* the Corps developed an EIS in connection with the granting of certain permits for a deepwater port and oil terminal. The EIS did not consider the environmental impacts of certain bulk commodity activities expected to develop as a result of the port construction, although it included the economic benefits of the bulk activities in the analysis of the port. *Id.* The Fifith Circuit held that although the Corps could have excluded the bulk commodity activities from the EIS, the Corps' decision to attribute to the port substantial economic benefit from the bulk commodity activities meant that the Corps could not ignore the costs. *Id.* at 979. The court stated that the agency cannot cite possible benefits to promote a project, while failing to look at the costs. *Id.* Here, however, SGR has never claimed that the rail line is dependent on the revenues of the quarry. While the rail line will clearly serve the quarry, the Board has not, nor is it required to, look to the potential economics of the quarry in order to approve the rail line. Nor is there any indication that the Board intends to engage

in the lopsided analysis that the Fifth Circuit rejected in *Sigler*. Rather the Board's scoping notice clearly states that it will look, in the context of a cumulative impacts analysis, at the impacts of the quarry on the environment.

In its February 24 Scoping Comments, MCEAA argues that the no action alternative in the EIS should assume that neither the rail line nor the quarry are built. Scoping Comments p. 14-17. MCEAA alleges that because the rail line and the quarry are "connected actions," the no action alternative "cannot include any part of the action." *Id.* at 15. Thus, MCEAA's argument regarding the no action alternative is merely a variation on a theme, and rests on their assertion that the quarry and the rail line are inextricably linked to one another. As discussed above, that assertion is unfounded -- a quarry could be operated even if there were no rail line. As stated above, the proper no action alternative to be assessed in the EIS is not "no rail line, no quarry," but rather "no rail line, truck-served quarry."

The cases cited by MCEAA fully support a Board decision to include the quarry in the no action alternative. For example, in *Nashvillians Against I-440 v. Lewis*, 524 F. Supp. 962 (M.D. Tenn. 1981), the agency included in the no action alternative to a proposed federal highway an assumption that the existing city streets would need to be improved. The plaintiffs argued that the no action alternative should have been an action where literally nothing occurred. The court upheld the agency's decision, noting that CEQ has recognized that the no action alternative should include "predictable actions by others" and should be "reasonable." The court relied on the following language from CEQ's guidance document, *Forty Most Asked Questions Concerning CEQ's National Environmental Policy Act Regulations:*

> Where a choice of 'no action' by the agency would result in predictable actions by others, this consequence of the 'no action' alternative should be included in the analysis. For example, if denial of permission to build a railroad to a facility would lead to construction of a road and increased truck traffic, the EIS should analyze this consequence of the 'no action' alternative.

46 Fed. Reg. 18026 (1981). The *Nashvillians* court found that the necessary improvements to city streets were a logical, predictable outcome if the highway were not built, and that omitting that outcome in the no action alternative would not be "reasonable." *Id.* at 988 and n. 67. Similarly in this case, because Vulcan has stated the quarry will be developed regardless of the rail line, the no action alternative properly includes the quarry and the associated truck traffic. *See also Piedmont Heights v. Moreland*, 637 F.2d 430, 437 (5th Cir. 1981) (subway system properly deemed part of no build alternative to proposed highway where subway system would be built regardless of highway project).

In its February 20 letter filed on the "merits" side of this proceeding, MCEAA points to several STB and Interstate Commerce Commission ("ICC") rail construction cases, and alleges that in several of those cases the STB and its predecessor misapplied NEPA by failing to assess the direct environmental impacts of facilities to be served by the new rail line. Despite MCEAA's contentions, the STB and its

predecessor have consistently acted correctly in determining the scope of prior environmental reviews with respect to rail lines proposed to serve new manufacturing, mining or other facilities. To SGR's knowledge, in no prior case has the ICC or the STB analyzed -- other than with respect to cumulative impacts -- the environmental impacts of a new facility or other source of rail traffic where that facility would exist regardless of whether the proposed rail line is built. The precedents underscore that the STB is not in the business of assessing, other than with respect to cumulative impacts, the environmental impacts of new mines, steel plants, ports, industrial parks or quarries that would be served by a proposed rail line in the absence of a setting where the facility would not exist "but for" the rail line. *Compare Riverview Trenton Railroad Company -- Petition for An Exemption from 49 U.S.C. § 10901 to Acquire and Operate a Rail Line in Wayne County Michigan*, STB Finance Docket No. 34040 (EA served Oct. 15, 2001) at 1-2 (addressing environmental impacts of proposed intermodal terminal to be served by proposed rail line because the "traffic and related impacts of that [intermodal] facility would not occur 'but for' the proposed rail acquisition and operation activities that are subject to the Board's regulatory control").

The STB and ICC cases cited by MCEAA at pages 9-14 of its February 20 letter do not support the result MCEAA seeks. For example, in *Alamo North*, a rail line was proposed to serve an existing, commonly-owned quarry already being truck-served. The Board properly did not assess the impacts of the quarry (or a new quarry being developed in the area), despite MCEAA's contention that the Board might have been challenged in that case. In *San Jacinto Rail Ltd. -- Construction Exemption, Build-in to the Bayport Loop*, STB Finance Docket 34079 (May 9, 2003) at 13, the Board properly concluded that the rail line and a proposed port -- which was the subject of a separate EIS undertaken by another federal agency and which would not be served by the rail line -- were not connected actions. MCEAA's convoluted criticism of the Board's decision in that case, which is off the mark in any event, does not suggest a different result here, particularly given that SEA intends to assess the cumulative impacts of the quarry and rail line.

The outcome of these and the other cases cited by MCEAA is consistent with the EIS scope that the Board has proposed in the SGR case.[8] The fact that Vulcan's quarry could exist independent of the

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[8] *See Tongue River Railroad Co. -- Rail Construction and Operation -- Ashland to Decker, MT*, STB Finance Docket No. 30186 (Sub No. 2) (Nov. 8, 1996) (Board properly did not assess the environmental impacts associated with the mines that the proposed line would serve since the mines' transportation needs would be served regardless of the new line); *East Cooper & Berkeley Railroad -- Construction and Operation of a Rail Line -- Berkeley, SC*, STB Docket No. 32704 (Dec. 5, 1995) (Board properly did not assess direct impacts of a steel mill project to be served by new rail line; no evidence that the mill would not be built unless the rail line were constructed); *Northern Nevada R.R. Corp. -- Construction and Operation -- White Pine County, NV*, STB Finance Docket No. 32476 (Feb. 24, 1995) (EA prepared by Board with respect to rail line designed to serve a mine; EIS prepared by BLM by virtue of use of public lands assessed impacts of mine and rail operations on public lands); *Vaughan RR Co. -- Construction Exemption -- Nicholas and Fayette Counties, WV*, ICC Finance Docket

(Continued...)

rail line places this case squarely within the ambit of those cases where the ICC or Board did not analyze the direct impacts of the facility proposed to be served by the line. *See Vaughan,* ICC Finance Docket No. 32322 (direct impacts of new coal mine facilities not assessed where absence of rail line, i.e., "no action alternative" was truck service to mines); *Northern Nevada*, ICC Finance Docket No. 32476 (similar, "no action alternative" assessed was truck service to reopened mines).

II. STB Is Not Required To Order a Biological Assessment for the Quarry

MCEAA's request that STB require a biological assessment of "all phases of the quarry " is inconsistent with the STB's jurisdiction and the requirements of the ESA. Section 7(2) of the ESA requires federal agencies to consult with the U.S. Fish and Wildlife Service[9] (the Service) to ensure that they are not undertaking, funding, permitting, or authorizing actions likely to jeopardize the continued existence of a threatened or endangered species or destroy or adversely modify designated critical habitat. 16 U.S.C. § 1536 (2000). Here, the quarry is not subject to the authorization, funding or permitting of the STB. Moreover, as explained above, the quarry is not a connected action of the permitted project -- the rail line. Courts have held that where the federal agency has not authorized, funded or carried out a project, there is no federal agency action to support an ESA claim. *See Proffitt v. Dep't of Interior*, 825 F. Supp. 159 (W.D. Ky. 1993) (where EPA voluntarily assisted the county with its sewage system but did not authorize funds or carry out the project here was no ESA claim). Therefore, there is no basis for the STB to take any action regarding the biological assessment of the quarry.

It is appropriate to note that Section 9 of the ESA prohibits the "taking" of any endangered species, except with permission from the Service and applies to any person subject to the jurisdiction of the US. The Service, not the STB, has the authority to enforce the ESA at quarry. The quarry owner has been in consultation with Service, as noted in Mr. Barton's letter, and it is the providence of the Service as the agency designate by Congress to administer the ESA to determine the adequacy of that consultation, not the STB.

The Board must consider Section 7 of the ESA in its approval of the rail project, and the January 28 Draft Scoping Notice specifically states that the EIS will:

No. 32322 (Nov. 4, 1993) (ICC properly did not assess direct impacts of a coal facility which would be served by a new rail line where the coal would be transported by truck in absence of rail line); *Jackson County Port Authority -- Construction Exemption -- Pascagoula, MS*, ICC Finance Docket No. 31536 (Aug. 6, 1990) (port and rail line were connected actions, Corps of Engineers had previously assessed port).

[9] In some cases the federal agency also must consult with NOAA Fisheries, but that is not an issue in this project due to its geographic location.

a. Describe the existing biological resources within the project area, including vegetative communities, wildlife and fisheries, and Federal and state threatened or endangered species and the potential impacts to these resources resulting from the proposed new rail line construction and operation.

b. Propose mitigative measures to minimize or eliminate potential project impacts to biological resources, as appropriate.

It is clear from the Draft Scoping Notice that Board intends to comply with the ESA as it pertains to that project over which the Board has jurisdiction -- the rail line. Moreover, MCEAA's argument that the Fifth Circuit's decision in *Nat'l Wildlife Fed'n v. Coleman* requires the Board to conduct a biological assessment for the quarry is misplaced. 529 F.2d 359, 373 (5th Cir. 1976). *Coleman* stated that in considering the impact to endangered species, the agency must take into account more than the mere number of acres of the project. *Id.* In fact, the agency must consider indirect effects such as borrow pits and residential and commercial development "that can be expected to result from the construction of the highway." *Id.* The quarry is not a development resulting from the rail line because the quarry can go forward regardless of the rail line. As explained above, there are numerous quarries that are served exclusively by trucks. Moreover, unlike the commercial development at a highway interchange in *Coleman* that would not have developed without the interchange, the quarry could be built regardless of the construction of the rail line.

MCEAA also assumes that the Board can only comply with the ESA by conducting the biological assessment that MECAA wants. However, the first step in the process is to determine in accordance with the Service's criteria, if there is potential endangered species habitat in the area of the action. There is no potential endangered species habitat along the proposed rail line, other than at the loading loop and a thorough biological assessment has been conducted for the loading loop area in accordance with the Service's requirements.

Conclusion

In summary, the rail line and the quarry are not interdependent actions and the quarry should not be included as part of the project assessed in the EIS. The Board has stated that it will describe the impact to endangered species in connection with the construction and operation of the rail line, which is consistent with the ESA. The Board should consider the quarry as part of the "cumulative impacts" and it has specifically indicated in the Draft Scoping Notice that it will do so. No more is required.

Finally, MCEAA's motivations for seeking an expanded EIS should be clear. That avowedly anti-quarry group hopes to slow down and complexify the Board's EIS process, perhaps in the hope that they will delay the quarry. SEA should not allow its processes to be abused in this manner.

Respectfully,

David H. Coburn
Sara Beth Watson

Attorneys for Southwest Gulf
Railroad Company

cc: Rini Ghosh, SEA
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April 5, 2004

Via Hand Delivery

Ms. Victoria Rutson
Chief
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20402-0001

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad Company – Construction and Operation Exemption – Medina County, TX

Dear Ms. Rutson:

This letter offers the views of Southwest Gulf Railroad Company ("SGR") on certain issues raised in the public comments on the draft scope of the Environmental Impact Statement ("EIS") that the Board is preparing in this matter. While certain of the matters addressed here go beyond the issue of the proper scope of the EIS, and instead address more substantive issues, SGR trusts that the information set forth here will facilitate the SEA's work both in the preparation of a final scoping notice and in the issuance of a Draft EIS.

Through its March 10, 2004 letter, SGR has previously responded in detail to comments that raised the legal question of whether the Draft EIS should address the direct impacts of the Vulcan quarry that SGR will serve. In SGR's view, the environmental impacts of the quarry are beyond the scope of the EIS's direct impacts analysis. Rather, quarry impacts are relevant to the extent that they are part of the cumulative impacts analysis set forth in the Draft EIS.

This letter will focus on other issues raised by commenters. To the extent that SGR is providing information in this letter about the Vulcan quarry, it is doing so to assist SEA in responding to comments and in preparing its cumulative impacts analysis.

A. Issues Concerning Design of Rail Bridges/Flooding Concerns

In its February 24, 2004 scoping comments, MCEAA urged that modeling was needed to determine the impacts of the SGR line on potential flooding in the area through which the SGR line would be constructed, particularly near Quihi Creek, and to determine how best to design appropriate rail crossings of intermittent streams in the area. SGR has previously explained why it believes that MCEAA's concerns about the rail line causing flooding are overblown. MCEAA's assumption that the bridges that will carry the line over the intermittent creeks in the area will be poorly designed, and that the line will cause or exacerbate flooding, is based on no more than its effort to generate opposition to the proposed quarry. It is of course SGR's intention to design its line, including stream crossings, to minimize adverse impacts to the area's agricultural resources and structures, including its own rail line (which would suffer from any flooding).

As SGR stated in its August 4, 2003 letter to SEA responding to previous comments by MCEAA and others on the flooding issue, SGR's preferred alternative is the product of preliminary engineering evaluations, including evaluations of optimal stream crossing locations. Further, an SGR representative has toured the relevant area with the Medina County Flood Plain Administrator (Administrator). Based on the work performed to date and consultation with the Administrator, SGR does not believe that there are any unique issues regarding flooding here, or that sound engineering practices cannot address the concern that the line would worsen the existing situation. SGR is committed to keeping the Administrator informed as to its plans for stream crossings to ensure that any legitimate water control issues are properly addressed, and to continuing its consultations with the U.S. Army Corps of Engineers (Corps), noted further below.

If the Board permits SGR's rail line to move forward, SGR intends to undertake more detailed engineering work to design the stream crossings in a manner that would not exacerbate pre-existing flooding risks. As part of the additional engineering work that would be conducted, SGR will undertake hydrological modeling. However, given the complexity of the engineering task and the specific information required for the modeling, as a practical matter such modeling can take place only after a specific route has been chosen by the Board. SGR sets forth below a general description of steps it intends to take with respect to the design of its crossings of the intermittent streams in the area to address the flooding concerns that have been raised. Much of the information concerning these steps has been supplied to SGR by one of its contractors, HDR Engineering Inc., an experienced railroad engineering firm which SGR has consulted in connection with the construction of its planned rail line.

According to the engineers with which SGR has consulted, any impacts of the rail line can be addressed by understanding the existing hydrologic and hydraulic conditions within the specific project area and then compiling design criteria that will be incorporated into the overall

project design to avoid impacts to existing conditions. In that regard, the existing conditions are best understood by conducting a study of the area's hydrology and building fact based numerical models that describe the drainage response of the area in terms of the amount of and rates of runoff from a given storm at points of interest in the area (the hydrology), the base flow or flooding elevations and the potential for erosion at the points of interest (the hydraulics), and the potential for impacts to the stream water quality and ways to eliminate these impacts (the water quality).

Once these aspects of the existing conditions are understood, the models will be modified to include the proposed project elements relative to the specific route on which the line will be constructed. The proposed project model is used to characterize the area's response to these changes and then compare these changes to the existing conditions. An iterative process is used to investigate and determine the minimum design criteria that must be included in the final project design elements (including bridges) that will mitigate any adverse impacts to the watershed (such as increases in base flood elevations or increased erosion). The following list of tasks is an abbreviated, general outline of the methodology that will be used by SGR's contractors to conduct the watershed analysis prior to construction of the line:

Task 1 – Compile information regarding existing land use, topography, drainage features, impervious surfaces, and other required information to be used as a basis for the modeling. Conduct additional surveying, as required, to obtain data relating to existing channel geometry.

Task 2 – Coordinate with the Medina County Flood Plain Administrator to discuss the project and address mitigation requirements. In this connection, SGR intends also to consult as necessary with the U.S. Army Corps of Engineers, with which it has already had preliminary consultations.

Task 3 – Delineate the overall watershed and sub-watersheds and related drainage patterns corresponding to the relevant points of interest.

Task 4 – Compile an existing conditions hydrologic model. The model will use existing watershed characteristics and regional design storm information to determine the 2,5,10, 25, 50, 100, and 500-year design storm intensities and the related stream or flood flow rates for these recurrence intervals.

Task 5 – Construct existing conditions hydraulic models for the points of interest, such as rail crossings at streams. The existing conditions hydraulic model will be calibrated with available information and compared to the existing flood plain data.

Task 6 – Analyze the proposed rail bridge(s) and other proposed structures that may impact the flood-plain and the watershed. Summarize the results in a technical memorandum that will address the estimated extents of the existing floodplains in the project vicinity and provide design criteria for minimum bridge openings, culvert locations and sizes, bridge lengths

and low chord heights, bank stabilization, scour protection, and erosion control measures so that the constructed project will have no negative, significant impact on base flood elevations and flood plain extents, and will mitigate potential erosion.

Task 7 – Design a Water Pollution Abatement Plan (WPAP), Storm Water Pollution Prevention Plan (SWPPP), and provide a narrative description and typical details to mitigate water quality impacts during and after construction of the project.

The final design process for the SGR line, including the rail bridges, will incorporate the above methodology, using factual information developed during the engineering and surveying process, to insure that the project design components address the particular characteristics of the area's hydrological features and do not adversely impact the flood elevations, water quality, or other watershed characteristics. As noted above, SGR will proactively work with the Flood Plain Administrator and other regulatory agencies to address any concerns they may have. Bridge crossings will be designed with adequate opening sizes, bridge geometries, and bank stabilization measures so there is no significant impact to upstream and downstream base flood elevations. Furthermore, bridge structures will be designed to hydraulically convey floods and base stream flows without the requirement to impound water on the upstream side of the structure – eliminating the potential for a catastrophic breach failure. Water quality and best management practices will be incorporated into the design of the project to eliminate any affect from the project elements.

The above-described work (which is not unusual for any rail line) will be undertaken, as part of the engineering process, for the routing over which the Board determines, based on the NEPA process, the line may be constructed. SGR is therefore prepared to accept as a condition in this proceeding a requirement that, prior to construction, it undertake appropriate modeling and design efforts with respect to the alignment for the line that it is authorized to construct in order to address stream crossing issues. It is also prepared to accept as a condition that it coordinate, prior to construction, with appropriate federal, state and local agencies with respect to design or related requirements relative to stream crossings for the alignment authorized by the Board. In that regard, SGR wrote to the Corps of Engineers on January 29, 2004 to initiate pre-application consultation (see attached copy), and is aware of the Corps' March 8, 2004 letter to SEA advising of the Corps' permitting process and the possible application of that process to SGR's plans.

B. Impact of the SGR Line on Local Groundwater Quality

As SGR has previously advised, the proposed rail line would not impact the Edwards Aquifer Recharge Zone. Except at its northernmost end, all of the rail line would be located outside the recharge zone, as would the fueling and maintenance facilities. The rail line will be constructed and operated consistent with the requirements of the Edwards Aquifer Authority,

which is responsible for aquifer issues. SGR and Vulcan have consulted with that Authority and intend to continue to do so to ensure that water quality is not impaired by the rail line.

Further, contrary to the unfocused concerns of several commenters, the SGR line will not adversely impact shallow ground water resources in the area. Most of the residents in the area receive their potable water from a local water supply company. That company receives its water from Edwards Aquifer wells, which will be unaffected by the line. The line will also be designed not to interfere with any nearby wells or with water pipes and thus would not impair the ability of local farmers to irrigate their property. Obviously, rail lines coexist with water wells throughout Texas, and SGR is not aware of any particular threat that these rail lines, or its line, pose to water quality, which can be more significantly impacted by a variety of other factors unrelated to the rail line.

C. Roadway Upgrades Associated with Rail "No-Build" Alternative

Several commenters have raised questions about the impact of the quarry on area roadways. Under the "no-build" alternative associated with the STB application, it is proposed that over-the-road tractor trailers each carrying between 20 and 23 tons of aggregate be used to transport product from the quarry area to a remote rail loading facility approximately seven miles south of the quarry, where the aggregate would be transferred from trucks to rail cars. At the currently projected demands for the quarry aggregate, the no-build alternative would necessitate approximately 850 round trips per day for loaded and unloaded trucks were the rail line not built.

The transportation route from the quarry to the remote rail loading facility would be as follows: Upon exiting the quarry, trucks would travel about 2.5 miles on either CR 351 or CR 353, to FM 2676. The trucks would then proceed south on FM 2676 for about 3.5 miles and then east on CR 4516 for about 3 miles to the point where the rail loading facility would be located.

FM 2676 may be capable of sustaining this type of added traffic for at least a short period of time. CR 353 and CR 4516, by contrast, would require immediate and substantial upgrading for the entire length that those routes would be used for the truck traffic in the event that the rail line were not built.

In terms of traffic impacts resulting from quarry operations unrelated to whether the rail line is built, SGR understands that Vulcan intends to work with the Medina County government to consider appropriate upgrades to roadways that will act as primary conduits into and out of the quarry area. In several cases, particularly on CR 353 leading into the quarry and plant area, it is believed that roads will need to be upgraded to handle tractor trailers carrying aggregate to local customers as well as Vulcan employee traffic and local residents.

D. Depth of Mining at Quarry/Size of Quarry

Several parties have raised questions about the depth of the mining that will occur at the Vulcan quarry. While SGR does not believe that these concerns bear any relationship to its rail line, SGR (based on information provided by Vulcan) offers the following information which SEA may find relevant for purposes of its cumulative impacts analysis.

Data collected from the relevant properties indicates that the thickness of the total Edwards Limestone generally exceeds 400 feet. However, the potential mineable thickness (that thickness which is considered for mining purposes) of the desirable limestone in this location varies from as thin as 40 feet from the surface in some areas to as great as 180 feet in other areas. The actual mineable thickness depends on a variety of factors, including mine safety practices, operational and quarry design considerations, stone quality, as well as the nature and level of the market demand. In addition, no mining will occur at depths such that the water table would be contacted. As a practical mining consideration, the presence of water in active quarrying areas is a hindrance to mining activities. Accordingly, a substantial thickness of un-saturated limestone will be left above any underground water table. MCEAA's suggestion that Vulcan intends to mine down to 250 feet, or to reach the Aquifer, offers another example of that group's effort to generate opposition to the quarry based on false accusations.

The total leased land in the quarry area is far more than required for the actual proposed quarry and plant area. Having such a large tract of land allows for evaluation of alternate project features, buffer areas, and habitat enhancement areas. To accomplish the goal of developing a model project, Vulcan has to date and will continue in the future to work closely with both the regulatory and public stakeholders. Much of the project area will not be disturbed and will be managed to improve the habitat value in the area. Vulcan's direct experience at other operations in Texas is that quarrying has little, if any, impact on the surrounding wildlife, including the Whitetail Deer population.

E. Water Quality Impacts of Quarry

SGR offers the following information in response to concerns raised in certain comments about water quality issues relating to the quarry. Again, SGR does not believe that this information is necessarily relevant to an environmental assessment of its rail line, but is providing this information in the event that SEA might find it useful for purposes of its cumulative impacts analysis.

As SGR has previously advised, the quarry's plant maintenance facility and fuel storage area would be located *off* the Edwards Recharge Zone. Only the amount of fuel and lubricants required for short-term operations would be maintained at the site and all storage tanks and drums will be placed in secondary containment facilities in accordance with all federal, state, and

local requirements governing such tanks and the handling of petroleum products, including the petroleum storage tank and spill prevention control and countermeasures plan requirements. Regulatory requirements with respect to the storage tanks that will be used are addressed in SGR's September 2, 2003 letter to SEA.

By design and based upon the geology, the primary quarry locations exist in the topographically higher elevations of the project site. Because of this, only minor run-off water, and water from direct rainfall, will enter the quarry locations. Within the quarry operations, there will be a relatively small amount of diesel fuel housed within the fuel tanks on the motorized heavy equipment. As previously discussed, all major fuel storage areas are located outside of the quarry area in well regulated and controlled secondary fuel containment facilities off of the recharge zone. In the unlikely event of an accident resulting in a ruptured fuel tank on a piece of heavy equipment within the quarry operations, emergency spill clean up kits would be utilized to reduce any potential threat to the aquifer. In addition, as stated earlier, having a substantial buffer of un-saturated limestone between the quarry floor and any potential water table provides added security that in the unlikely event of a spill, there would sufficient opportunity for any clean up to occur.

Quarry operations necessarily involve the use of blasting agents. These agents are brought into the quarry area and mixed together during placement within the shot holes. They are consumed during the blast. Any trace and or minor residual components remaining from the blast will adhere to the broken aggregate that is transported out of the quarry. Use of these practices and the exercise of prudent mining approaches, including extensive environmental and safety awareness programs, should address any concerns about the impact of blasting on the Edwards Aquifer water quality.

Several commenters raised issues concerning the impact of blasting on water wells. Vulcan has three other operating Edwards Limestone quarry operations in Bexar and Medina Counties. The geology of these quarries is very similar to that for the proposed quarry. In each of these operations, Vulcan relies on water pumped from Edwards wells, which in all cases are immediately adjacent to the quarry. In decades of operation, Vulcan has never experienced performance issues with these wells related to any of the blasting it has done, and these wells are closest to any effects that may be felt from the blasting. To its knowledge, Vulcan has never received complaints or notices from any landowners or entities which may have wells adjacent to Vulcan's Bexar or Medina quarries about any negative impacts of Vulcan's operations on their wells. It also bears note that in most of these areas, the population density greatly exceeds that in the area around Vulcan's proposed Medina quarry.

F. Quarry Water Usage

SGR will address quarry water usage since the issue has been raised by certain

commenters. SGR provides this information in connection with the cumulative impacts analysis that will be undertaken by SEA.

Medina County, like many of the counties to its east and west (including Bexar County), relies almost exclusively on water pumped from the Edwards Aquifer. Any Edwards Aquifer water utilized in this project would be regulated by permit from the Edwards Aquifer Authority (EAA). The EAA's function is to oversee the protection, conservation, and utilization of the aquifer water and as a result, reduce the potential for negative impacts on area springs, which provide habitat for various species. As a result, Vulcan can only utilize that amount of Edwards Aquifer water that complies with the EAA's rules. Apart from Edwards Aquifer water, there are other potential sources of non Edwards Aquifer water that could be used for this project, and the use of these other water sources would lessen the demand on the Edwards Aquifer.

The amount of water utilized in the project will be a function of the market demand and the resultant volume of material sold from the operations. It is estimated that in the early stages of the project, the volume of water to be utilized may range from 500 to 2,000 acre/feet annually. If this is regulated Edwards Aquifer water, then it represents the use of existing water rights that would otherwise be used in some other part of the region. As such, use of Edwards Aquifer water in quarrying operations does not represent an increase in total regional Edwards Aquifer water usage. Included within this estimate is Vulcan's utilization of extensive water re-use equipment and technology. In 2000, Vulcan Material's received an award for "Outstanding Water Saver of the Year – Big Business Category" from the San Antonio Water Systems, for using water re-use technology in its Bexar County quarry operations. Vulcan is the only aggregate producer in the area to utilize this water saving approach. Implementation of this technology resulted in Vulcan recovering as much as 75% of the water it would have otherwise lost. The same technology is planned for use at the quarry to be served by the SGR line.

Through extensive field observations and consultation with landowners, no sensitive recharge features have been identified on any parts of the 1,760 acre project site. As a result, the quarry poses no potential harm to the recharge effectiveness to the aquifer as a result of potential destruction of sensitive features.

G. Other Matters

MCEAA offers views in its scoping comments on the manner in which SEA might conduct its assessment of air quality, noise, wetlands, wildlife and environmental justice analyses in the Draft EIS. To the extent that MCEAA argues that the impacts of the quarry should be assessed with respect to each of these matters, SGR (in its March 10, 2004 letter) has previously offered its views as to why this is not the case. SGR has also offered its views on MCEAA's arguments concerning the scope of the endangered species analysis for the rail line.

SGR is confident that SEA knows how to conduct the appropriate analyses of air quality, noise, wetlands and environmental justice matters, each of which areas was identified by SEA as an areas appropriate for discussion in the Draft EIS. Thus, SGR will not comment further on these matters.

With respect to cumulative impacts, MCEAA offers the weird and unprecedented notion that SEA should undertake an analysis of the transportation impacts on the national rail system, including rail lines in the Houston area, of the railcars that may originate on the SGR line. To state the obvious, such an analysis could not be undertaken since SGR is unable to predict the precise final destination or the routing to that destination for each railcar that it may transport over a period of years. Nor can it predict the level of truck traffic that might be generated by the rail traffic at issue in places distant from Medina County, much less the air quality impacts of such traffic. For obvious reasons, SEA has never undertaken that kind of speculative work relative to traffic that might be transported over a new rail line, and NEPA does not require such guesswork.

MCEAA's cumulative impacts suggestion underscores a key point that should not be lost here – that party (which obviously has no bona fide interest in transportation or air quality impacts in Houston or other distant points where the Vulcan aggregate might reach), is manufacturing problems and ideas for analysis for the sole purpose of injecting delay and complexity into this straightforward matter. Its lengthy and rambling submissions are part of this strategy.

SEA should stay on course and not be swayed by false complexity. This case involves a seven mile rail line of the sort that SEA has seen before. The scope of the EIS should be thorough (as has been proposed in the draft scoping notice), but should also be consistent with the nature of the federal action at issue

* * *

SGR urges the Board to proceed with the issuance of a final scoping notice in this proceeding consistent with its draft scope. Should the Board have any specific questions concerning SGR's plans, SGR would be pleased to provide responses to those concerns.

Sincerely,

David H. Coburn
Sara Beth Watson
Attorneys for Southwest Gulf
Railroad Company

cc: Ms. Rini Ghosh
Ms. Catherine Glidden
Ms. Jaya Zyman-Ponebshek

Colonel John R. Minahan
District Engineer
Fort Worth District
U.S. Army Corps of Engineers
817 Taylor Street
Fort Worth, Texas 76102

January 29th, 2004

Re: Southwest Gulf Railroad, Medina County, Texas

Dear Colonel Minahan:

This letter is to initiate pre-application consultation with the U.S. Army Corps of Engineers concerning potential Section 404 Permits for the subject rail line construction project. Southwest Gulf Railroad ("SGR"), a new railroad entity which is wholly owned by Vulcan Materials Company, intends to construct a seven mile rail line in Medina County from a limestone quarry to be developed by another Vulcan subsidiary to a connection with the existing Union Pacific Railroad line near Dunlay. A map showing the location of the proposed rail line is attached.

On February 27, 2003, SGR requested an exemption from the federal Surface Transportation Board (STB) for the construction and operation of the new rail line (STB Finance Docket No. 34284). The STB is the federal agency with jurisdiction over the construction and operation of new rail lines. On May 19, 2003, the STB granted an exemption to allow construction and operation of the line, subject to the completion of the environmental review process under the National Environmental Policy Act. A copy of the STB's decision is enclosed. The environmental review is being undertaken by the STB's Section of Environmental Analysis ("SEA"). The Austin office of URS, Inc. has been selected by SEA as the third-party contractor to assist in the preparation of the environmental documents and the environmental review process is underway. In that regard, on January 28th, 2004, SEA issued a scoping notice with respect to the Environmental Impact Statement that it is preparing. A copy is attached for your information.

On March 31, 2003, SEA forwarded a consultation letter concerning this project (model copy attached) to a variety of federal, state and local agencies. We are advised that among the addressees of this letter were Mr. Robert Scott of your office and CESWF-PER-R. We understand that SEA did not receive a written response to that letter. If there is any specific information that we can provide you at this time in order to allow your office to comment on the project, please do not hesitate to contact me.

SGR has evaluated several alternative alignments and has identified a preferred alignment. The identification of that alignment was based in large measure on SGR's assessment of the impacts of that alignment, versus other possible alignments, on many issues including wetlands. In SGR's view, the preferred alignment will have no impacts on any wetlands. Nor, in SGR's view, will the proposed rail line give rise to any flooding

issues in connection with the crossing of Quihi Creek and Elm Creek or other intermittent streams in the area. While there are occasional floods in the area, SGR is confident that it can design crossings using trellis bridges that will not exacerbate such flooding. SGR intends to consult with your office about the design for these stream crossings once further engineering work is undertaken following completion of the STB regulatory process.

In that regard, over the last six months, I have informally consulted with Mr. Stan Walker and Ms. Jessica Napier of your office on this matter, and we have committed to providing more details on the planned stream crossings at the stage when SGR undertakes final engineering for the project. We understand the importance of environmental stewardship and the need to coordinate with the Corps if the project will result in any placement of fill material into "waters of the U.S." I have also preliminarily consulted with the Medina County Flood Plain Administrator, with whom I toured the proposed stream crossing locations last July.

In short, SGR is committed to compliance with all applicable laws and permitting regulations, including those related to jurisdictional waters, stormwater quality management, FEMA-regulated floodplains, endangered species, and cultural resources. We also look forward to coordinating with your staff once the potential impacts to waters of the U.S. are more fully assessed as part of the NEPA process

Finally, we would like to provide you any additional information that you may require at this stage in order to offer us initial guidance on the SGR project. We would be pleased to provide additional maps or other information, and to arrange a site tour for you or your colleagues. We are also prepared to meet with you should you believe that such a meeting is warranted at this stage. In addition, we are aware that certain local landowners opposed to the Quarry project are contacting various agencies and providing misinformation about the SGR line. Thus, in addition to receiving your initial views, we would be pleased to clear up any misconceptions about the project.

We look forward to your response.

Sincerely,

Darrell Brownlow, Ph.D.
SGR Project Consultant

cc: Wayne Lea, Chief Regulatory Branch, USACE Fort Worth District
David H. Coburn, SGR Counsel, Steptoe & Johnson

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May 4, 2004

Via Hand Delivery

Ms. Victoria Rutson
Chief
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20402-0001

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad Company – Construction and Operation Exemption – Medina County, TX

Dear Ms. Rutson:

This letter will respond on behalf of Southwest Gulf Railroad Company ("SGR") to your April 19, 2004 Information Request letter concerning the feasibility of using trucks to transport the limestone aggregate that will be produced at the Vulcan Construction Materials, LP ("Vulcan") quarry to the line of the Union Pacific Railroad Company in the event that the proposed rail line were not built. As SGR has previously shown, and as this letter will reiterate, Vulcan could readily operate its Medina quarry were there no railroad, just as it operates other truck-served quarries.

SGR will also respond in this letter with some further information that SGR has developed concerning a proposed rail route that would involve the use of a portion of a 1911 rail route, the so-called Medina Dam Route. SGR will provide further details here as to why that route is not a viable alternative for the SGR line and that therefore it need not be further studied in depth, in contrast to the other alternatives here under consideration.

A. Feasibility of Trucking Alternative

Your April 19 letter asks two specific questions concerning (1) the use of trucks at other Vulcan quarries and (2) the use of trucks to transport local use aggregate. Before responding to these specific questions, we will review in some detail the manner in which truck transportation could feasibly be used in lieu of the proposed rail line. Vulcan believes that the rail option that SGR has proposed represents the safest, and over the long run, the most efficient way to deliver

crushed stone products to the rail system for delivery to their ultimate destination. In the event that this rail line were not built, however, Vulcan would pursue its no-build, i.e., trucking, alternative. This would involve trucking finished aggregate from the quarry approximately 7 miles south to a remote rail loading facility that would be located adjacent to the UP main line near Dunlay. Vulcan will own the property on which the loading facility would be located, as well as the facility itself. Further, Vulcan is quite experienced in the aggregate trucking business. It owns a trucking company, known as Statewide Transport, which delivers hundred of loads of aggregate each day to customers across the State in hundreds of trucks owned or operated by that company. Statewide Transport, is licensed by the Texas Department of Transportation and fully qualified to provide these trucking services, as are numerous other trucking companies.

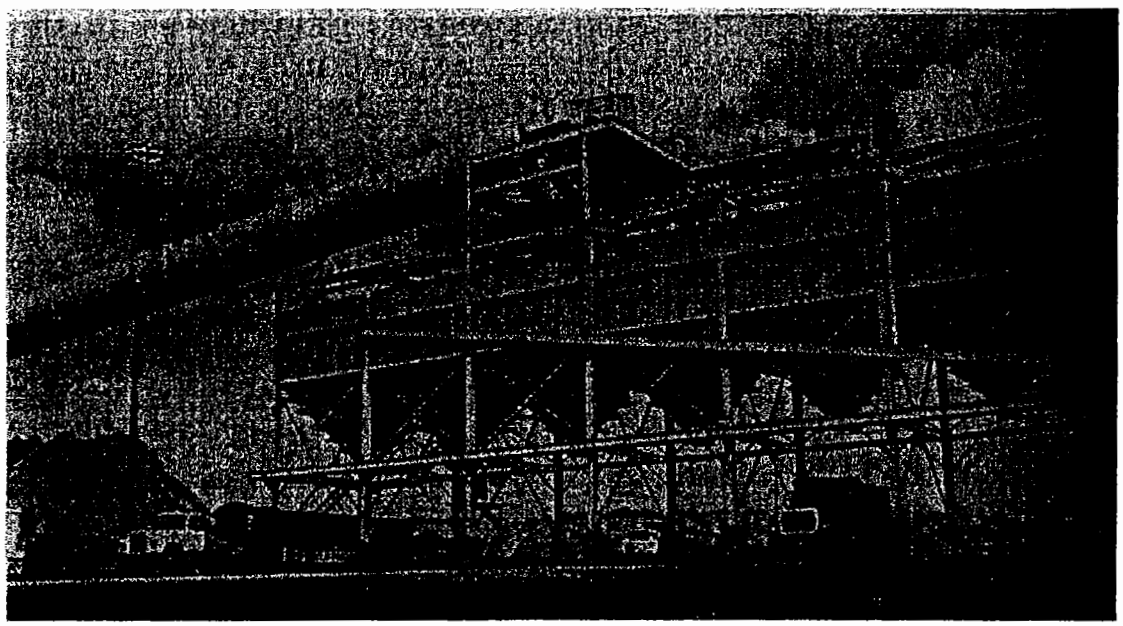
To put the no-build alternative in perspective, it bears note that the majority of aggregate or crushed stone that is transported in this country is transported by truck, not rail. According to the *U.S. Geological Survey Minerals Yearbook for 2002*, of the roughly 44% of crushed stone for which transportation information is available, about 78% was transported by truck and only 6.3% by rail. See http://minerals.usgs.gov/minerals/pubs/commodity/stone_crushed/ The Survey thus reports that, "Shipment by truck remains the most widely used method of transportation for crushed stone." In the case of the Medina quarry, shipment of the aggregate a distance of seven miles to a remote rail loading facility for further rail transportation to more distant markets that would be served by this quarry would be little different from the use of trucks at numerous other quarries to transport aggregate somewhat lesser or greater distances to more proximate end-users.

In the event that the no-build (i.e., no-rail) alternative were followed, Vulcan would design the plant's aggregate loading and handling facilities somewhat differently than in the case of the rail alternatives. One important difference would be that under the no-build alternative, the plant would be designed to accommodate a dedicated system of trucks designed to efficiently transport crushed aggregate from the plant to the remote rail yard. The trailers attached to these trucks would incorporate "bottom dump" systems in which loaded aggregate is discharged from the truck trailers almost instantaneously by the hydraulic opening of gates located at the bottom of the trailer.

Similar in some respects to the planned automated loading of rail cars, the loading of trucks would utilize multiple large elevated storage bins (see illustration). The trucks would drive under the storage bins and via computer controls and hydraulic rams, a pre-measured quantity of aggregate would be dropped into the trailer bed. The loaded trucks would then immediately exit the plant and proceed to the remote rail loading facility. At the remote rail loading facility, the loaded trucks would drive in and stop over a subterranean hopper where the bottom of the trailer would open and the aggregate would instantly drop down into the hopper. The aggregate would then be conveyed from the hopper into waiting rail cars. In addition, some of the aggregate trucked to the remote rail yard would simply be stockpiled and manually loaded into rail cars using wheeled loaders. By using a series of elevated storage bins in the plant,

multiple unloading hoppers in the rail yard, and dedicated trucks with bottom dump trailers, the process of moving finished aggregates from the plant to the remote rail loading facility can be efficient.

Example of Typical Multiple Elevated Storage Bins for Loading Aggregate into Trucks



As to routing, SGR has previously stated in its April 5, 2004 letter on this matter that trucks could traverse the following routing: upon exiting the quarry, 2.5 miles on either CR 351 or CR 353 to FM 2676; south on FM 2676 for 3.5 miles and then east on CR 4516 to the remote loading facility that would be constructed. Upon further review, SGR believes that an alternative routing could also be available as follows: 2.4 miles southbound on CR 353; 1.5 miles on a new, privately-owned road that SGR would construct on property it currently owns connecting CR 353 with CR 365, about 1.25 miles south on CR 365 to CR 4516 and then east of CR 4516 about 1.3 miles to a private road that would lead to the loading facility. (A map showing this alternative truck route is attached.) This route would involve a total distance of 6.45 miles between the crushing plant entrance to the north and the private remote rail loading facility in the south. Of this 6.45 miles, only 4.95 miles is on Medina County roadways, with the remainder on private roads that Vulcan would construct if no rail were available.

Apart from the crossing of FM 2676, no State highways would be involved with respect to the alternative route described above. Currently, tractor trailer rigs similar in size and weight to that proposed herein utilize all portions of county roads in the area, albeit not at the proposed rate. With the exception of the small segment of CR 4516, none of the roads along this route are

currently paved. Improvements to these roadways would, among other upgrades, involve adding pavement to reduce dust that is currently generated from local travel down the limestone gravel roads. In addition, there are no load zoned bridges on either of the described routes. Although there is a narrow section along CR 365 where that road crosses Quihi Creek, as it does with many places across the country where needed, Vulcan would work with County officials to construct the necessary improvements at this crossing.

A significant cost factor in upgrading, improving, and maintaining this roadway, is the raw materials that would be required. Since Vulcan is in the business of supplying these materials, and will be operating a quarry at the northern end of this route, Vulcan does not see this as a significant economic challenge to the project. The relatively flat terrain would also keep costs down. In fact, the cost of road upgrades needed under the no-build alternative would be far less than the cost of constructing the proposed rail line.

Vulcan does not expect that its trucking plan will lead to traffic jams or other traffic problems. Current traffic levels on these roads are extremely light. Even at the proposed trucking rate contemplated under the no-build alternative, suggestions by some that there would be traffic jams are unsupportable. The most traveled road in the area is FM 2676 and its usage is approximately 500 vehicles per day, which principally occurs early in the morning and late in the afternoon. As discussed, one possible routing does not even utilize FM 2676 except for a single crossing point.

It bears note that Vulcan plans to upgrade CR 353 whether or not its rail line is constructed. This will facilitate employee traffic in/out of the quarry, as well as local-use truck traffic. Again, Vulcan will coordinate this with local county officials as the project moves forward

As discussed above, the distance between the plant and the remote rail yard is 6.45 miles. Adding an additional ¾ miles for trucking distance inside the plant and remote rail yard location, the total estimated trucking distance is approximately 7¼ miles. This equates to 14½ roundtrip miles. Traveling at an average speed of 30 mph, it would take a single tractor trailer approximately 29 minutes to drive between the two points, and return. (This assumes three stops signs: one at FM 2676, one at CR 365, and one at CR 4516) Adding an additional 2 1/2 minutes on each end for the automated loading and unloading, Vulcan believes that a single truck can make a complete roundtrip in about 34 minutes on average. Operating over a typical 10-hour workday, each truck could readily make 17 roundtrips/day. Back to back 10-hour shifts could see as many as 35 trips per day per truck. Depending upon the duration of the operating shift, relief truck drivers would be utilized to provide rest for drivers during the work shifts.

Turning to the level of trucking required, for at least the first several years of quarry operation, and following a start-up period when production would be lower, Vulcan anticipates that production would be approximately 2.5 million tons of aggregate per year. Over time, this is expected to increase to about 5 million tons/year. As described earlier, the process of trucking

from the plant to a remote rail yard would incorporate dedicated trucks and automated loading and unloading facilities, the average weight of aggregate carried by each truck would be 24.5 tons. This per truck figure is somewhat higher than the 23 tons we have previously assumed since we understand that an automated loading system of the type described below will facilitate more productive use of the trucks.

Using these factors, a variety of projections can be made regarding the number of trucks likely to be utilized under the No-Build Alternative. These projections are as follows:

Scenario 1 (2,500,000 tons per year, 250 Working Days, 10-Hour Trucking Shift)

Aggregate Production	Rail Cars to Be Loaded Per Day	Truckloads Per Day[1]	Total Trucks	Minutes Between Trucks
2,500,000 tons	100	408	24	1.5

Scenario 2 (5,000,000 tons per year, 250 Working Days, 20-Hour Trucking Shift)

Aggregate Production	Rail Cars to Be Loaded Per Day	Truckloads Per Day	Total Trucks	Minutes Between Trucks
5,000,000 tons	200	816	24	1.5

In considering these various alternative scenarios, it is important to recognize that with proper plant design utilizing multiple elevated storage bins, six or more trucks could be loaded simultaneously, in less than a minute.

In summary, Vulcan's experience in trucking material including with its own trucking company (Statewide Transport) which utilizes hundreds of trucks per day across Texas, combined with its position as the industry leader in processing and marketing aggregate, leads it to believe that the no-build alternative, although not preferable to rail for efficient and lower-cost handling of the volumes at issue, is certainly feasible. In addition, Vulcan's 1604 Quarry in San Antonio and other quarries outside Texas (discussed further below) produce volumes somewhat comparable to, or greater than, what Vulcan is proposing for the Medina quarry for the reasonably foreseeable future. In the case of the 1604 Quarry, which is entirely truck-served, the average truck haul distances substantially exceed that which is contemplated for the Medina quarry no-build alternative route.

MCEAA, and some of its leaders, have suggested that the trucking alternative is not feasible and that the quarry could not operate unless a rail line were built. We have shown above

[1] This reflects the number of trucks/day loaded with aggregate departing from the quarry. For each scenario, this number should be doubled to attain the number of loaded and empty trucks that would move from/to the quarry daily. The timing between the trucks takes into loaded and empty vehicles.

that this is not correct, and that MCEAA criticisms are uninformed. While it is not Vulcan's preferred alternative, the feasibility of a no-rail alternative should put to rest MCEAA's repeated contention that "no rail" is the equivalent of "no quarry" and its argument that the rail and quarry are connected actions.

Turning to your two specific questions about the no-build alternative, our responses are as follows:

1. Please provide a detailed description of the use of truck transportation at other Vulcan Materials Company quarries, including how much limestone aggregate is transported by truck from each quarry per year, the number of round truck trips per day and per year, the types of trucks used (hauling capacity), and the types of roadways use (paved or unpaved and roadway width).

Response:

Vulcan Materials Company, one of the largest aggregate producers in the United States, operates over 220 stone crushing facilities across the country. These facilities range from small portable crushing operations that operate for a few months and produce as little as 50,000 tons per year to large scale operations producing nearly 10,000,000 tons annually. Transportation of stone products from these facilities ranges from small over-the-road trucks carrying between 4 tons and 25 tons, rail unit trains of 10,000 tons each, river barges carrying tens of thousands of tons, and even ocean going freighters carrying in excess of 60,000 tons each. In all of these operations, there is a some percentage of stone that is transported to the local market by over-the-road trucks.

While many Vulcan quarries are rail-served, trucking remains the most common means of transporting aggregate, as noted above. Below are the key points regarding the various factors impacting the nature of trucking stone from a quarry to its end use.

General Plant Design Considerations

Vulcan designs its plants to be as efficient as possible for the specific nature of the market it is serving. Because of this, variation in plant design exists based upon the transportation dynamics and other environmental and regulatory requirements of the specific location. Vulcan quarries that are principally rail served have high speed aggregate loading facilities incorporating large aggregate storage bins. The rail cars are placed under these bins and pre-measured quantities of aggregate are automatically dropped into each car. At these quarries, there is invariably some smaller component of local truck delivery. Because it is a secondary focus, the truck loading facility of the operation may not be as efficient, generally incorporating rubber tired front end loader loading and individual weighing of trucks. Consequently, the process is much slower. By contrast, other quarries that do not have rail

service incorporate highly efficient automatic loading of pre-measured aggregate quantities into trucks, just as Vulcan would use were no rail available at the Medina quarry.

In all quarry locations, environmental conditions, reserve life, regulatory permitting, or stone quality issues may dictate the nature of the transportation methods employed at the quarry. In addition, competitive business practices and market strategy impact the nature of the quarry operation. In summary, the market and operational dynamics associated with any one quarry are usually unique to that quarry. As a result, the process or design employed at one quarry may not have anything to do with what may occur at another quarry.

Trucking Distance

Generally, in regions where high quality stone is present, trucking of material occurs in a radius of approximately 40 miles around the quarry location. In markets where high quality stone is either limited or non-existent, material is trucked in from quarries as far away as 75 miles or more. Even in those regions of the country where no local stone is available and the stone is brought in by rail, the rock must be transported from the rail yard to the job site by trucks. This "secondary" trucking distance can be as great as 40 miles from the rail distribution yard, again, depending on the location of the end use of the stone. As mentioned previously, factors driving the sale and transportation of aggregate from a quarry are also controlled by competitive business forces.

Types of Roadways Used By the Trucks

Because the end use of the crushed stone is so diverse, the class of roadways used for the trucking of aggregate is highly variable. Across the country, Vulcan's quarries are situated in areas where trucks entering and exiting the plant travel on unpaved county roads, unpaved private roads, paved county roads, state farm to market roads, state highways, city streets, and even Interstate highways. In areas where utilization of county roads are necessary to enter the quarry, Vulcan has generally negotiated agreements with local county governments to upgrade, if necessary, and participate in maintenance of these county roads.

The actual number of individual trucks utilized in a day varies dramatically depending on the locations of the various job sites. Through the course of a day, the trucks may deliver materials to dozens of end use sites. Depending upon the distance to the job site and the quantity of material ordered, an individual truck may make several trips a day or just a single trip.

Examples of Truck-Served Quarries[2]

Vulcan operates hundreds of stone quarries across the country. For purposes of addressing the question specifically, some examples from the San Antonio area and from notable Vulcan quarries outside Texas are provided below.

Vulcan's 1604 Quarry (located in San Antonio at O'Conner Road and Loop 1604):

Approximately 3,000,000 tons of crushed limestone is produced and sold annually from this location. Typical sales of aggregate can range from 8,000 to 15,000 tons per day. All of the aggregate sold at this location is transported from the quarry by truck. These trucks are owned by Vulcan's own trucking subsidiary, Statewide Transport, independent trucking companies, highway construction companies, or local county and city governments. The carrying capacity of these trucks can range from 4 tons to 25 tons. Vulcan's Statewide Transport trucks are all 25 ton capacity trucks, but some independent contractors use tandem axle trucks carrying only 12 tons. Given an average truck load capacity of 20 tons, in a typical day, as many as 600 loaded trucks may exit the plant. These trucks deliver the aggregate to locations generally within 45 miles of the quarry. Depending upon the distance to the job site and the volume of material ordered, the number of loads an individual truck may make in a single day can vary from as few as one to more than a dozen. These trucks travel on all types of roads.

The 1604 Quarry has limestone reserves sufficient to last for many decades at the current pace of mining. It is likely that stone sales from this operation will increase over time as the market area continues to grow and competitor quarries deplete reserves.

Vulcan's Helotes Quarry (located on FM 1560 in Helotes Texas)

Approximately 1,500,000 tons of crushed limestone is produced and sold annually from this location. Typical sales of aggregate can range from 5,000 to 7,000 tons per day. All of the aggregate sold at this location leaves the quarry by trucks. These trucks are owned by Statewide Transport, independent trucking companies, highway construction companies, or local county and city governments. The carrying capacity of these trucks can range from 4 tons to 25 tons. As noted, Statewide Transport trucks are all 25 ton capacity trucks. Using an 20 tons per load as an average, as many as 350 loaded trucks may exit the plant daily. These trucks deliver the aggregate to locations generally within 45 miles of the quarry. The types of roads these trucks drive on ranges from small county roads, housing subdivision roads, private driveways, state highways, expressways, and interstate highways.

[2] While your letter asks for trucking information relative to each Vulcan quarry (of which there are over 300 operations and more than 220 quarries), we are advised that a sampling of information from quarries will be sufficient. We provide that sampling here.

The Helotes Quarry has limestone reserves sufficient to last for several decades at the current pace of mining. It is likely that stone sales from this operation will increase over time as the market area continues to grow and competitor quarries deplete reserves.

Vulcan's Geronimo Quarry (located on FM 1283 in Medina County)

This operation produces approximately 250,000 tons of crushed limestone annually. Sales of aggregate are approximately 1000 tons per day. All of the aggregate sold at this location exits the quarry by trucks. These trucks are owned by Statewide Transport, independent trucking companies, highway construction companies, or local county and city governments (including Medina County). The carrying capacity of these trucks can range from 4 tons to 25 tons. Using 20 tons as an average, as many as 50 loaded trucks may exit the plant daily. These trucks deliver the aggregate to locations generally within 30 miles of the quarry. The types of roads these trucks drive on ranges from small county roads, housing subdivision roads, private driveways, and state highways.

The Geronimo Quarry has limestone reserves sufficient to last for many decades at the current pace of mining. It is likely that stone sales from this operation will increase over time as the market area continues to grow and competitor quarries deplete reserves.

Other Notable Operations

In addition to the above-named quarries, Vulcan operates a quarry in the Chicago, Illinois area that has in excess of 6,000,000 tons of aggregate trucked out of the quarry annually. In addition, Vulcan owns two stone quarries in the Atlanta, Georgia, area that have each shipped in excess of 4,000,000 tons of aggregate by truck annually. In these examples, the distance the aggregate is trucked from the quarries is similar to those described above for the San Antonio area quarries. These quarries, among others, amply demonstrate the feasibility of trucking large volumes of aggregate either to a local market destination or, as contemplated under no-build alternative under review here, to a remote rail loading facility for further transportation to more distant markets.

2. Please provide an estimate or how much limestone aggregate would be transported by truck from Vulcan's quarry to local markets, including the number of round truck trips per day and the approximate distances these trucks would travel.

Response: As SGR stated in its September 2, 2003 letter addressed to Ms. Rini Ghosh, it anticipates that about 20-30 loaded trucks per day will be needed to serve local area needs.

The primary purpose of Vulcan's Medina Quarry will be to produce and sell crushed stone to areas served by rail. Nonetheless, Vulcan believes that a small portion of its sales from this quarry will be to customers in the local area. With the existence of a quarry, local customers including the local city and county governments, will likely look towards this quarry for their

construction material needs. Although Medina County is growing, its aggregate demand is relatively small. As a result, over the immediately foreseeable few years, the estimated annual volume of crushed stone sold in the first several years of operation will likely be in the100,000 ton per year range.

As with quarries in the San Antonio area, the likely distance trucks would travel to deliver crushed stone to a job site will range from a few short miles to as much as 40 miles. Based upon 20 tons per loaded truck and a 250 day work year, the estimated number of loaded trucks exiting the quarry would be as follows:

Annual Local Sales	Daily Tons Sold	Daily Loaded Trucks
100,000 tons	400 tons	20 to 30

Assuming that the average distance to each job site was 15 miles, or 30 miles roundtrip, it is estimated that the turnaround time for a single truck would be approximately 1 hour (45 minutes of travel time, 5 minutes to load at quarry, 10 minutes to unload at job site). Under these scenarios, a single truck could make 8 roundtrip's in a single day.

B. Medina Dam Line

MCEAA and some of its individual members have suggested that SGR should take advantage of an entirely different alignment, one several miles to the east of its proposed alternative alignments that "takes advantage" of a line built in 1911 to construct the Medina Dam. This proposal offers the impression that that rail line, which existed for about one year almost one hundred years ago, offers some unique advantages that would be akin to building the SGR line in an area that is already graded and ready to accommodate a new rail line.

Nothing could be further from the truth. While a railroad was in place to serve the Medina Dam for a one year period early last century, there is little or no obvious evidence today of that railroad and precious little evidence of grading since, as discussed further below, the 1911 railroad was built on top of a plateau for several miles and included relatively steep grades. Further, there are no rail easements remaining from this railroad, no railbed, and no track remaining in place. This Medina Dam route should therefore not be equated in any way with an abandoned rail line that might be readily susceptible of reactivation. It is nothing more than a line on some old maps, and offers no advantages whatever to SGR or Vulcan.

Moreover, not only does the route not connect the two end points that SGR needs to connect (the point on the UP line north of US 90 and the proposed quarry), but "connections" between the old rail route and those points would pose infeasible engineering challenges for an SGR line that, in stark contrast to this entirely invisible 1911 line, must be engineered to accommodate large unit trains. This point too is discussed further below.

While the Medina Dam route poses serious engineering problems, since MCEAA has suggested that this is a viable alternative that should be considered in the Draft EIS, SGR offers this further discussion of the route. The information provided here has been reviewed with a professional rail construction expert, Mr. Joseph Hudson, a principal of Intercoastal Contractors, Inc., a San Antonio rail construction firm that is knowledgeable in design matters such as those at issue here.

As part of its rail line design effort, Vulcan learned about the history of a long abandoned rail road that had been constructed in 1911 as part of the Medina Irrigation Company's effort to construct the Medina Lake Dam. Through discussions with local residents, Vulcan learned the general location of this route and compared it with other alternatives under review. This so-called Medina Dam route was rejected from further detailed consideration by Vulcan based on several considerations.

First, it would have to be much longer than any other alternatives being considered, and thus more costly to build, maintain and operate. Second, the southern portion of the route was built on the top of a plateau from which it descended as it proceeded northward, presenting difficult engineering issues not posed by other alternatives. Third, the route offers no special advantages over other alternatives under consideration in terms of available right of way since the easements for the route no longer exist and the track was dismantled after 1912, after the Medina Dam was built and the need for the railroad eliminated. Fourth, as a longer route, it impacted substantially more individual properties and thus would have more adverse local community impacts than other routes under review. Fifth, the route started south of US Highway 90 at Dunlay, and would necessitate a grade separation across that highway were it followed to its southern terminus. Sixth, the northern portion of the route veered well east of the quarry location. Seventh, deviations from the route needed to avoid the need for the grade separation at the south end and to allow the route to serve the quarry at the north end would present serious engineering/design problems, as discussed further below.

Using copies of old property maps of Medina County obtained from the Library of Congress, SGR has projected the location of the Medina Dam route onto modern U.S.G.S topographic maps. While the quality of the historic maps is poor, the general area of the right of way is identifiable on the maps. **Figure 1** is a copy of this old Medina Dam route. Because the map is not scaled, and all of the information is hand drawn, the area depicted by the line of the route is approximately 300 to 500 feet.

Figure 2 is the Medina Dam route projected onto the USGS Map for the area, along with the location of the four alternative routes being studied by the SEA. As is immediately obvious, this route starts south of US Highway 90 at Dunlay and heads well east of the quarry location. Because it is not practical to build a grade separation across US Highway 90, a deviation from the 1911 route on the southern end of that route must be made to link to the UP line on the north side of US 90. Indeed, connection with the UP line on the north side of US 90, thereby avoiding a crossing of that busy dual line divided highway, is one of the primary advantages of the

alternatives under consideration to date in this proceeding. In addition, because the 1911 route went to the Medina Dam, a deviation on the northern portion of the route must be made so that the route would enter the grounds of the quarry.[3]

Before addressing the specific deviations from the Medina Dam route that would be required by SGR, it might be useful to point out the obvious technical benefits that the Medina Dam railroad construction engineers must have considered in laying out their route almost one hundred years ago. The starting point at the south end was near the small community of Dunlay, which at that time was likely larger and more active than it may be today. Moving north from Dunlay, the Medina Dam rail engineers certainly did not have to concern themselves with U.S. Highway 90. (The primary means of road transportation in this area in 1911 was horse-drawn carriage.) They took advantage of the elevated farm lands and pasture that exists along the first seven or so miles of the route on a plateau on which Dunlay is located, and which extends north and south from Dunlay.

The elevation change across the southernmost seven miles of the Medina Dam route is roughly only 50 feet. For these seven miles, the Medina Dam line was built atop the plateau on which Dunlay is located. At a point about seven miles north of Dunlay, the line came off the plateau and down an escarpment into the valley below, a drop in elevation of about 130 feet over a relatively short distance. Coming off this escarpment was likely not an easy feat for the railroad and steep grades were encountered. However, considering that this 1911 railroad was not pulling 100-car unit trains with weights approaching 14,000 tons, as the SGR plans to transport, and considering the short timeframe the 1911 railroad would operate, its design could apparently handle grades of four, five, or even six percent, which the Medina Dam line incurred on the northern section of the line.

In that regard, it is reasonable to assume that the Medina Dam railroad was used in 1911 to haul no more than a rail car or two at a time, and that those cars would have contained only the cement, fuel, dynamite and other equipment needed to build a single structure, the Medina Dam. Designing a railroad for short term, low level use by a handful of cars gives rise to a very different set of engineering considerations relative to designing one to haul 100 car unit trains. Grades and curves were simply not as critical to the 1911 engineers, whose railroad was in place for only one year, as they are to SGR's engineers and the needs of a modern, heavy-haul, long term railroad designed for use by Vulcan and other shippers that may locate in the area.

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[3] SGR notes that MCEAA has not proposed or offered any views on the deviations needed to make use of the Medina Dam route, i.e., to connect the route to the quarry at the north end and to the UP line at the proposed intersection point at the south end. To the contrary, in its February 24, 2004 Scoping Comments, MCEAA suggests that the route should "be evaluated with the assumption that a grade separated crossing will exist across U.S. 90," dismissing cost as a factor worthy of consideration. Given the analysis set forth in this letter, the notion that a line should be built by SGR to connect with the UP line at a point south of U.S. 90 warrants no further attention. Such an alignment would not resolve the fundamental grade and curve problems described below.

In considering the Medina Dam route and the necessary deviations from this route at the north and south ends, SGR applied the engineering design criteria used in connection with its initial assessment of potential alternatives. These design criteria, set forth in the attached excerpted copy of the 1999 TRAX Engineering & Associates Report used by SGR in assessing alternative routes for its line, are as follows:

Grades: Limited to 1.0 %, consistent with typical industry practice for new heavy haul rail lines. In areas throughout trackage where trains will either be loading or standing without locomotives attached, the grades are limited to 0.15 %. This insures ease of operation while loading, and the relative safety of leaving trains unattended for interchange. In the area of the UP line, any grade on the trackage should be sloped away from the UP line.

Curves: Curves in the central portion of the track are limited to 3 degrees to accommodate speeds of up to 40 mph. Curves on the ends of the lines are limited to 4 degrees to accommodate speeds of up to 35 mph.

Several potential deviations from the Medina Dam route on its south end and north end were evaluated. **Figure 3** depicts these various alternative deviations, each assigned a letter code, that have been considered by SGR. Several factors were considered in identifying these potential deviations. First, the connection with the UP main line must be such that loaded trains on the SGR line enter the UP main line with the *eastbound orientation*, since the vast majority of the SGR rail shipments will be going east, where it is expected that the primary markets for aggregate will be located. It is also likely that the traffic of other shippers that might locate on the line will be headed eastbound since there are more potential markets to the east of the area. Likewise, empty cars will most likely be coming from the east, moving west, and must be able to enter the SGR line moving in a westerly direction.

The second consideration taken into account with respect to the identification of potential deviations was the design limitation against curves in excess of 4 degrees. The eastbound orientation consideration, coupled with this limitation on curves, suggests only two possibilities for "connecting" the Medina Dam route to the alternatives under review, specifically, the preferred alternative and alternative 3 at a point north of where those alternatives intersect the UP line. These are Deviations A and B discussed below and shown on Figure 3. Similarly, the limitation on curves was also taken into account in identifying the potential Deviations (C, D and E) from the Medina Dam route that would be needed to connect that route to the quarry. These deviations and the 3 degree curves associated with them are illustrated on Figure 3.

The specific problems with these deviations, and thus with the Medina Dam route, are discussed next.

Deviation A (South End)

Starting on the southern end, the first deviation point (A) would involve a 4 degree curve connecting into the UP line in approximately the same location as that shown for the preferred alternative and alternative 3. To utilize a portion of the Medina Dam route, this deviation would require the route to turn due east, and merge into the Medina Dam route approximately one mile north of US Highway 90. The key problems associated with this deviation would be twofold. First, the existing natural grades in this area approach 7 %, far in excess of what is operationally feasible for the unit trains that SGR would transport. Second, the slope of the line would be directed downwards toward the main UP line as opposed to being away from it. From a safety standpoint, it is more desirable to have rail that is either flat heading into the main UP line, or if a slope is necessary, that it be directed away from the main UP line.

While the grade problem could possibly be addressed with an enormous volume of cut and fill, SGR understandably desires to avoid any unnecessary and avoidable scarring of the area's landscape and the host of environmental issues that would be associated with cut and fill. By contrast, the other alternatives under consideration, including the preferred alternative, would require little, if any, cut and fill as they traverse largely flat terrain.

Deviation B (South End)

To overcome the difficulties described in Deviation A, the route could utilize the first 1 ½ miles of alternative 3 of the preferred route. To then utilize the Medina Dam route, the track would have to climb up the hillside in the area of CR 4516 and then connect with the Medina Dam route at a point approximately 1400 feet north of CR 4516. However, the problem with this approach is that the existing natural grade coming up this hill exceeds 6% over a long distance, far in excess of the design criteria. To eliminate this grade problem would again necessitate enormous volumes of cut and fill. In addition, the crossing location of CR 4516 on a gradient is certainly not desirable from a safety standpoint. In fact, as in the case of Deviation A, it would be very difficult if not infeasible to construct a track that did not slope back toward the UP line.

Deviations C, D, & E (North End)

On the northern edge of the plateau where the Medina Dam line was located, there are three potential alternative deviations from that route to the quarry that were considered. In the case of all three of these deviations, the existing natural grades would exceed 6%, far in excess of the operational criteria for the SGR line. To meet those criteria would necessitate enormous amounts of cut and fill. In addition to this cut and fill problem, slope stabilities would become an important factor to consider. Issues such as these make these deviations very impractical if not infeasible from an engineering perspective.

In addition to the failure of the route and needed deviations to meet the technical design criteria, the length of the Medina Dam route would vary from a minimum of 11 to as much as 13

miles, depending on which deviation is chosen. In such case, the actual portion of the original Medina Dam route that could conceivably be used would range from as little as 3 miles (27% of total route length) to at most, 5.5 miles (50% of total route length).

As noted above, there are no advantages to following even these small portions of the 1911 route. The Medina Dam route is today no more than a phantom, an imaginary line on a map with no corresponding grade or other advantages of the type one might expect from following an abandoned rail line when building a new one.

In addition, there are many more landowners whose properties would be impacted by the Medina Dam route than is the case with respect to any of the preferred routes, more acreage would be disturbed (including agricultural properties), more structures would be impacted, and more creeks or roads (including FM 2676) would have to be crossed, relative to any of the alternatives now under review. The engineering issues noted above, however, preclude the need for further comparative analysis of this type since the route simply could not feasibly carry the traffic being proposed for the SGR line.

The information offered here, and previously offered by SGR, provides a sufficient basis on which SEA can take the "hard look" at this alternative route proposal and make a reasoned determination to dismiss it from more detailed consideration. The alternative is both infeasible from an engineering perspective and inconsistent with the objective of the SGR line -- to efficiently serve the quarry and other shippers that might locate in the area proximate to its line. While other alternatives and route variations may often be available, SEA is not "obligated 'to consider in detail each and every conceivable variation of the alternatives stated'; 'it need only set forth those alternatives' sufficient(ly) to permit a reasoned choice." *Monroe County Conservation Council, Inc. v. Adams*, 566 F.2d 419, 425 (2nd Cir. 1977), quoting *Coalition for Responsible Regional Development v. Coleman*, 555 F.2d 398, 400 (4th Cir. 1977). Further, an alternative that does not meet the objectives of the federal action may be excluded from consideration. In that regard, NEPA was never intended to be applied as a substantive statute so as to redefine a project's objectives; the starting point for the choice of reasonable alternatives to be examined are not environmental goals, but rather whether the alternatives meet the project's purpose. *See Alexandria v. Slater*, 198 F.3d 862, 866-869 (D.C. Cir. 1999) (upholding DOT's decision not to assess an alternative bridge design on grounds that the alternative would not have satisfied the traffic relief objectives of the project).

Here, there are no transportation advantages associated with a Medina Dam route, a route which exists only on some old maps and that is more illusory than real. SGR would not benefit in any way from following that 1911 route given the absence of any grading or other physical advantages normally associated with an abandoned rail line, and the apparent absence of rail easements. To the contrary, there are several significant disadvantages noted above to using any portion of the Medina Dam route, including that the line does not come close to meeting the reasonable design criteria needed for the efficient operation of a rail line to carry the unit train traffic proposed for the SGR line. The fact that neither the Medina Dam route's origin and

destination are located at points that SGR's line needs to serve (the quarry and the planned point of intersection with the UP line), and that the route is considerably longer and less efficient than the alternatives proposed, only underscores that this is not an alternative that merits further analysis.

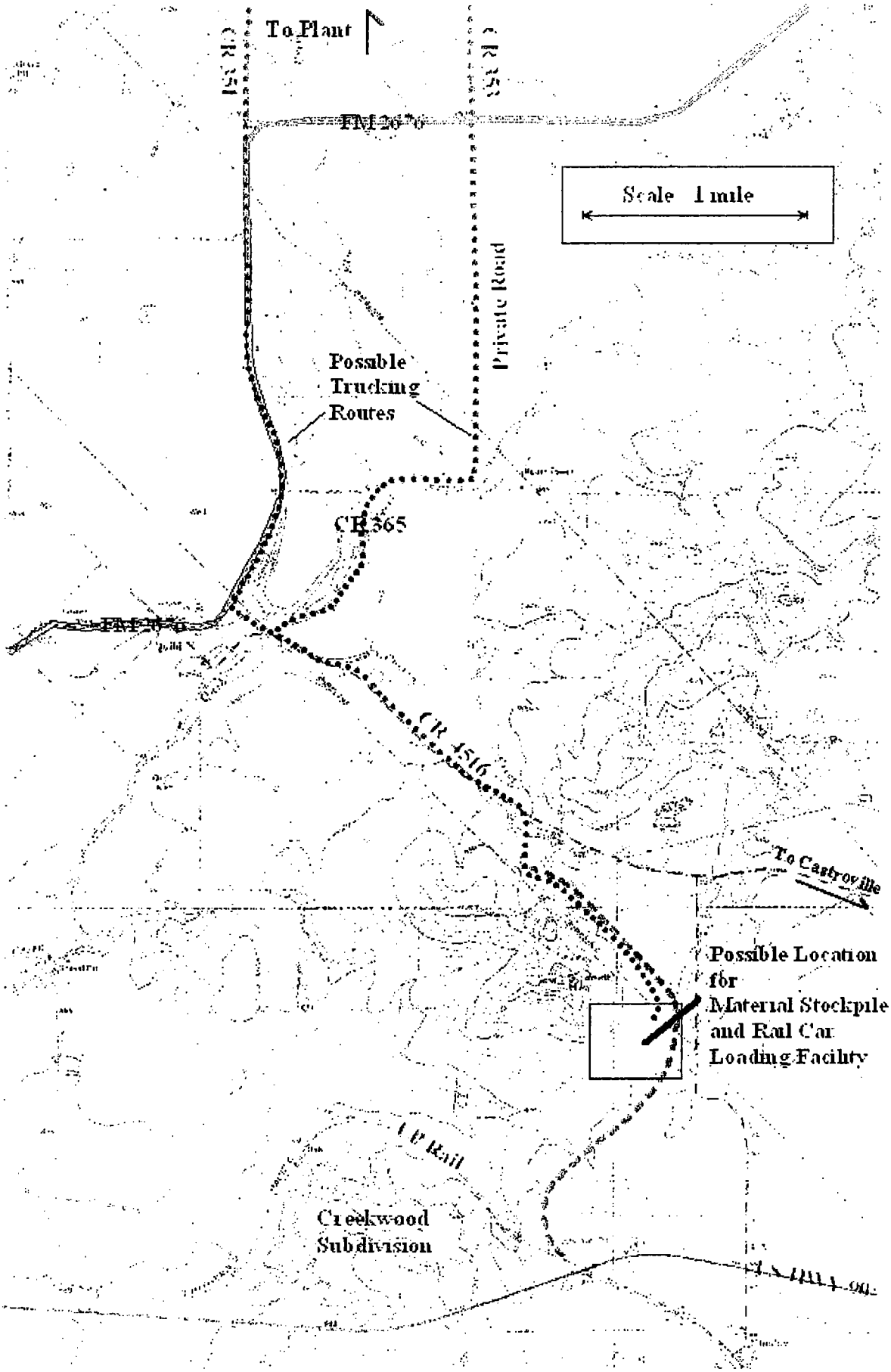
In short, we believe that the above information, and the information provided by the attached maps, should lay to rest any notion that the STB needs to consider further the Medina Dam route.

Finally, SGR wishes to bring to the attention of the STB an article (copy attached) that appeared in the April 23, 2004 edition of the San Antonio Express News, entitled "Medina group digs in to fight quarry idea." The article makes clear that MCEAA is in fact fighting the quarry, and using this proceeding to do so, in the hope of delaying the quarry project. According to the article, the "group's primary line of defense is to block the rail spur without which it contends the quarry plan would crumble." While MCEAA's claims that the quarry would not be operational without a rail line are wrong, its real goal of blocking or delaying the quarry speaks to the lack of credibility of its claims about the viability of truck service, its suggestion that the Medina Dam route should be studied and the host of other assertions it has made and is likely to continue to make. This delay game is not one that SEA should tolerate.

Respectfully submitted,

David H. Coburn
Attorney for Southwest Gulf
Railroad Company

cc: Rini Ghosh
Jaya Zyman-Ponebshek



No-Build Alternative:
SGR Remote Rail Loading Facility Conceptual Layout

Prepared by Vulcan
Materials Company
May 2004

TRAX
Engineering &
Associates, Inc.

Boise, Idaho
November 11, 1999

RE:Vulcan Materials - Dunlay Project - Conceptual Design

TO: Mr. Bob Irwine
TO: Mr. Darrell Brownlow

FROM: Jerry Heavin

We have completed a conceptual plan and cost estimate for construction of a rail line between Union Pacific's main track west of Dunlay, Texas and the proposed quarry site north of the community of Quihi, Texas.

Character of Design Work

The accompanying drawings and estimate are the result of a conceptual-level engineering effort to locate a proposed railroad line and to estimate construction cost. The design criteria is based on American Railway Engineering and Maintenance of Way (AREMA) recommended practices for heavy-haul rail lines with allowances made for the specifics of your intended use of the facility. A conceptual-level effort implies that the design is not yet "optimized" from the standpoint of minimizing construction cost and maximizing return on investment. I am confident that as the process enters the preliminary design phase, costs and returns can be improved. As we discussed, Vulcan is in a better position to address permitting concerns than TRAX, so we have given no consideration to environmental concerns at this early design stage. These and other related issues must be addressed as part of subsequent project development.

Routes Considered

A total of 15 routes were developed between Union Pacific Railroad Company's (UP) main line and the proposed loading facility near the quarry. The routes were designated as Alignment "A", "B"... "K-1", "K-2", etc. Many of the alignments are minor iterations of others and for the purposes of this report, drawings of the less significant variations have been excluded from the attached documents (but remain on file if needed). The 9 selected alignments, portrayed by the accompanying drawings, document the evolution of a conceptual design that meets your requirements for serviceability. The design incorporates sound railway engineering principles that will translate to cost effective maintenance and operating characteristics throughout the life of the quarry. Our recommended alignments "K-1" and "K-2" have evolved from our discussions and are practical to build and operate. Based on the industry standard Davis formula, Chart 1 gives approximate horsepower requirements based on 5-mph speed increments and the physical characteristics of the proposed lines. The final route will be approximately 7.2 miles long from UP main track to the south edge of the quarry property. Construction of the loading loop raises the total mileage to be built to 9.1 miles.

Base Operations

Gross train weights exceeding 14,000 tons can be expected from a 100 car consist of 100-ton capacity cars. From a practical standpoint, a minimum of 9000 horsepower will be required to move these heavy trains to the main track. Once on the UP main track, since their grades and speeds exceed those planned for the line, additional locomotives will be added. Except for the loop tracks, track geometry will allow 40-mph maximum speed operations; however, 25 mph will meet the needs of the quarry for the

8460 Watson Road • Suite 225 • St. Louis, MO 63119 • 314.525.2504 • fax 314.525.2517

foreseeable future and operating at this speed will help keep track maintenance costs low. Speeds obtained while climbing the 1-percent ruling grade near station 60+00 could as low as 12 mph with 9000 horsepower. This will not introduce delays since speeds will be reduced as the loaded train prepares to enter the UP main causing no practical impact on running time. A loaded 14,000-ton train with a 0.64 horsepower per trailing ton ratio will be able to take advantage of 25-mph design speeds on the remainder of the line.

Loading Loop Track Layout

Conceptual design of the loading loop is based on established industry practices for unit-train operation. As illustrated by the drawings, a phased construction is recommended with the track layout expanding as needed to accommodate future increase in quarry output. Assuming interchange of trains with UP occurs smoothly and loading time for trains is less than 8 hours, the first phase of construction will allow for production of up to 1-100 car loaded train per day. With 10,000 net tons in each train and a 250 day work year, quarry output of 2.5 million rail tons could be supplied to the aggregate market with phase 1. The construction of the second phase will accommodate 4 loaded trains (10 million tons) and for more than 4 trains, the third phase must be considered.

Subsequent Engineering

The accuracy of this engineering effort is limited to that of the topographic information used. In general, the coordinates of the alignment (presented on the drawings for alignments "K-1" and "K-2") may be considered to be within approximately 100 feet of the desired location. However, subsequent modifications to the alignment as a result of regulatory agency's concerns or further engineering efforts to optimize the alignment (minimize cost) could affect the location. It is recommended that State and Federal regulatory agencies become involved in the development of this project prior to further advancement of the rail line design. The requirements of these agencies, particularly in regard to any environmental issues raised, could have significant impacts on the location of the alignment. Satisfactorily addressing any such issues, through modification of the conceptual design, will facilitate efficient and timely execution of subsequent Preliminary and Final design efforts. Preliminary design should focus on optimizing the alignment (based on more detailed topographic information), while Final design will provide detailed drawings for all items required for construction of the project.

Data

Mapping

Raster images of USGS 7.5-min. topographic maps, as provided by StreetMap, were a fundamental basis for design of the route. This data has been geo-referenced to the Texas State Plane Coordinate System, south-central zone. Geologic data comes from the Geologic Atlas of Texas, San Antonio Sheet, 1982 published by The University of Texas at Austin.

Aerial Photography

As a supplement to the USGS topographic maps, raster images of aerial photographs were used to evaluate the physical features of the route in greater detail.

Digital Terrain Model

USGS 7.5-min. Digital Elevation Models covering the proposed route were used as the basis for earthwork calculations. This data has been geo-referenced to the Texas State Plane Coordinate System, south-central zone.

TRAX Engineering & Associates # 4420 West Vickery Blvd Ste. 110# Ft. Worth, Texas, 76107# 817.737.5885 FAX 817.732.2610

Hydrology

Data presented in the USGS publication "Magnitude and Frequency of Floods in the United States" (Part 8) was used as the basis for culvert and bridge sizing.

Design Criteria

Grades

Grades have been limited to 1.0%, consistent typical industry practice for new heavy-haul rail lines. This grade is also somewhat less than ruling grades on the U.P. between Dunlay and Houston (1.2-1.4%). Consequently, if run-through power is used between rail loading facility and destination points, tonnage ratings will be governed by the grades on the U.P., rather than those of the proposed rail line. Vertical curves between grades have been designed in accordance with AREMA recommended practice. Grades are generally limited to 0.15% throughout trackage where trains will either be loading or standing without locomotives attached (the latter case applies to the potential interchange yard site near the connection with the U.P. mainline). This insures ease of operation while loading, and relative safety of leaving trains unattended for interchange. All grades comply with Union Pacific Standards for Industrial Trackage dated February 1997, publication PB22023.

Curves

Curves have been limited to 7° 30' at the loading loop, consistent with typical industry practice for new unit train loading and unloading loops. Curves for the portion of the line used by loaded trains have been limited to 4° 30', again consistent with typical industry practice. These curvatures insure safety and limit rail wear, and corresponding track maintenance to reasonable levels. Curves exceeding 4° 00' have been limited to the ends of the line only, where speeds will be relatively low. The majority of the central portion of the line is designed with curves of 3° 00' or less, permitting potential operating speeds of up to 40 mph. Allowance for incorporation of proper spirals (in subsequent design work) has been provided. Assuming a maximum curve super elevation 4.6", the following table describes maximum track speeds.

Degree of Curve	Curve Radius	Maximum Speed (mph)
3° 00'	1909.9'	40
4° 00'	1432.4'	35
6° 30'	881.5'	25
7° 30'	764.0'	25

Turnouts

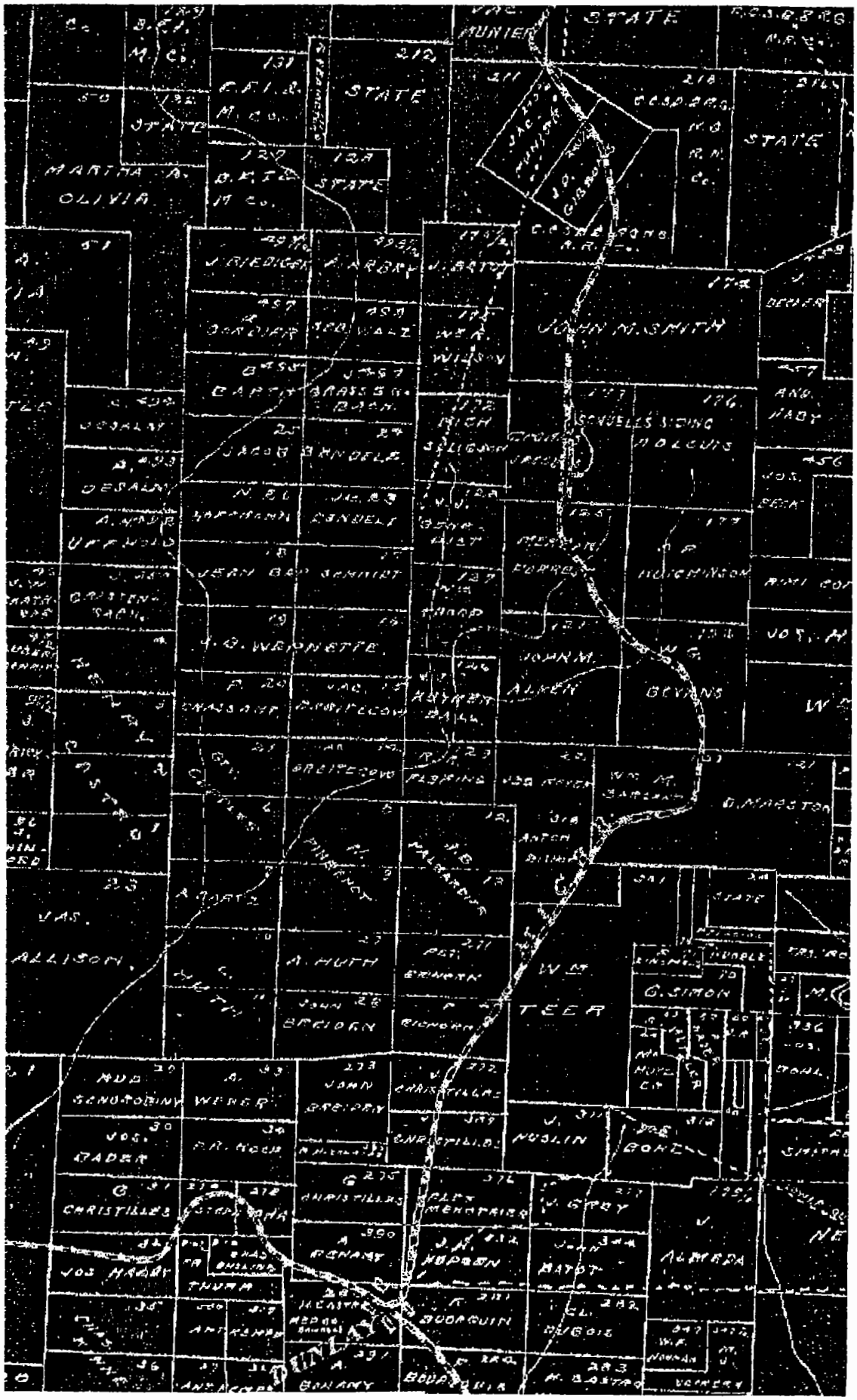
Trackwork geometry provides adequate space for #10 turnouts in all cases. Larger turnouts can be accommodated with minor changes to the proposed geometry. Discussions with Union Pacific may develop a sufficient return on investment from reduced train delay to warrant a 25-mph #14 remote control turnout at the main line connection.

Hydrology and Land Use

Sizing of bridges and culverts is based on a flood frequency of 25 years. Constraints on the location of the route, in regards to specific parcels of property, were the primary driver in most location decisions and were established by our many discussions.

Figure 1

Map of Medina County depicting the MICO RR circa 1912



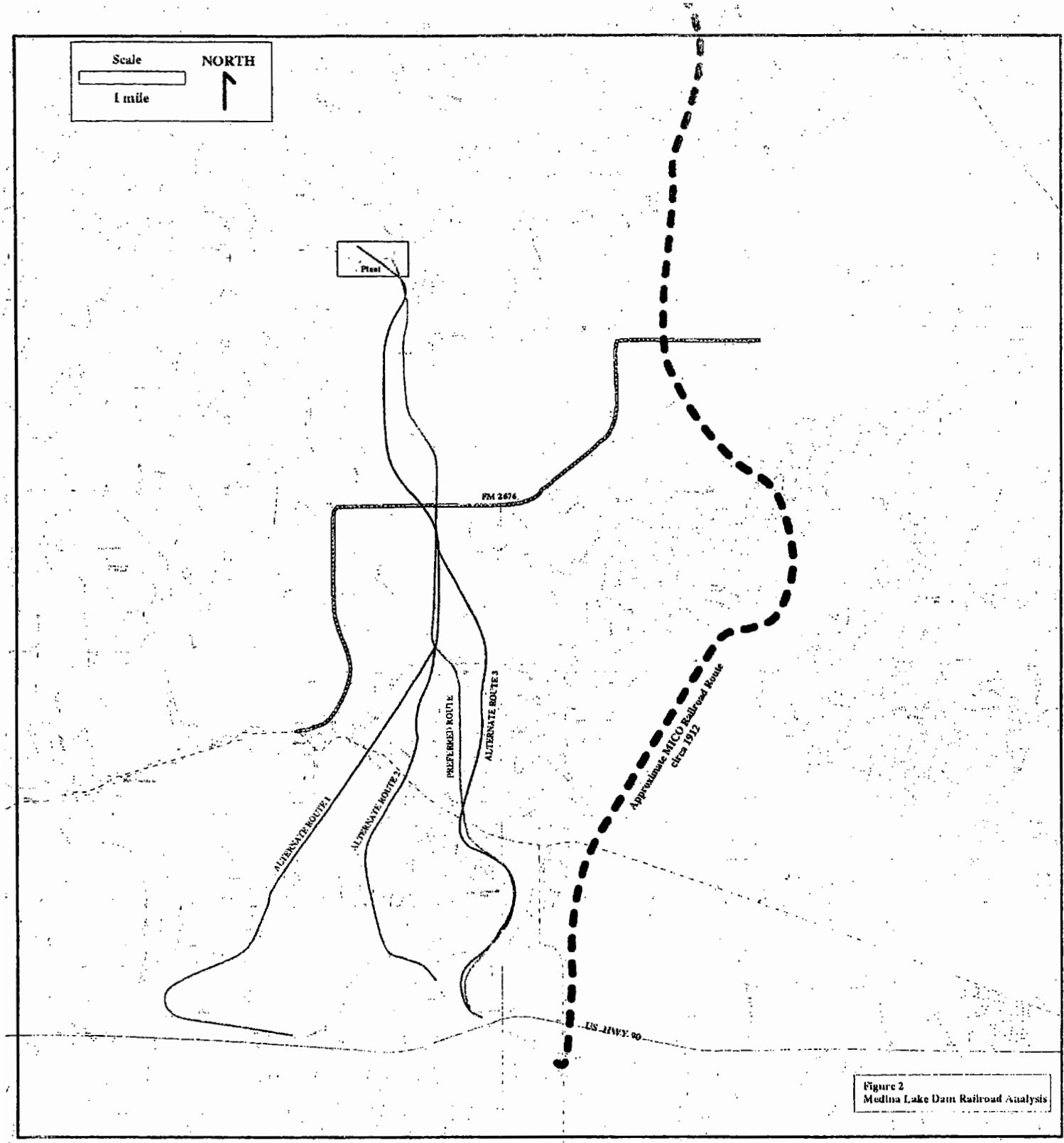
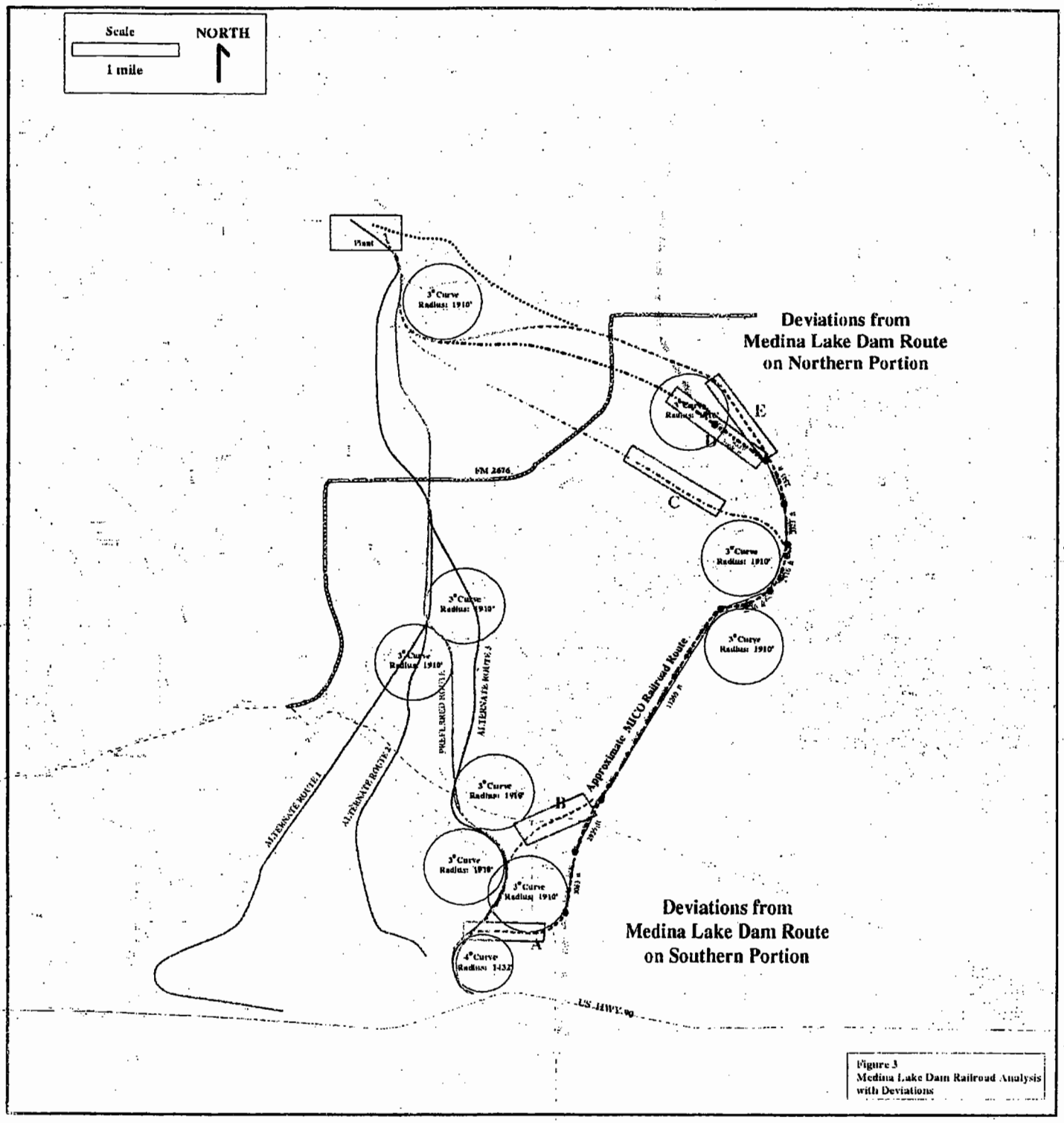


Figure 2
Medina Lake Dam Railroad Analysis


Scale
1 mile
NORTH
Plant
3° Curve
Radius: 1910'
Deviations from
Medina Lake Dam Route
on Northern Portion
E
D
C
FM 2676
3° Curve
Radius: 1910'
3° Curve
Radius: 1910'
3° Curve
Radius: 1910'
3° Curve
Radius: 1910'
ALTERNATE ROUTE 3
PREFERRED ROUTE
ALTERNATE ROUTE 2
ALTERNATE ROUTE 1
Approximate MICO Railroad Route
3° Curve
Radius: 1910'
B
3° Curve
Radius: 1910'
3° Curve
Radius: 1910'
A
4° Curve
Radius: 1432'
Deviations from
Medina Lake Dam Route
on Southern Portion
US HWY 90
Figure 3
Medina Lake Dam Railroad Analysis
with Deviations

Medina group digs in to fight quarry idea

By ZEKE MacCORMACK
Express-News staff writer

QUIHI — Hesitant murmurs about incorporating this quiet farming hamlet into a city now being heard among locals reflect how deeply opposition runs here to a new quarry proposed to open nearby.

"I don't want it at all," said Chris McCoy of Vulcan Materials' plan to mine 5 million tons of limestone annually from 1,650 acres the firm has leased in Medina County since 1989.

"I want our quiet country rural lifestyle," said McCoy, 62, from her ranch on FM 2676.

Incorporation is just one strategy being explored to fight the quarry and a rail spur that Vulcan wants built to carry rock from the pit seven miles south to tracks in Dunlay.

"If it will help keep them away, it would be OK," said Judy Dittmer, 66, "but I don't know if we're enough people" to be a city.

Quarry opposition is led by the Medina County Environmental Action League, a group of 150 families that will hold its fifth annual membership meeting Saturday at 5 p.m. at the Quihi Lutheran Church.

Critics say the project would increase local flooding, create traffic problems and damage local roads and historical sites in the area settled in the 1840s and named for the Mexican eagle nuzzard, the quihis or kechi, seen there.

The group's primary line of defense is to block the rail spur, without which it contends, the quarry plan would crumble.

"It wouldn't be profitable to run a quarry that's served only by trucks," said Robert Fitzgerald, the group's president. "You've got to pay the truck driver, the insurance, fuel, labor, the maintenance costs on the trucks and improve the roads."

But the no-railroad-equals-no-quarry equation is dismissed by Tom Ransdell, president of Vulcan's Southwest Division in San Antonio.

Vulcan officials say 650 truck trips a day — about one a minute over a 12-hour shift — would be needed to serve the quarry if the Federal Surface Transportation Board doesn't back the rail line.

Fitzgerald wants the federal panel to expand its environmental impact study on the rail path to include the quarry site.

He said that could add three years to the development timetable.

"It will be a definite victory for us and help protect the water supply if we can convince the people at Surface Transportation Board that an environmental impact study on the quarry is needed," Fitzgerald said.

Vulcan, which already has U.S. Fish and Wildlife Service approval to relocate golden-cheeked warblers it finds in designated areas, hopes the transportation board will announce this summer that its impact study will cover only the rail line.

"We believe it's a defensible line," beating the railroad is not proposed to just serve the quarry, Ransdell said.

Vulcan received preliminary federal approval last year for the spur to the Southwest Gulf Railroad, a company Vulcan formed to haul the aggregate.

Engineering and design work has started, but construction must await environmental approval and a final vote by the surface transportation panel.

Vulcan has asked for its railroad to be designated as a common carrier, giving it the power of eminent domain, allowing it to condemn land which would allow it to get around covenants placed on several properties along its preferred route prohibiting railroad tracks or industry behind.

Ransdell talked of establishing a dialogue with opponents "to do what's best for that area out there."

But the only dialogue Fitzgerald seems interested in is hearing Vulcan say "We quit."

"We've tried to tell them every way we know that we don't want a railroad through here," he said.

"We don't feel it's right for a private company to create a right-of-way just so it can get eminent domain power."

#EI-825
RY

STEPTOE & JOHNSON LLP

ATTORNEYS AT LAW

David H. Coburn
202.429.8063
dcoburn@steptoe.com

1330 Connecticut Avenue, NW
Washington, DC 20036-1795
Tel 202.429.3000
Fax 202.429.3902
steptoe.com

May 20, 2004

Via Hand Delivery

Ms. Rini Ghosh
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20402-0001

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad Company – Construction and Operation Exemption – Medina County, TX

Dear Ms. Ghosh:

This will reply to your May 18, 2004 letter inquiring as to the trucking hours of operation in the scenario, described in my May 4, 2004 letter to Ms. Rutson, in which trucks would operate for 20 hours/day were no railroad available to transport aggregate from the Vulcan Construction Materials quarry to the Union Pacific line. Vulcan advises that, at this stage, no final decision has been made with respect to the trucking hours of operation. Further, any such decision would be made only after further study and, to the extent warranted, consultation with appropriate officials. Accordingly, the best that we can offer on this issue at this time is that we believe that it is not unlikely that trucks would operate throughout the day, with the exception of between 2 pm and 6 pm. We offer this information with the understanding that it will be used for environmental analysis purposes, but also with the understanding that Vulcan is not committing to these specific hours for the trucking operation and will not make a final decision on this matter unless and until developments warrant.

Sincerely,

David H. Coburn
Attorney for Southwest Gulf
Railroad Company

cc: Ms. Jaya Zyman-Ponebshek

Jaya_Zyman-Ponebshek@URSCorp.com
12/19/2003 03:12 PM

To ghoshr@stb.dot.gov
cc
bcc
Subject SGR's verified road crossings

Rini,

These are copies of the e-mail I sent to David and his response for your records

Thanks

Jaya
Jaya Zyman-Ponebshek
Project Manager
URS Corporation
9400 Amberglen Blvd.
Austin, TX, 78729

512-419-5316
512-454-8807 (Fax)
Jaya_Zyman-Ponebshek@urscorp.com

-----Forwarded by Jaya Zyman-Ponebshek/Austin/URSCorp on 12/19/2003 02:11PM -----

To: "'Jaya_Zyman-Ponebshek@URSCorp.com'" <Jaya_Zyman-Ponebshek@urscorp.com>
From: "Coburn, David" <DCoburn@steptoe.com>
Date: 12/18/2003 03:45PM
cc: "Darrell T. Brownlow Ph. D. (brranch@gte.net)" <brranch@gte.net>
Subject: RE: SGR's verified road crossings

Jaya – We can confirm the following. As to the preferred route, your interpretation is correct, although the FM road is route 2676, not 3676. Further, it is possible that route 353 could be realigned at a point north of the FM 2676 crossing so that it would be crossed a single time only. Any such realignment would be up to the County.

As to alternatives 1 and 3, your analysis are correct. As to alternative 2, CR 454 would be crossed only once, not three times.

Finally, you should be aware that while there are no plans to grade separate any crossings, final engineering considerations might conceivably lead to such separations in any cases where grade constraints might warrant a separation. As noted, however, there are no fixed plans to grade separate any of the crossings at this time.

FYI, the FRA has today issued its decision on horn noise at crossings. We are reviewing it and will advise you of our thoughts on how it might bear on SGR operations. Regards. David

----Original Message-----
From: Jaya_Zyman-Ponebshek@URSCorp.com
[mailto:Jaya_Zyman-Ponebshek@URSCorp.com]
Sent: Wednesday, December 17, 2003 10:34 AM
To: Coburn, David
Subject: SGR's verified road crossings

David,

I have spent a considerable amount of time with the mapping staff blowing up and looking at all the crossings at a very small scale and verified road names with the most current maps. Based on this research, there a few changes to the road crossings that SGR originally submitted. Some of the road changes are due to the fact that certain roads change names often. Please verify that this information is correct.

Thanks

Jaya

From north to south:

1. Proposed Route
353 twice
FM 3676
365
4512 (new crossing)
4516
454

Total 7 crossings

2. Alternative 1
353
FM 2676
365
4516
4517 (this road was interpreted as 365 before)
454
4545 (twice)

Total: 8 crossings

3. Alternative 2.
353
2676
365 (this road was interpreted earlier as 450)
4516
454 (three times)

Total; 7 crossings

4. Alternative 3.
353 (once)
2676

365
4512 (previously interpreted as 365)
4516
454

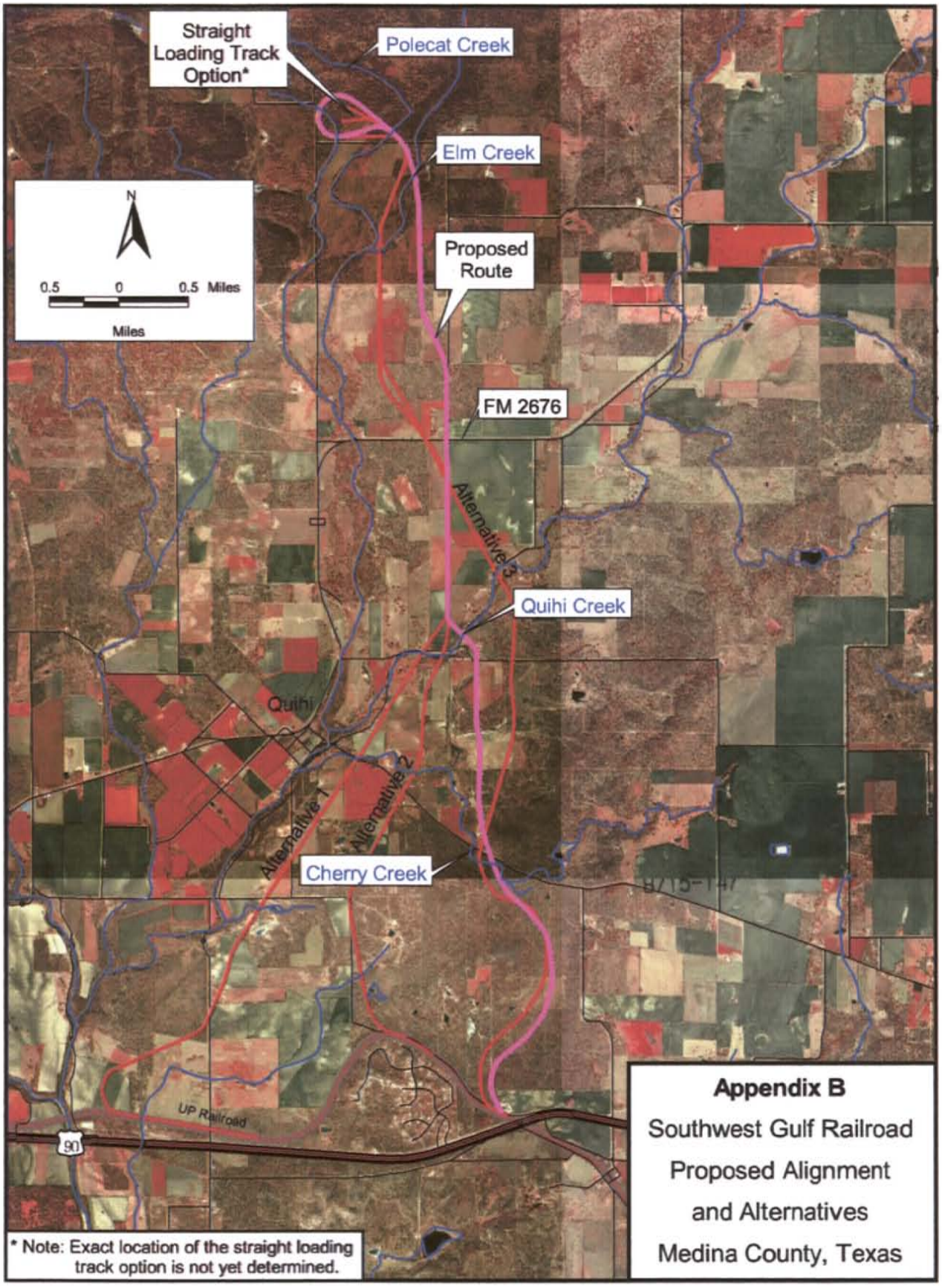
Total: 6 crossings

Jaya Zyman-Ponebshek
Project Manager
URS Corporation
9400 Amberglen Blvd.
Austin, TX, 78729

512-419-5316
512-454-8807 (Fax)
Jaya_Zyman-Ponebshek@urscorp.com

Appendix H

Additional Maps and Figures


Straight Loading Track Option*
Polecat Creek
Elm Creek
N
0.5 0 0.5 Miles
Miles
Proposed Route
FM 2676
Alternative 3
Quihi Creek
Quihi
Alternative 1
Alternative 2
Cherry Creek
UP Railroad
90
* Note: Exact location of the straight loading track option is not yet determined.
Appendix B
Southwest Gulf Railroad
Proposed Alignment
and Alternatives
Medina County, Texas

THE LIBRARY OF CONGRESS
WASHINGTON, D.C. 20540-4650

GEOGRAPHY AND MAP DIVISION

March 22, 2004

Dear Ms. Ghosh:

In response to your recent request, I am enclosing a complimentary photocopy of a portion of a map of Medina, County, Texas, showing the rail spur from Dunlay to Mico. The map was published in 1912. For your future reference I have annotated pertinent information, such as the filing location, on the verso of the copy. Please refer to this information in any further correspondence.

If we can be of additional assistance, do not hesitate to contact us again.

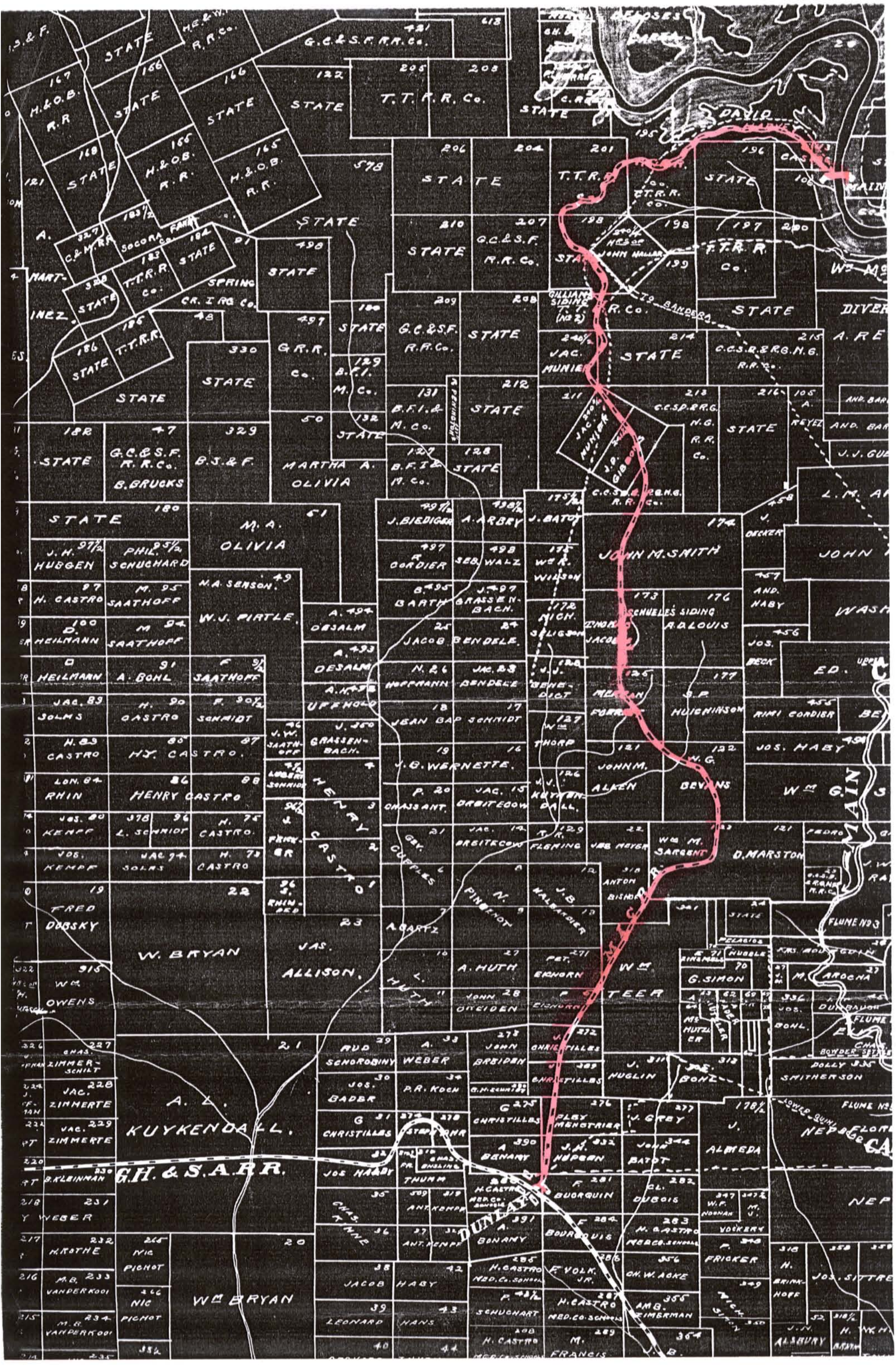
Sincerely,

Cynthia Cook

Cynthia Cook
Sr. Reference Librarian

Enclosures: copy of Texas, Medina Co. 1912 Texas Blue Print Co.

Ms. Rini Ghosh
Surface Transportation Board Section of Environmental Analysis
1925 K. Street, NW
Washington, DC 20423-0001


G.C.&S.F. R.R.Co.
T.T.R.R.Co.
STATE
H.&O.B. R.R.
C.&M.R.R.
SOCORRO FARM
T.T.R.R. Co.
SPRING CR. I RG. Co.
G.R.R. Co.
B.F.I.M. Co.
G.C.&S.F. R.R.Co.
GILLIAM SIDING T.T. (No 2)
T.T.R.R. Co.
C.C.S.P.R.R.G.N.G. R.R.Co.
JAC. MUNIER
J.P. GIBSON
N.G. R.R. Co.
DAVID
MARTINEZ
A. OLIVIA
M.A. SENSON
W.J. PIRTLE
MARTHA A. OLIVIA
JAS. ALLISON
W. BRYAN
JOHN M. SMITH
WM. OWENS
A.L. KUYKENDALL
G.H.&S.A.R.R.
WM. BRYAN
DUNLAP
WM. G. MAIN
J.J. GUE
L.M. AR
JOHN
WASH
ED.
DIVER
A. RE
AND. BAR
REYEL
D. MARSTON
WM. M. SARGENT
FLUME No 3
NEP