

SURFACE TRANSPORTATION BOARD
OFFICE OF ENVIRONMENTAL ANALYSIS

Re: Proposed Tongue
River Railroad Project }

TRANSCRIPT OF PROCEEDINGS

Haugo Center
Riverview Villa
Rosebud Street
Forsyth, MT
November 13, 2012
2:00 p.m.

APPEARANCES

Mr. Ken Blodgett, STB
Ms. Danielle Gosselin, STB
ICF International, Third-
Party consultants
Mr. Scott Graves, ICF
Mr. Alan Summerville, ICF
Mr. Neil Sullivan, ICF
Mr. Chris Moelter, ICF
Ms. Sarah Mulligan, ICF
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P R O C E E D I N G S

1
2
3 MR. BLODGETT: Good afternoon. My
4 name is Ken Blodgett, and I want to thank
5 everybody for coming here this afternoon to
6 provide input on the Environmental Impact
7 Statement process for the Tongue River
8 Railroad.

9
10 With me at the table is Danielle
11 Gosselin, we are with the Surface
12 Transportation Board, and also seated at the
13 table is Alan Summerville of ICF International
14 the project manager for our third-party
15 contractor team, and Scott Graves, also of ICF
16 International, who will serve as our
17 facilitator this afternoon.

18
19 The Surface Transportation Board is
20 the federal agency responsible for granting
21 authority for the construction and operation of
22 new rail lines and associated facilities. On
23 October 16, 2012, Tongue River Railroad
24 Corporation filed a revised application with
25 the Surface Transportation Board to construct
and operate a rail line from Miles City,
Montana, to two end points near Ashland, Montana.

The Surface Transportation Board is

1 the lead agency responsible for preparing the
2 Environmental Impact Statement, which will
3 identify and evaluate the potential
4 environmental impacts associated with the
5 construction and operation of the line and any
6 alternative.

7 There are four cooperating agencies
8 working with the Surface Transportation Board
9 in preparing the Environmental Impact
10 Statement. The Bureau of Land Management, the
11 U.S. Army Corps of Engineers, the U.S.
12 Department of Agriculture, and Montana's
13 Department of Natural Resources and
14 Conservation, which is acting as the lead
15 agency for other -- all of the Montana State
16 agencies. These cooperating agencies have
17 decision-making authority independent of the
18 Surface Transportation Board, and are agencies
19 from which Tongue River Railroad will obtain
20 separate approvals for permits.

21 This scoping meeting represents one
22 of the first opportunities in the environmental
23 review process for the public to provide the
24 Surface Transportation Board with its
25 environmental concerns related to the

1 construction and operation of the proposed rail
2 line, including any potential alternatives and
3 impacts. Our hope is that the information that
4 you provide us today will help us to frame our
14:57:33 5 analysis and help us to understand your
6 concerns about the proposed action and
7 potential alternatives.

8 The scoping period will last until
9 December 6, 2012. The Office of Environmental
14:57:50 10 Analysis will then revise the Draft Scope of
11 Study and issue a Final Scope of Study,
12 incorporating public comments and concerns
13 received during the comment period. The Office
14 of Environmental Analysis will consider all
14:58:07 15 comments received when preparing the Final
16 Scope of Study. For anyone that hasn't been
17 around, there's additional information and some
18 handouts at the environmental review process
19 station located over there.

14:58:29 20 After the Scope of Study is
21 finalized, the Office of Environmental Analysis
22 will begin preparing the Draft Environmental
23 Impact Statement. The Draft Environmental
24 Impact Statement will reflect the Office of
14:58:46 25 Environmental Analysis's final independent

1 analysis of potential environmental impact that
2 could result from the construction and
3 operation of the proposed rail line.

4 The Office of Environmental Analysis
14:58:59 5 will issue the Draft Environmental Impact
6 Statement and the public will have the
7 opportunity to read and comment on the Draft
8 Environmental Impact Statement during a formal
9 comment period, which will have a series of
10 public meetings similar to this one.

11 After the Draft Environmental Impact
12 Statement's public comment period has come to a
13 close, the Office of Environmental Analysis
14 will consider all comments received and address
14:59:29 15 each comment in a Final Environmental Impact
16 Statement. The Final Environmental Impact
17 Statement will present the Office of
18 Environmental Analysis's final conclusions and
19 recommendations for mitigating possible
14:59:46 20 environmental effects. Issuance of the Final
21 Environmental Impact Statement will complete
22 the Surface Transportation Board's
23 Environmental Review Process.

24 The Board will then make a final
15:00:01 25 decision on the proposed rail line

1 construction. In making that final decision,
2 the Board will consider the entire
3 environmental record, including all public
4 comments received, the Draft Environmental
15:00:16 5 Impact Statement, the Final Environmental
6 Impact Statement, and the Office of
7 Environmental Analysis's final recommended
8 environmental mitigation. No project-related
9 construction may begin until the Board's final
10 decision has been issued and has become
11 effective.

12 If you have not already done so, I
13 would encourage you to sign in at the table
14 located near the entrance to this room. Those
15:00:45 15 who have indicated that they would like to make
16 a public comment on the Scope of Study, which
17 will be recorded by the court reporter, will be
18 called upon to speak in the order in which they
19 signed in.

15:00:58 20 I would like to thank you in advance
21 for your cooperation and consideration for
22 speaking. Comments will be limited in time so
23 that everyone is given the opportunity to
24 speak. If you would like to provide
15:01:11 25 handwritten comments, comment forms are located

1 in the rear of the room, and you can fill one
2 out and just drop it off in the box that's
3 located back there. Written comments may also
4 be mailed to the Surface Transportation Board
15:01:27 5 or submitted electronically using the Surface
6 Transportation Board's website. Oral comments
7 and written comments will be given equal weight
8 and consideration. And, again, all comments
9 are due on December 6, 2012.

15:01:43 10 At this time I would like to turn the
11 floor over to Alan Summerville of ICF
12 International, who will briefly discuss more
13 details of the project.

14 MR. SUMMERVILLE: Good afternoon.
15:02:02 15 During the first half of the meeting we
16 provided information on the project and now I'd
17 like to summarize that information for those of
18 you who weren't at the first half of the
19 meeting and provide a recap for those who were.

15:02:16 20 The Tongue River Railroad's principle
21 purpose for the new rail line is to transfer
22 low sulfur sub-bituminous coal from the
23 proposed mine sites in Rosebud and Powder River
24 Counties, including proposed mines in the Otter
15:02:30 25 Creek area. The Tongue River Railroad Company

1 is proposing to construct and operate an
2 approximately 83-mile rail line between Miles
3 City and two ending points, one near the site
4 of the previously planned Montco Mine near
15:02:46 5 Ashland, and another at the proposed Otter
6 Creek Mine in the Otter Creek area east of
7 Ashland. Accordingly, the rail line would
8 cross portions of Custer, Powder River, and
9 Rosebud Counties.

15:03:00 10 The proposed route would follow the
11 Tongue River Valley and would consist of a
12 single track constructed of continuous-welded
13 rail and include a 200-foot wide right-of-way
14 crossing local roads, streams, trails, and
15:03:14 15 utility corridors; two passing sidings, one
16 near Milepost 27 and the other near Milepost
17 46; and ancillary facilities, including six
18 set-out tracks between 500 and 4000 feet in
19 length to provide for temporary storage of cars
15:03:31 20 requiring repair and storage of maintenance
21 equipment.

22 At a minimum, the Office of
23 Environmental Analysis is considering those
24 alternatives analyzed in the Tongue River I
15:03:45 25 EIS: The Tongue River Road Alternative, the

1 Moon Creek Alternative, the Colstrip
2 Alternative, and the No Action Alternative.

3 As part of the alternatives
4 development process the Office of Environmental
15:03:39 5 Analysis is determining the feasibility of
6 these and other potential rail routes. The
7 Office of Environmental Analysis welcomes
8 public comments on these other potential
9 alternatives. Alternatives will be evaluated
10 based on public and agency input, as well as
15:04:11 11 environmental, technical, and engineering
12 considerations, including curvature and grade
13 of the rail line, and topographic features,
14 such as steep slopes, hills, as well as
15:04:28 15 geology, floodplains, wetlands, and rivers and
16 streams.

17 EISs can cover a wide range of impact
18 topics. In this particular EIS the Office of
19 Environmental Analysis plans to cover
15:04:48 20 transportation systems, safety, land use,
21 recreation, biological resources, water
22 resources, navigation, geology and soils, air
23 quality, noise and vibration, energy resources,
24 socioeconomics, cultural and historic
15:05:05 25 resources, aesthetics, and environmental justice.

1 Additional resource subject areas can
2 be added as a result of comments and information
3 received during the scoping process.

4 The purpose of the public scoping
15:05:21 5 meetings is to provide a forum in which the
6 Office of Environmental Analysis can gain the
7 public's input on potential alternatives, or
8 important impacts that may or may not be
9 currently in the Draft Scope of Study.

15:05:35 10 At this time I'd like to turn the
11 meeting over to our facilitator, Scott Graves,
12 who will go through a number of ground rules
13 and then we can begin to hear public comments.
14 Thank you.

15:05:46 15 MR. GRAVES: Thanks, Alan. Just a
16 couple quick points before we get started. I
17 have two cards up here for folks who indicated
18 they want to speak before the Board this
19 afternoon. There certainly will be time for
15:05:59 20 folks to come up after those folks have had a
21 chance to speak, so if you're thinking about
22 making a comment, you should have an
23 opportunity to do that this afternoon.

24 A couple quick things. We want to
15:06:11 25 limit comment periods to five minutes just to

1 make sure that everybody has a chance to speak.
2 If after everybody who has elected to speak,
3 there's nobody else to speak and we have some
4 time left over, we'll go back and ask for folks
15:06:25 5 who may want to extend their comments or folks
6 who have already spoken if they have more to
7 say. I think we'll have plenty of time to get
8 everybody's comments here today.

9 When you come up, may I ask a couple
15:06:39 10 of favors. First, if you could come up to the
11 front of the room here. Secondly, to say your
12 name and then please spell it for the purpose
13 of the court reporter, make sure we have an
14 accurate record of your name so we can get that
15:06:53 15 into the public record correctly.

16 Are there any questions before we get
17 started?

18 The first person who indicated would
19 like to speak is Hugh Broadus. Hugh. Do you
15:07:15 20 want to come on up?

21 MR. HUGH BROADUS: My name is Hugh
22 Broadus, B-r-o-a-d-u-s. As you can see, I
23 didn't dress to come to town. I didn't know we
24 were having this today.

15:07:45 25 Well, I'm not against your project.

1 I lived with the Colstrip Coal Mine for 30
2 years with our ranch. It's been 30 years. We
3 are starting to get it back, reclaimed. We
4 farm it, we graze it, we hay it, it's as good
15:08:18 5 as it ever was, maybe better. The impact of
6 the people and so on, we learned to live with
7 that. These people that are crying and whining
8 about the terrible effects, well, they never
9 had to go look for a job apparently. That mine
15:08:37 10 has given a lot of people good jobs. Part of
11 my family, in fact, work there. So I am glad
12 you're going through all the hoops to do it
13 right, and I'm sure it can be done right, and
14 I'm all for it.

15 MR. GRAVES: Thank you. Next is Jim
16 Atchison.

17 MR. JIM ATCHISON: For the record,
18 I'm Jim Atchison.

19 First of all, I'd like to thank the
15:09:16 20 Surface Transportation Board and the related
21 consultants for coming out to this rural and
22 isolated part of southeast Montana. We
23 certainly appreciate it and listening to our
24 comments.

15:09:25 25 I am the executive director of

1 Southeastern Montana Development. We are a
2 regional non-profit economic development group
3 based in Colstrip, but we go out and do
4 whatever we can to create jobs or save jobs and
15:09:38 5 increase the tax base in the four counties of
6 Custer, Rosebud, Powder River, and Treasure.
7 And we have numerous tools in our tool box to
8 do that to assist not only the public sector,
9 the cities and counties in that four-county
15:09:51 10 region, but also the private sector, people
11 creating the jobs and also other non-profits
12 and do whatever we can to create economic
13 activity in this part of the state.

14 Our board of directors fully supports
15 not only this railroad project, the Tongue
16 River Railroad, but also the related Otter
17 Creek Coal Mine project in southeastern
18 Montana. We feel in numerous ways this is
19 potentially the greatest opportunity,
15:10:02 20 development opportunity, that our state will
21 see in our lifetime. And so we feel the
22 impacts, whether they are perceived or real,
23 can be overcome with proactive planning and
24 certainly communication.

15:10:26 25 The benefits as we all know are

1 tremendous. The Governor's office and in the
2 recent University of Montana study and have
3 noted nearly \$6 billion dollars could be
4 received in tax receipts over the life of this
15:10:38 5 line and related projects. We feel that we can
6 minimize these impacts yet maximize the
7 benefits. Thus, we fully support this Tongue
8 River Railroad project, and we reserve the
9 right to actually make additional comments on
10 the recommendations and the options at a later
15:10:53 11 date before the deadline that you mentioned
12 earlier. So thank you.

13 MR. GRAVES: Anyone else like to make
14 a comment before the Board this afternoon?

15 MS. AMY ADLER: My name is Amy Adler,
16 and I am the county weed coordinator. I have
17 not been able to review your document yet. But
18 my biggest concern is when the actual
19 construction takes place, what mitigation has
15:11:35 20 taken place to mitigate the impact of noxious
21 weeds that is going to bring into this valley.
22 And I have obviously a large part of railroad,
23 an abandoned railroad in my county, and they
24 are a huge noxious weed corridor. And that
15:11:51 25 Tongue River Valley right now is relatively

1 clean. I'd like to keep it that way. When
2 construction starts, there is a state
3 regulations and things like that, will there be
4 weed management plans filed? Who will be
5 responsible for controlling the noxious weeds
6 that might come in with that? Who is going to
7 protect the private landowners?

8 Those are just some of my questions.
9 And I would like to see that taken into account
10 when you do this.

11 MR. GRAVES: Thank you. Anybody else?

12 MR. LEONARD COLVIN: Leonard Colvin,
13 C-o-l-v-i-n.

14 I've been 23 years in the coal
15 industry in Colstrip. And in looking at your
16 proposed maps, wouldn't it be more beneficial
17 if you took that alternative and went over to
18 Colstrip and brought your trains down that way?
19 And there must be less trackage, less disturbed
20 land.

21 Thank you.

22 MR. GRAVES: Would anyone else like
23 to make a comment?

24 MR. DOUG MARTENS: Doug Martens.
25 I'm a Rosebud County Commissioner.

1 I guess my concern is, whichever
2 way -- whichever proposal gets chosen,
3 whichever way the railroad goes, if it goes, I
4 guess I would like to make sure that there's
5 some discussion in relation to the roads in the
6 area, the bridges. We've over the years
7 studied a lot of the drainages, a lot of that
8 has been taken into consideration according to
9 the river and where the roads are now, where
10 the bridges are. There's a lot of them serve
11 as stock passes, a way for the cattle to get
12 from one side of the road to the other, and I
13 would just like to be sure that that is
14 addressed somewhere along the line.

15 MR. GRAVES: Thank you. Would anyone
16 else like to make a comment this afternoon?

17 No one?

18 We have until 4 o'clock this
19 afternoon. So the staff is going to be
20 available to take additional questions, respond
21 to questions and so on until 4 o'clock. We'll
22 be back here again in evening from 6 until 8.
23 If you'd like to come back, you are more than
24 welcome, obviously. Don't forget that if you
25 didn't give a comment orally here before the

1 Board, or the staff today, you are more than
2 welcome to leave a comment electronically via
3 the website, in written form in the back here,
4 or with the court reporter up here this
5 afternoon.

15:15:27

6 Thank you.

7 Ken, would you like to say a couple
8 quick words?

15:15:38

9 MR. BLODGETT: I would just like to
10 thank everybody for coming this afternoon and
11 participating in the environmental review
12 process for the Environmental Impact Statement
13 that the Surface Transportation Board is
14 preparing. We'll be around for the next 40
15 minutes and beyond to address any questions,
16 anything that anybody has. And there's a lot
17 more meetings during the rest of the week you
18 can make. Please submit any comments, concerns
19 in writing to us. We would like to hear what
20 your concerns are.

15:15:52

15:16:11

21 And with that, thank you for coming.

22 COURT REPORTER COMMENT AREA

23 MR. ROBERT LEE: I'm Robert Lee,
24 Rosebud County Commissioner, and I also ranch
25 north of Forsyth.

15:17:52

1 One of my concerns with the railroad
 2 going through down the Tongue River is the
 3 ranchers down there are going to need to be
 4 able to move their livestock from one side of
 5 the railroad to the other, and in order to do
 6 that, they are going to need bridges, not
 7 culverts, because when a cow goes through a
 8 culvert, the calf doesn't follow. The calf
 9 will not go through a culvert. And I think
 10 it's very important that we have bridges
 11 instead of culverts, and a bridge for each
 12 landowner so he can move his livestock from one
 13 side to the other.

14 *****

15
 16 MS. ROSE HANSER: My name is Rose
 17 Hanser. I'm the Mayor of Colstrip.

18 I was wondering why Colstrip was not
 19 considered as a comment site since the Colstrip
 20 option is mentioned in this Surface
 21 Transportation Board here.

22 I think the landholders along Cow
 23 Creek and Green Leaf where the proposed option
 24 is would have closer access to Colstrip
 25 perhaps. Easier access.

15:18:07

15:18:20

15:27:26

15:28:10

15:28:46

1 I would also like to know what would
2 be addressed for at-grade crossings if it were
3 to come through the community of Colstrip.
4 That's about it.

7 MR. GRAVES: It's 5 after 4 and we
8 are formally closing the meeting. Thank you
9 for coming. That's it.

(Meeting closed.)

CERTIFICATE OF REPORTER

14 I, Richard L. Mattson, Certified Court
15 Reporter, hereby certify the foregoing
16 transcript of proceedings to be a true and
17 correct transcript of the proceedings contained
18 therein.

22 _____
23 Certified Court Reporter

15:29:02

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