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June 25, 2004

VIA FEDERAL EXPRESS

F. Lawrence Oaks
State Historic Preservation Officer
Texas Historical Commission
1511 Colorado
Austin TX 78701

*received
6/28/04*

FD 34284

**Re: Southwest Gulf Railroad, STB Docket 34248
Project Review Under Section 106**

Dear Mr. Oaks:

Southwest Gulf Railroad (SGR) has asked me to respond to your June 15, 2004 letter to Mr. Sergio Iruegas concerning the so-called Medina Dam Route and the question of why this route was rejected from further consideration by the SGR at a relatively early stage in the process. The Medina Dam Route is not an existing railway, but exists only on some old maps. The rail line was built in 1911 for trains carrying the construction materials for the Medina Dam. However, that rail line was abandoned and torn up shortly after the dam was built, and there is little or no physical evidence today that a rail line ever existed and there is no right of way remaining.

Opponents of the SGR line have argued before the Surface Transportation Board's Section of Environmental Analysis ("SEA"), as they apparently have to your office, that the Medina Dam Route should nonetheless be seriously considered as an alternative by SGR. In response to the expression of such views by the opponents before SEA, SGR accordingly submitted a May 4, 2004 letter to SEA describing in some detail the problems with using even a portion of the old Medina Dam Route for the proposed rail in Medina County, and the reasons why the route was not further considered as a viable alternative. That letter, which also addresses some other issues that had been raised by SEA, but which are not relevant to the Medina Dam Route, is attached. You will find pages 10 through the end of the letter, as well as Figures 1 through 3 particularly relevant to the matter you have raised.

As described in the attached letter, among the key reasons that the Medina Dam Route was rejected as an alternative by SGR are as follows. First, the route does not begin or end at the points that the SGR line needs to serve. On its north end, the Route is several miles east of the

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quarry site to be served by SGR and, on the south end, it would require a grade separation with U.S. 90, which SGR has reasonably sought to avoid. In addition, use of any portion of the Medina Dam Route would require that the property of more landowners be disturbed, and the SGR line would need to be considerably longer than SGR's preferred route.

Second, the Route offers no particular advantages since, as noted, the rail line that existed there for a few short years early in the 20th century is long gone and there is no existing right of way. It is not as if there is some abandoned rail line that SGR could readily use.

Third, the relatively steep grades that would be required for the SGR line to connect from the required north and south terminus points to the Medina Dam Route (which is built on top of a plateau) are unacceptable from a rail engineering viewpoint given the fact that the SGR line will be used to transport 100-car unit trains. Based on a rail engineering report prepared for SGR, relevant portions of which are attached to the May 4 letter, SGR's line could not accommodate grades in excess of 1%, while use of the Medina Dam Route would require a grade in excess of 6% unless substantial cut and fill work is used, which would have other impacts. The May 4 letter also describes other SGR line design criteria that are not satisfied by use of the Medina Dam Route.

SGR is not in a position to know what the Draft EIS now being prepared by SEA will say about the Medina Dam Route. It bears noting, however, that SEA's May 7, 2004 Final Scoping Notice issued in this proceeding took note of comments submitted on the Medina Dam Route and stated that the Draft EIS "will include an appropriate discussion of this alternative."

Should you have any questions about these matters, I would be pleased to respond.

Sincerely,



David H. Coburn

Attorney for Southwest Gulf Railroad

cc: Sergio Iruegas
Ms. Rini Ghosh