



Chuck Nippoldt
Local 7263 President

June 20, 2018

Councilmember Jane Prince
320 C-City Hall
15 Kellogg Boulevard W
Saint Paul MN 55102

RE: Rail Crossing at Red Rock Road

Dear Councilmember Prince:

As President of USW Local 7263, who represents the Gerdau workers at the plant on Red Rock Road. I am very concerned for the well-being of our members due to the ability of the railroad to block the only entrance/exit to/from our plant. We and the Company have a joint safety and health committee which work together on matters of safety of our members. This is a steel mill which in the past has had employees suffer extremely serious accidents (loss of limbs, severe burns, broken bones) and/or severe medical emergencies (heart attacks).

When the railroad blocks the entrance/egress for any period of time:

- First responders/emergency vehicles are unable to access our plant;
- Parents are unable to get to schools/day care to pick up their children;
- Members are being penalized and losing income for late arrivals to work;
- After working 8 to 16 hour shifts, members are unable to get home in a timely manner;
- Traffic is often times backed up to the extent that law enforcement is called in to "direct" traffic. Recently, this necessitated denying vehicular access to the entry road and workers being turned away/sent home without pay. I was one of those workers.

I strongly urge you to take whatever measures necessary to alleviate the safety issues and inconveniences created by the railroad's failure to adhere to the regulations governing situations such as this. I understand that there is a solution that has been brought forward that would serve as a resolution to our issue; I urge you to support the proposal.

Sincerely,

Chuck Nippoldt
President



UNITY AND STRENGTH FOR WORKERS

District 11

Emil Ramirez
District Director

John Rebrovich
Assistant to the Director

June 20, 2018

Councilmember Jane Prince
320-C City Hall
15 Kellogg Blvd. West
St. Paul, MN 55102

Dear Councilmember Prince:

As the Director of United Steelworkers District 11, I am contacting you regarding serious safety issues and other concerns impacting our members that came to my attention recently concerning the rail crossing at Red Rock Road.

Our Union represents a large number of the workers at the Gerdau facility located on Red Rock Road. This road is the only road to the mill and there is no second entrance which creates major concerns for our members when the entrance to the mill is blocked by rail cars sometimes for well over an hour. Some of the issues are as follows:

- The safety of our members is our number one concern. When the entrance to the mill is blocked by rail cars, it prevents access for emergency vehicles and personnel should a serious accident occur or if one of our members suffers a life-threatening condition while at work.
- Our members work long hours and having them sit and wait at the rail crossing, which extends their already long day, puts them and everyone around them at risk.
- Our members have been late to work due to the blocked entrance which impacts them financially and can also be a threat to their job security as there is no way to predict how long they will have to wait for the intersection to clear.
- Because of the possibility of facing disciplinary actions for arriving late at work, some of our members, against the local union's advice, have been known to leave their vehicles and crawl under the train to avoid being penalized. These actions are dangerous and should be unnecessary.

I understand that a solution has been brought forward to add a rail connection on the north end of the rail terminal which would not bisect Red Rock Road called the North End Rail Connection. I urge you to support this proposal for the safety and health of our members who work at Gerdau.

If you have any questions or would like to discuss this matter further, please contact my office at (612) 623-8045.

Sincerely,

A handwritten signature in black ink that reads "Emil Ramirez". The signature is written in a cursive, flowing style.

Emil Ramirez
Director, USW District 11

ER:jmr

International Union of Operating Engineers

LOCAL NO. 49, 49A, 49B, 49C, 49D, 49E, AND 49L
MINNESOTA • NORTH DAKOTA • SOUTH DAKOTA

CLAYTON J. JOHNSON, President
BRUCE A. STAHNKE, Vice President
TIM L. OLSON,
Recording-Corresponding Secretary
ERIC R. O'GARY, Treasurer



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Business Manager/Financial Secretary

Affiliated with the A.F.L. - C.I.O.

2829 Anthony Lane South, Minneapolis, MN 55418-3285
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June 21, 2018

Council Member Jane Prince
320-C City Hall 15 Kellogg Blvd. West
St. Paul, MN 55102

Dear Council Member Jane Prince,

My name is Brent Berghuis. I'm a Business Agent for Local 49 representing members who work under stand-alone agreements. I represent two groups on the river side of the tracks off Red Rock Road. TMS, who is located in the Gerdau Plant, and Gavilon. Both places have a challenging work environment that demands constant vigilance. One bad decision can lead to dire situations. There is an infinite number of situations that could arise and would need emergency response. One scenario, I fear the most would be a fire at Gavilon. Gavilon deals with Agriculture commodities on a bulk level. If a fire broke out at Gavilon without having the immediate attention from emergency response team, due to rail road cars blocking Red Rock Road, it would lead to a news worthy event.

Any accident that needs immediate medical attention on Red Rock Road while blocked by rail could have the potential to be a tragic event. Local 49 members would be bettered served with the proposed North End Rail Connection.

Thank you for your time, I hope we have your support.

Respectfully,

Brent Berghuis
Business Agent, Local 49

BKB/sms





SLOVER & LOFTUS LLP
ATTORNEYS AT LAW

June 19, 2018

VIA EMAIL AND FIRST CLASS MAIL

The Honorable Jane L. Prince
Member, St. Paul City Council
15 Kellogg Boulevard West
Saint Paul, MN 55102

Re: Red Rock Terminal – Follow-up on Train Blockage/Safety Problems

Dear Councilmember Prince:

This letter supplements our letter of June 8, 2018 submitted on behalf of our client, Continental Cement Company (“Continental Cement”).

In its June 8th letter, Continental Cement provided detailed information on the serious ongoing public safety and business disruptions caused by continuing railroad train blockages of at-grade crossings at the Red Rock Terminal (“Terminal”). As explained, over the past year, Continental has experienced over 130 train blockages exceeding 10 minutes, with many blockages lasting over an hour. On average, the train blockages have lasted 40 minutes. Just yesterday, Continental experienced **four** train blockages of its entrance each lasting over **one-hour** during regular business hours, creating significant public safety risks and business disruptions. The situation is clearly unacceptable, and Continental understands that the situation will only get progressively worse as train volumes are expected to increase at the Terminal.

Please find enclosed a summary sheet and a video (being sent by mail) reflecting a recent 90-minute train blockage occurring in the early morning hours on May 16, 2018. The incident involved five pedestrians climbing under and between trains to get to work to a neighboring business, and the extremely dangerous convergence of numerous commercial trucks, passenger vehicles, and pedestrians upon the final movement of the train. As reflected in this one episode, even in the early morning hours, train blockages create serious safety hazards and wreak havoc on business operations. Matters only become worse when there are train blockages during regular business hours.

As previously conveyed, the critical public safety and business risks caused by the train blockages cannot be overstated. Unfortunately, insufficient attention has been paid to the matter by the Port Authority, the City, and the Canadian Pacific Railway

The Hon. Jane L. Prince
June 19, 2018
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Company, although the proposed Northern Connection does provide a helpful long-term remedy.

Continental appreciates the Council's immediate attention to this matter.

Sincerely,



Peter A Pfohl
An Attorney for
Continental Cement Company

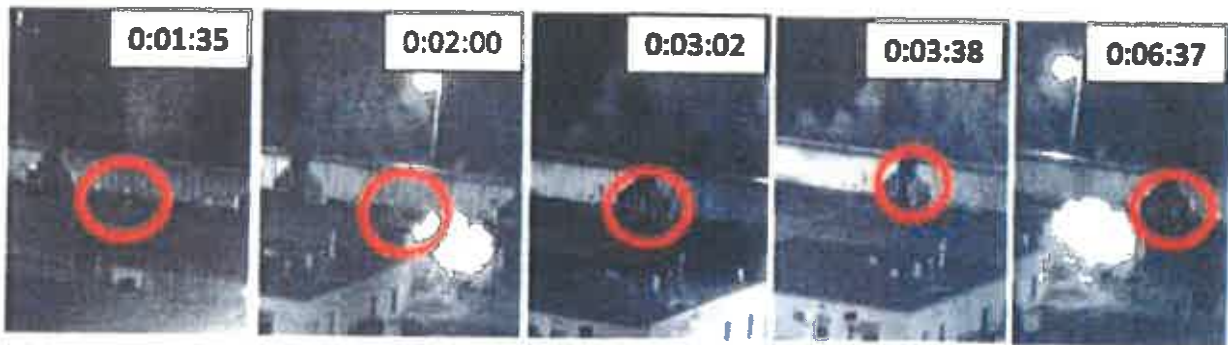
Enclosures

cc: The Hon. Amy Brendmoen
The Hon. Dai Thao
The Hon. Rebecca Noecker
The Hon. Chris Tolbert
The Hon. Samantha Henningson
The Hon. Dan Bostrom
Eric Larson, General Counsel, St. Paul Port Authority
George Hoene, Sr. Project Manager, St. Paul Port Authority
Michael Higgins, Esq., U.S. Surface Transportation Board, Office of Public Assistance

**Unsafe Conditions Resulting from CP Train Blockage
1363 Red Rock Road Terminal Entrance
May 16, 2018**

Total Time Blocked: 2:50AM – 4:20AM (90 minutes)
Business Disruption: Two cement vehicles kept waiting offsite;
Six asphalt trucks kept waiting onsite.

**Prior to Train Moving Five Blocked Pedestrians Climb Under
and Between Railcars to Neighboring Business (between 3:59 and 4:06 a.m.)**



**Train moves and the delayed passenger vehicles, commercial trucks, and
pedestrians converge and rush to entrance to cross the tracks**



Train starts to move.

**First car crosses track while
train is still clearing
entrance.**

**Second car crosses track
while train is still clearing
entrance.**

1363 Red Rock Road Terminal Entrance
May 16, 2018 at 4 a.m.



Four pedestrians start to cross tracks to parked vehicles while train is still moving.



Four pedestrians and truck cross the track within a few feet of each other. Railroad employee moves away from site entrance.



Sixth car crosses track entering site.



Seventh car crosses track entering site.



Fifth pedestrian runs across track while second truck and first car prepare to cross track.



Second car crosses track into site ahead of second truck preparing to cross track.



Third car (pickup truck) enters site while fourth car exits at the same time second truck clears track.



Fifth car crosses track entering site.

1363 Red Rock Road Terminal Entrance
May 16, 2018 at 4 a.m.



Sixth pedestrian
crosses track
exiting site.



Third truck crosses track exiting site.



Fourth truck crosses track exiting site.



Eighth car crosses track entering site.



Fifth truck crosses track exiting site.



Sixth truck crosses track exiting site.



Seventh truck crosses track exiting site.



Eighth truck crosses track exiting site.



June 13, 2018

Council Member Jane Prince
320-C City Hall 15 Kellogg Blvd. West
St. Paul, MN 55102

Dear Council Member Jane Prince:

I would like to take this opportunity to introduce myself and our company. My name is Alan Lamb and I am the VP/GM of the GerdaU St. Paul Mill located on Red Rock Road. GerdaU is one of the largest steel producers in North America with an annual manufacturing capacity of 11.7 million tons of finished products. Products made in our mill have many applications such as thread bars which are used to strengthen various concrete foundations in windmills and electrical towers to structural and special bar quality steels used in manufacturing operations such as forging, machining and cold drawn shafting.

Locally, we are a steel mill that has had strong presence in the St. Paul community for over 50 years. We employ over 300 employees for which we disburse more than \$31M annually for wages and benefits to provide for their families and re-invest back into our communities.

At GerdaU, we have a very proactive Safety Centric culture – it is our number one priority and focus each and every day. We have invested thousands of dollars into our mill and processes to mitigate as many safety risks as possible. Even with this strong focus regrettably, there is still potential for unforeseen safety risks and serious injuries. In such cases, there comes a need to have unconstrained access for immediate medical attention as minutes could make all the difference in a successful outcome. We are grateful to be located in such close proximity to the St. Paul area and therefore the response time is fairly fast for emergency vehicles such as ambulances and fire engines when they have unconstrained access to our plant. The reality is that access can be constrained hence the reason for writing.

In case you are not aware, the only road to our facility is Red Rock Road. It is a two-lane, two-mile dead-end road with an entrance which is bisected by a rail crossing. Red Rock Road has no second entrance. Recently, at this very intersection we have seen an increase of the railway blocking our only entrance for a significant amount of time, ranging anywhere from ten minutes to over one hour. This has had a significant impact on our workforce for numerous reasons to the point of grievances being filed from our local union, the United Steelworkers. We have had multiple meetings with our union and Canadian Pacific trying to discuss these concerns and come up with solutions none of which have resolved our issues long-term. Due to the entrance being blocked, not only are employees not able to leave or enter the facility, nor are emergency service providers able to get in – this is extremely concerning. This situation is further exacerbated with the increased number of trucks using this single entrance as well as the seemingly formation of longer trains crossing.

We are therefore strongly endorsing the North End Rail Connection as a prudent, necessary improvement to avoid the possibly life-threatening scenarios that we could see happening if an injury, or an illness were to happen to our employees or outside personnel while Red Rock Road was closed.

We appreciate your time and consideration in this matter. As always, we have an open invitation if you would like to visit and tour our mill to see firsthand what we do each and every day.

Respectfully,


Alan Lamb
VP/GM - GerdaU St. Paul Mill



June 19, 2018

Councilmember Jane Prince
320-C City Hall
15 Kellogg Blvd. West
St. Paul, MN 55102

Dear Councilmember Prince,

I write to you today to stress the importance of not only the survival of the businesses of Red Rock Road but also the grave safety concerns that exist due to the fatal design flaws of Red Rock Road which serves eight businesses. Sadly, this has not been a recent issue but one that has been going on for over 40 years. Recently, we have opportunity to correct this serious oversight and protect people's lives and union jobs. The ability of creating a secondary rail access is critical to eliminating the fatal safety concern that blocks all traffic in and out of Red Rock Road.

Gavilon Grain is a grain company that has over 200 barge, rail and truck facilities globally. Gavilon is the second largest grain company in North America via licensed storage and has the largest grain terminal in Minnesota which resides at the end of Red Rock Road. This terminal provides over 2,000 local Minnesota farmers and surrounding grain elevators in Minnesota, Wisconsin, North Dakota, South Dakota and Iowa a place to market their grain via barges to the export market in New Orleans. Gavilon employs 30 high paying union jobs and 15 non-union jobs at the facility. The terminal has existed since 1980's and handles over 15 and different commodities (~2,000,000 tons/yr) by using rail, truck and barge logistics. The facility processes around 400 semi-trucks, and 100 rail cars, and 10 barges/day during March thru November.

The safety issue that needs to be immediately addressed is when unit trains place into Red Rock Rd to be processed at Gavilon. A unit train size varies between 100 and 135 railcars and averages around 6,600 ft in length or approximately 22 football fields long. When these trains get placed the train blocks all truck traffic in and out of the port road for 1-2 hours including the eight existing businesses driveways. This blockage can't be avoided by the railroad as the design of the port has only allowed the railroad one way in and one way out when placing unit shuttles. The limited access is extremely hazardous to all businesses as they operate daily. Speaking for Gavilon specifically, the union laborers operate heavy machinery 24/7 which could result in serious injury or potentially a fatality if emergency access was blocked. Luckily, Gavilon has avoided such a tragedy thus far, however, it's only a matter of time before someone on Red Rock Rd has an accident where someone loses their life. It's a shame to think we could have prevented such a senseless crime if the businesses on Red Rock Rd were provided an alternative rail route which would free up the truck road access.

I know Gavilon isn't the only business that is desperate to find a solution to this concern. Hawkins for example handles hazardous chemicals. To date Hawkins has operated very safely but to think if they had a spill and there wasn't access to leave immediately there could be dire results. Another real example is that grain dust is combustible and although Gavilon does everything in its power to prevent such issues if

a grain explosion was to happen and emergency response vehicles were blocked from providing assistance countless union laborers could be critically injured.

Lastly, there is an economic effect. Gavilon has lost around 25% of its business over the past five years and continues to suffer due to competitors providing more efficient and quicker processing plants. Gavilon's major chocking point is when trucks are held up by rail traffic which creates delays for farmers desperate to get their crop delivered and paid for. Allowing Gavilon to build the track expansion would not only ensure the survival of Gavilon's terminal for the foreseeable future but prevent any union jobs being cut due to decreased business.

Finally, after 40 years we have the means and the solution to prevent irreversible accidents from happening while expanding the economic footprint of the eight businesses and create jobs on Red Rock Road. The northern access rail expansion is critical to the survival of these businesses and their union employees.

Gavilon would greatly appreciate your support on this proposal. If you have any question or concerns, please feel free to reach out anytime as I'd be happy to address them.

Kevin Horn
Merchandising Manager

AMG RESOURCES CORPORATION

1303 Red Rock Road, St. Paul, MN 55119

(651) 739-6080

Fax: (651) 739-6066



June 5, 2018

Ms. Jane Prince
Saint Paul City Council
320 – C City Hall
15 Kellogg Blvd. West
Saint Paul, MN 55102

Dear Ms. Prince,

I am writing to you on behalf of AMG Resources in support of the North End Rail Connection proposed by the Saint Paul Port Authority for the Red Rock Road Terminal.

As you may know, AMG Resources has been operating a metal recycling facility at 1303 Red Rock Road in Saint Paul since 1990. One of the main reasons for our choice of this location was the ease of access to various modes of transportation – specifically, truck, rail and barge – all of which we have utilized over the past 28 years. The railroad tracks currently servicing our facility enter the Red Rock Terminal from the South and cross the main road.

Given this, because regular rail service is required for AMG and other businesses in the Terminal, Red Rock Road is frequently blocked by the railroad's switching activity. Importantly, this roadway is the only ingress and egress for our facility and our suppliers, trucking contractors, as well as our employees.

Beyond the mere inconvenience (which is often substantial), we believe that the current situation poses a significant safety risk that could be addressed by the proposed new connection. First, when Red Rock Road is blocked, our facility is largely inaccessible by police and fire/rescue services. In an emergency, any resulting delay in responding to our facility could have serious consequences. Second, blocking the roadway increases the risk of motor vehicle accidents. Third, when the roadway is blocked for long periods, we regularly witness employees of the various Terminal businesses that want to bypass the bottleneck, cross between the railcars on foot, which is an extremely dangerous activity.

Given the priority that we place on safety in our operations, we would hate to see someone get injured (or be unable to be reached by emergency services) due to these frequent closures of Red Rock Road. We believe that the new connection being proposed by the Port Authority will improve the overall safety of the Terminal, including AMG's facility, and result in an improved work and business environment for AMG and our employees. We therefore hope that you will support this proposal.

If you have questions or would like to discuss this issue further, please do not hesitate to contact me.

Sincerely,

Keith E. Smith
Regional Operations Manager, Midwest Region



Upper River Services, LLC

June 7, 2018

Councilmember Jane Prince
320-C City Hall
15 Kellogg Blvd. West
St. Paul, MN 55102

Dear Councilmember Prince,

I am writing you today in support of correcting a major safety issue we face at our Red Rock Road facility. Red Rock Road is a one entrance, dead-end road that leads to one of our operating facilities in St. Paul. Since 1997, our facility is home to one of our barge cleaning and repair divisions and a crew change location for our boat crews with access to the Mississippi River. This location is also a stop for inland river towboats to get water, fuel, groceries and make crew changes as well.

The safety issue I am writing to you about today is the limited access we have to get to and from our facility when a train is servicing another company on Red Rock Road. We have been "trapped" by trains that have completely stopped or continue moving back and forth for more than two hours at one time, on multiple occasions throughout the years. We have attempted to contact the railroad and on rare occasion they have been able to break a coupling and give us a brief opportunity to cross, but more often than not, we are stuck due to some time limit the rail crews are working under. Once a train stops, it can be a challenge to find a crew member that has the authority to make an opening by a driveway.

The major safety issue we face is in the event of an emergency. Should someone be in need of immediate medical attention, this could be denied due to the potential of a train blocking our entrance. Another issue we face is the potential of a chemical spill at the Hawkins Facility down the road. If that were to happen, our employees would have no way of getting to safety. We have no other option to get in or out of our facility. Crossing the railroad tracks is the only way. Over the years, the trains have gotten longer and the switching has required additional time with no consideration to the impacted businesses or personnel affected on the other side of the tracks.

This issue is not new and many companies along the Red Rock corridor have struggled for years to find a solution. We think we have found one with the proposal of the North End Rail Connection. The proposal is to add a rail connection to the North end of the road that would not bisect Red Rock Road at its entrance or block any of the other company entrances along this corridor. This improvement would move the current rail access to one that does not impose significant rail traffic on commerce, employees or emergency personnel.

Upper River Services would greatly appreciate your support on this proposal. We are also available if you would like a tour of the area or have any additional questions or concerns.

Best regards,

Molly Isnardi
Vice President



BARTON
ENTERPRISES INC.

a division of Tiller Corporation

Corporate Office:

P.O. Box 1480

7200 Hemlock Lane, Suite 200

Maple Grove, Minnesota 55311-6840

Barton Enterprises, Inc.
and its operating divisions

Barton Sand & Gravel Co.
Commercial Asphalt Co.

General: (763) 425-4191

Facsimile: (763) 425-7153

Web: www.tillercorp.com

May 29, 2018

Council Member Jane Prince
City of St. Paul
320-C City Hall
15 Kellogg Blvd. West,
Saint Paul, Minnesota 55102

Dear Council Member Prince:

Barton Enterprises, Inc. operates an asphalt storage terminal and hot mix asphalt plant in the City of St. Paul on a property developed by the St. Paul Port Authority. The only access to our St. Paul facility is through the City of Newport from Highway 61. **I am writing you to request your assistance in addressing a long-term business and safety issue on the road serving the peninsula – Red Rock Road.** As you may be aware, Red Rock Road is a two-lane, two-mile dead-end road. The road is bisected at its start by a rail crossing that then runs in front of and parallel to everyone's entrance along Red Rock Road; there is no second entrance.

During the working day, rail cars are shunted back and forth across our entrance along the track and our access to the public road becomes closed. **This is not only an issue for our customers, but more significantly, it creates a safety issue during these times. Fire trucks, ambulances, or the police cannot enter our facility if there was a medical event, fire or workplace injury.** Our site becomes inaccessible for a minimum of 30 minutes and up to two hours during these events – *no one in, no one out.* These events occur multiple times a week. Obviously, trapping our customers in and out of the facility and being inaccessible in the case of an emergency is unacceptable.

The St. Paul Port Authority has developed a solution, which adds a rail connection on the north end of the Terminal allowing for rail cars to be shunted from that direction without having to bisect Red Rock Road at everyone's entrances. This proposed solution would greatly diminish the issues we are having with our access being closed. **However, this solution requires five of seven City Councilors voting in the affirmative and we are asking for your support and your vote.**

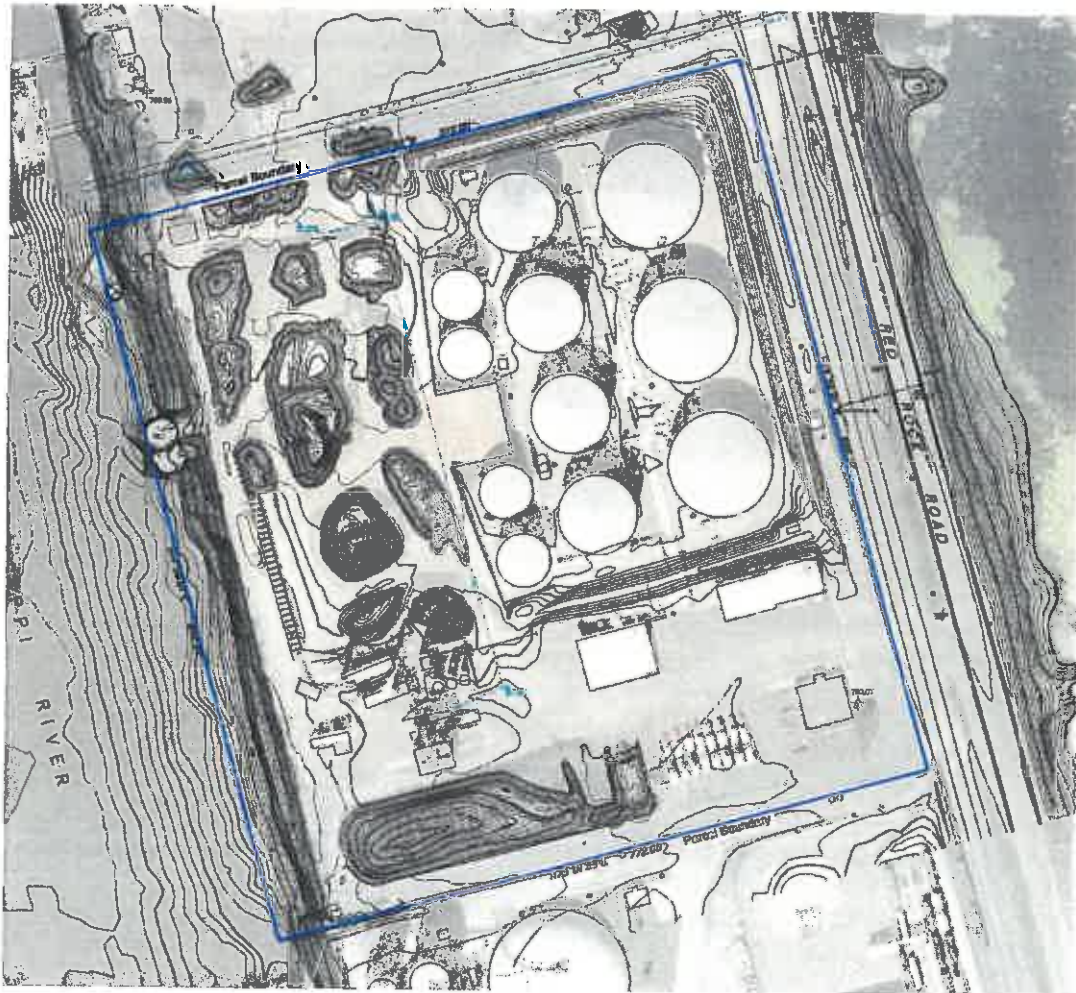


If you have any questions about how this issue is affecting our business please do not hesitate to call. I may be reached at (763) 425-4191. George Hoene with the St. Paul Port Authority is heading this project for the Authority. He is very familiar with the proposed solution. He may be reached at (651) 204 6241 or be email at: gah@sppa.com.

Sincerely,
Tiller Corporation

Steven D. Sauer
Executive Vice President & COO

Barton Enterprises, Inc.





SLOVER & LOFTUS LLP

ATTORNEYS AT LAW

June 8, 2018

VIA EMAIL AND FIRST CLASS MAIL

The Honorable Jane L. Prince
Member, St. Paul City Council
15 Kellogg Boulevard West
Saint Paul, MN 55102

Re: Red Rock Terminal – Support for Northern Rail Connection

Dear Councilmember Prince:

On behalf of our client, Continental Cement Company (“Continental Cement”), we respectfully request that the Saint Paul City Council promptly approve the Northern Rail Connection plan of the Saint Paul Port Authority. Approval of this project is imperative to help remedy serious public safety and business disruption problems caused by continuing railroad train blockages of at-grade crossings at the Red Rock Terminal (“Terminal”).

Background

Continental Cement is a major producer and supplier of cement and its Red Rock distribution facility located at 1363 Red Rock Road provides a significant amount of the cement utilized by the construction industry in and around St. Paul. Terminal train blockages have become extremely problematic in recent years and are of growing concern as, to date, commercial attempts to have the Canadian Pacific Railway Company (“CP”) reduce such blockages have largely failed. The train blockages inhibit access both to and from the Terminal (Red Rock Road blockages) and to and from Continental-Red Rock (business entry/driveway blockages).

Continental recognizes that railroad service from CP’s nearby St. Paul yard is essential for certain Terminal businesses such as Gavilon, a large agricultural commodities shipper. However, the design of the Terminal and the location of the railroad trackage, which crosses Red Rock Road at the Terminal entrance, and then crosses many business entrances, means that any train to and from the Terminal that is stopped, especially the longer unit-trains, can and often will block access.

Significant Safety Concerns Caused by the At-Grade Crossing Train Blockages

Under Minnesota law (Minn. Stat. § 219.383, Subd. 3), railroads are prohibited from blocking road crossings for longer than ten minutes. Yet such blockages routinely occur in the Terminal, both at Red Rock Road and at Continental-Red Rock. This is a significant problem. Over the past year, Continental has experienced over 130 train

blockages of over 10 minutes, with many blockages lasting over an hour. On average, the train blockages have lasted 40 minutes.

These constant train blockages create serious safety concerns and business disruption problems. Continental employees are often stranded and so are its customers (customer 24-hour, self-service loading is available at Continental-Red Rock). For example, employees have parked their cars and climbed over active trains to get to work, even though they have been instructed not to do so. There is no means of Terminal and business access and departure when there are train blockages. Continental has witnessed as many as 18 trucks lined up at its entrance due to train blockages, causing substantial loading delays with frustrated truck drivers confronting railroad workers in heated and angry shouting matches.¹ As a result, some of Continental's customers have gone elsewhere for their cement supplies and Continental's business reputation is being harmed through no fault of Continental. Continental has no control over the situation, and has no ability to remedy the situation.

The public safety problems created by the train blockages cannot be overstated. Police and emergency response authorities are often unable to access the Terminal, a critical problem. For example, Continental's next-door neighbor, Hawkins Chemical, Inc. ("Hawkins") receives by rail significant quantities of various hazardous materials, which it stores, processes, and distributes. Notably, Hawkins can hold 1,000,000 gallons of hazardous materials in its storage tanks. Hawkins also receives by rail and stores substantial shipments of chlorine and anhydrous ammonia, both toxic-by-inhalation ("TIH") hazards. Much of the chlorine is transloaded a short distance away to St. Paul's Metropolitan Wastewater Treatment Plant, the largest wastewater treatment facility in Minnesota serving a population of close to 2 million. Hawkins was designed and built at the site (a flood-proofed area) to provide these critical public services.

Because of its receipt and use of substantial volumes of hazardous substances, Hawkins must file with the EPA a Risk Management Plan ("RPM") addressing the potential effects of an accidental release. Hawkins' "worst-case scenario" involves potential major catastrophic harm caused by a chlorine tankcar breach, in which "the entire contents of the rail car would release at our site over a ten-minute period and **would travel 14 miles by air before dispersing to a level that is not harmful.**" Hawkins Water Treatment Group, Risk Management Plan, RMP submission #5 : 20001227 (emphasis added). Even under its "alternative release scenario" involving the breach of a relatively small 150-pound chlorine container, "EPA estimates the **chlorine gas would travel a distance of 0.12 miles by air over 60 minutes before it dissipates to a level that is not harmful.**" *Id.* (emphasis added). Other alternative release scenarios include a breached sulfur dioxide container, with the gas "**traveling 0.10 mile over 60 minutes.**" *Id.* (emphasis added).² Each of these accident

¹ The idling trucks also negatively affect air quality and cause environmental harm.

² While Hawkins is a safe operator, the "[r]eality is, however, that accidents can happen." *Id.* In fact, Hawkins has experienced several hazardous materials accidents in its St. Paul operations, including in November, 2016, when a hose connection with a bleach rail car became disengaged, and released approximately 180 pounds of bleach due to equipment failure.

scenarios severely risk the safety and welfare of Terminal business employees, their customers, and visitors, as well as potentially all St. Paul residents and beyond. Should emergency response and Terminal evacuation be obstructed or hindered even for a few minutes, which again routinely occurs in the Terminal because of the train blockages, the public safety risks become acute.

Additionally, the Terminal is located immediately adjacent to CP's St. Paul Yard, one of the largest rail switching yards in the Midwest, interchanging thousands of railcars annually, including numerous hazardous materials. As confirmed by the Federal Railroad Administration, the rate of railroad yard accidents is more than **five times greater** than the overall train accident rate, creating enhanced safety concerns in the event of hazardous materials releases in the yard. CP has testified to its federal regulators that "the potential for a catastrophic release from even a single TIH car as a result of an accident, derailment, or an act of terrorism imposes an enormous and inordinate risk," "[u]nfortunately, factors beyond a rail carrier's control can, and do, cause train accidents," and "each time CP moves TIH, it faces potentially ruinous liability." Verified Statement of James Clements, CP, STB FD No. 35504 (filed Jan. 25, 2012) at 2-3, 6. In the event of a concurrent Terminal train blockage and a hazardous materials release in CP's St. Paul Yard, when prompt evacuation and action is critical, hundreds of employees, customers, and visitors could be stranded and first responders could be blocked from accessing the Terminal.

The Terminal train blockage situation clearly presents a very serious public safety problem requiring immediate attention.

Continental's Futile Efforts to Address the Train Blockage Situation

In addition to creating significant emergency response access and business evacuation concerns, the Terminal train blockages are causing considerable business disruption issues for Continental and its customers. Reduced access means reduced business. Unfortunately, because of the constant blockages, some of Continental's customers have elected to seek other cement suppliers, even from more distant locations, as is likely the case with other Terminal businesses.

Under Minnesota law, the Port Authority "shall . . . promote the efficient, safe, and economical handling of the commerce," and it must "provide or promote adequate . . . terminal facilities open to all on reasonable and equal terms for the handling, storage, care, and shipment of freight." Minn. Stat. 469.055, Subd. 1. Unfortunately, these important obligations are not being met. In order to address the situation, Continental and several other businesses in the Terminal have engaged in outreach with the Port Authority, CP, the U.S. Surface Transportation Board, and the Federal Railroad Administration to address the situation. Some of Continental's more recent communications and outreach efforts are included in Attachment 1 to this letter. While CP has agreed to undertake certain short-term

The Hon. Jane L. Prince
June 8, 2018
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operational changes, the matter remains a crucial ongoing and unresolved problem requiring much more substantial attention.

Continental's Support for the Northern Rail Connection Plan

Continental strongly supports the Northern Rail Connection plan proposed by the Port Authority, which is long overdue. This plan would provide a direct Northern connection between the Terminal and CP's St. Paul Yard, enabling direct train access to and from the Terminal's most significant rail shipper, Gavilon, without disruption to other terminal businesses. The plan's associated yard and private storage track additions, together with appropriate routing and operational changes, are necessary and critical to resolving the ongoing train blockages and improving access to the Terminal.

While Continental supports the Northern Rail Connection plan as a means of creating a permanent solution to ongoing Terminal train blockages, it also believes additional "fixes" are necessary in the interim, including renewed operational commitments from CP and Gavilon. Continental has scheduled a meeting with CP in the coming weeks to further address the issue. It welcomes the participation of all Terminal stakeholders, including Council Members and staff, as part of these ongoing discussions. Again, however, these interim discussions and possible railroad operational changes do not obviate the need for the permanent solution provided by the proposed Northern Rail Connection.

Continental greatly appreciates the Council's attention to this matter and it urges prompt approval of the Northern Rail Connection.

Sincerely,



Peter A Pfohl
An Attorney for
Continental Cement Company

Enclosure

cc: The Hon. Amy Brendmoen
The Hon. Dai Thao
The Hon. Rebecca Noecker
The Hon. Chris Tolbert
The Hon. Samantha Henningson
The Hon. Dan Bostrom
Eric Larson, General Counsel, St. Paul Port Authority
George Hoene, Sr. Project Manager, St. Paul Port Authority
Michael Higgins, Esq., U.S. Surface Transportation Board, Office of Public Assistance

ATTACHMENT A



SLOVER & LOFTUS LLP
ATTORNEYS AT LAW

April 18, 2018

VIA EMAIL AND FIRST CLASS MAIL

Mr. Tom Jared
General Manager Operations
US West
1010 Shop Road
St. Paul, MN 55106

Re: Remedying Continuing CP Blockages at Red Rock Terminal

Dear Mr. Jared:

This letter is being sent on behalf of our client, Continental Cement Company ("Continental"), who again asks that CP/Soo Line Railroad Company ("CP") take immediate corrective actions to prevent CP trains from blocking access to and from its facility in the St. Paul, Red Rock Terminal ("Terminal").

As you are aware, the Terminal train blockage situation has been a serious ongoing and unresolved problem. While train and Continental truck traffic has been lighter over the winter months, the spring high demand period is now upon us, and Continental's plant traffic levels will continue to increase, as it will for CP with the resumption of Terminal barge traffic.

In your letter of October 18, 2017 (copy enclosed), CP promised "to not block the crossing at Continental Cement" through new operational changes and management oversight. That promise, unfortunately, has not been met. CP's new operational protocols have proven to be inadequate as the train blockages continue and are causing significant business disruption and safety issues for Continental and other Terminal businesses.

CP promised to restrict switching in the Terminal to overnight hours. However, Terminal train service continues to be primarily conducted during regular business hours, during which time Continental has experienced significant train blockages of up to 1 hour and 45 minutes over the last several months. In addition, CP has engaged in train switching in front of Continental's entrance on numerous occasions during regular business hours, causing additional blockages. The matter goes beyond Continental, as this also involves Red Rock Road blockages, the only access road to and from the Terminal. Along with businesses, emergency response vehicles are blocked from accessing the Terminal. This is a critical public safety issue, especially because Terminal businesses receive and use toxic-by-inhalation and other hazardous materials, with heightened emergency response access and business evacuation concerns.

Continental understands that fully addressing the situation could require much more substantial, long-term steps, including new CP infrastructure, tracks, and routings requiring further consultation with the City of Saint Paul. However, short of this, much more robust

Mr. Tom Jared
April 18, 2018
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initiatives by CP remain long overdue to reduce the incident rate of CP train blockage, including the following:

First, Continental requests that CP take immediate actions to refrain from blocking Continental's entrance, as CP has already promised. Second, Continental requests that CP immediately cease daytime service in the Terminal and restore its policy of conducting overnight train service only in the Terminal, as CP has also already promised.¹ Third, Continental requests that CP advise it of the specific details of its operating plan and other initiatives that CP is undertaking to fully resolve and remedy the entrance blockage problem, as well as CP's additional plans to avoid blocking Red Rock Road. As part of its plan, CP should commit that no unit trains will be delivered from and to the Terminal unless and until CP can ensure that the trains can be received/delivered in their entirety on open industry tracks for immediate loading/unloading and without any private entrance or roadway blockage. Also, no switching should be conducted on CP trackage within the Terminal, with all loaded and empty train switching and assembly to be conducted outside the Terminal or on private track. For example, trains should be "cut" to fit industry track prior to entering the Terminal. Fourth, Continental requests that a 24-hour/day telephone access number be provided by CP to Terminal businesses and local public safety officials, and posted prominently at Red Rock Road, for businesses and the public to call the local trainmaster to report any blockages, with a commitment by CP to remove any entrance or roadway blockages that may occur in the Terminal within 10 minutes.

In addition to CP's commitments to the above, Continental would like to set up a meeting in the very near future with the STB's Rail Customer and Public Assistance Office to further discuss and resolve the situation, and, at the same time, with the St. Paul Port Authority, other public officials, and other Terminal business. We ask that CP make a commitment to cooperatively participating in these meetings. We hope that through CP's renewed commitments and close attention and follow-up to fully addressing this issue, this serious business disruption and public safety issue can be finally resolved as soon as possible.

Continental appreciates CP's commitment to addressing this issue and it looks forward to CP's prompt response.

Sincerely,



Peter A Pfohl
An Attorney for
Continental Cement Company

Enclosure

cc: Michael Higgins, STB Office of Public Assistance
Eric Larson, General Counsel, St. Paul Port Authority

¹ Because Continental's business demands in the Terminal are heavy in the early morning hours, CP should avoid Terminal service during that time.



SIMCOTE, INC.

Jane Prince
15 Kellog Blvd West
Saint Paul, MN 55102

Dear Jane Prince-

The current rail service on Red Rock Road has created both a safety and business liability to Simcote at 1645 Red Rock Road. The blockage of our entrance multiple times per day by the CP eliminates first responders access to Simcote and our ability to exit the property in an emergency situation. Simcote is fortunately to have a distinguished, industry recognized safety history but due to the heavy manufacturing nature of our business injuries do occur. Allowing for medical response is critical for future safety at Simcote.

In addition to safety the impact of very limited service by the CP due to a single track in and out of an extremely busy industrial area has severely decreased Simcote's ability to move raw materials and finished goods, hindering current business operations and restricting future growth opportunities.

For these reasons I strongly endorse the approval of a second rail line into the Red Rock Road industrial area.

Sincerely,

Adam Simmet
President
Simcote Inc.
1645 Red Rock Road
Saint Paul, MN 55119



1645 Red Rock Road, St. Paul, MN 55119
Phone: (651) 735-9660 Fax: (651) 735-9664



250 N. Greenwood St., Marion, OH 43302
Phone: (740) 382-5000 Fax: (740) 383-1167

