

RE: BNSF Proposal to close Valley View Road at the rail road tracks

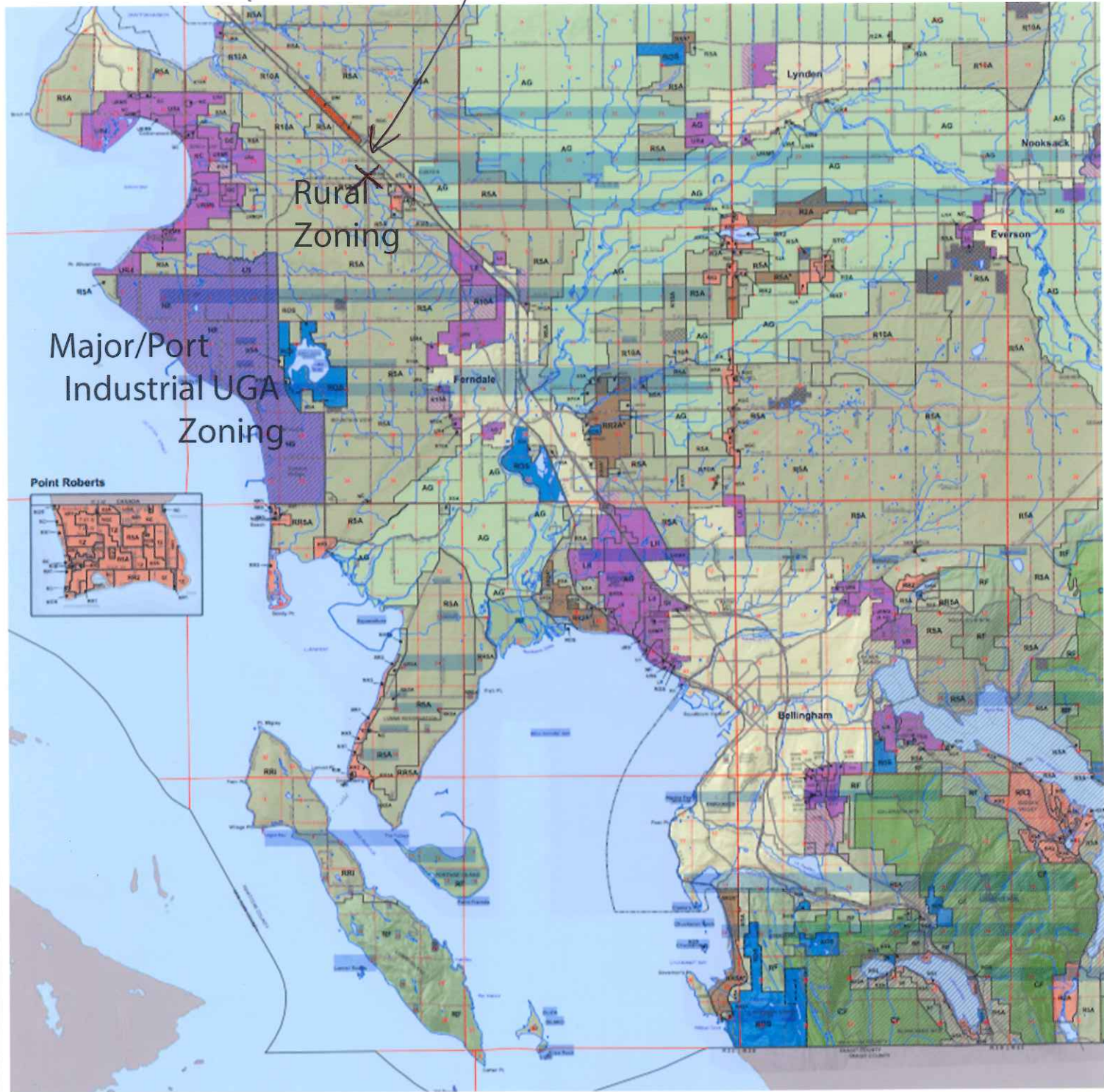
Dec. 1, 2015

1. The area in question is zoned Rural NOT Industrial.
2. Half million dollar homes are in the immediate area of where BNFS wants to park train cars. See Zilllow estimates attached.
3. Parked train cars with coal, sulfur or other such commodities in them pose a toxic hazard. When it rains or wind blows then some of those hazardous materials will be washed or blown into the immediate area — even if the cars are empty they will have residue. California Creek, a salmon bearing creek, is exactly where the cars will be parked. This poses a risk to both the fish, farmland and home owners.
4. A Major/Port Industrial UGA zoned area with large acreage to accommodate additional train tracks is just to the southwest of Valley View Road. This is where BNSF needs to park or store trains, see attached. BNSF already has business dealings with the Refiner through oil deliveries from the mid-west. This business relationship, the industrial zoning, and ample land should allow BNSF to add additional track as needed.
5. New track costs about \$1 million to \$2 million per mile. Since the Industrial land is level it is likely to cost much closer to the \$1 million figure, see attached.
6. In 2014, according to Form 10-K, Berkshire Hathaway - parent company to BNSF, BNSF "Net Earnings" (after expenses and taxes) were \$3.869 BILLION. For perspective know that if one spent \$1 million a day it would take 10.6 YEARS to spend all of BNSF 2014 profits. BNSF can easily afford, and I do mean EASILY afford, to fund additional track on Industrial zoned land.
7. BNSF needs to support the rural community and be less greedy.

NOTE: I live about a mile south of the proposed closing at Valley View Road. I use the Valley View Road regularly and to close it would be an inconvenience. Closing Valley View Road in light of the above is clearly not needed. Also, I do not support a coal terminal / coal trains because burning coal increases atmospheric carbon dioxide - a known greenhouse gas.

Bob Butterfield  
3403 Bay Road  
Ferndale, WA

X = Valley View Road and Railroad



CO. Whatcom, WA 0-45

# WHATCOM COUNTY Title 20 Zoning & Comprehensive Plan Designations

## COMPREHENSIVE PLAN DESIGNATIONS

- Incorporated City Limits
- Urban Growth Area
- Urban Growth Area Reserve
- Major/Port Industrial UGA
- Rural
- Rural Neighborhood
- Rural Community
- Rural Tourism
- Rural Business
- Agriculture
- Rural Forestry
- Commercial Forestry

- Mineral Resource Lands
- Public Recreation

## TITLE 20 ZONING DESIGNATIONS

- URBAN RESIDENTIAL**
- URMX** Urban Res.-Mixed Use
  - URMX10-24** Urban Res.-Mixed Use 10-24 Units/Acre
  - URMX6-12** Urban Res.-Mixed Use 6-12 Units/Acre
  - URMX6-10** Urban Res.-Mixed Use 6-10 Units/Acre
  - URM24** Urban Res.-Medium Density 24 Units/Acre
  - URM18** Urban Res.-Medium Density 18 Units/Acre
  - URM12** Urban Res.-Medium Density 12 Units/Acre
  - URM6** Urban Res.-Medium Density 6 Units/Acre
  - UR6** Urban Res.-6 Units/Acre
  - UR4** Urban Res.-4 Units/Acre
  - UR3** Urban Res.-3 Units/Acre

# "Rural" zoning - think pastoral & quiet, not industrial. Note expensive homes by the tracks and a salmon creek

(Google Earth Image, home & farm prices from Zillow.com, Nov. 2015)

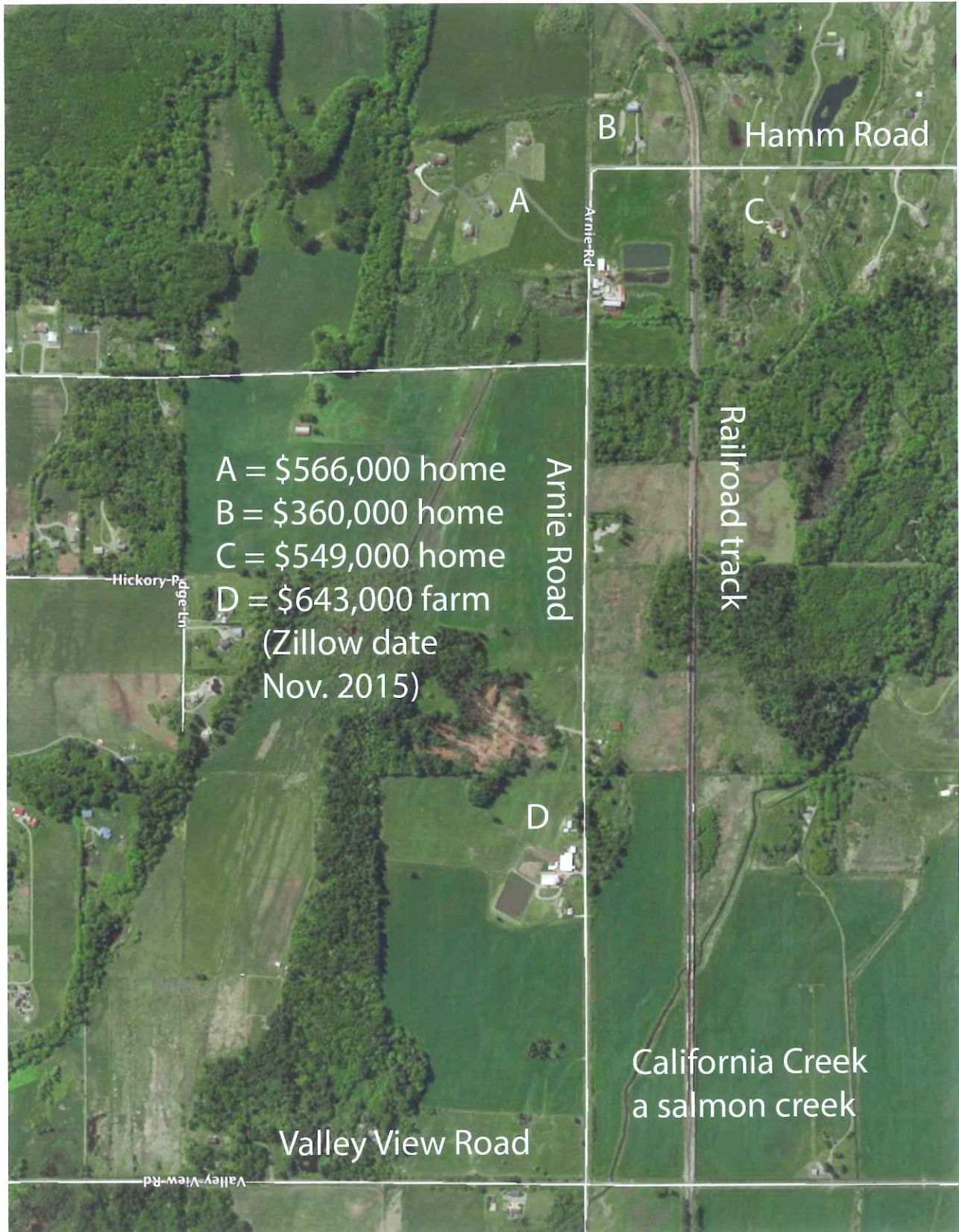


Photo: Google Earth



Build parking train track next to this train track below  
It is zoned "Major / Port Industrial UGA"

Note trains parked  
above

2014 Net Earnings : \$ 3.869 BILLION. If one spent \$ 1 million a day it would take 10.6 years to spend all the 2014 net earnings. Use some of the profit to build a parking track lane (think jobs) on "Major / Port Industrial UGA" Zoning Property not on Rural (think pastoral - quiet) zoned land. Data below is from Berkshire Hathaway Inc. Form 10-K, December 31, 2014

**Railroad ('Burlington Northern Santa Fe')**

Burlington Northern Santa Fe Corporation ("BNSF") operates one of the largest railroad systems in North America with approximately 32,500 route miles of track in 28 states and also operates in three Canadian provinces. BNSF's major business groups are classified by type of product shipped and include consumer products, coal, industrial products and agricultural products. Earnings of BNSF are summarized below (in millions).

	2014	2013	2012
Revenues	\$23,239	\$22,014	\$20,835
Operating expenses:			
Compensation and benefits	5,023	4,651	4,505
Fuel	4,478	4,503	4,459
Purchased services	2,592	2,418	2,374
Depreciation and amortization	2,123	1,973	1,889
Equipment rents, materials and other	2,021	1,812	1,608
Total operating expenses	16,237	15,357	14,835
Interest expense	833	729	623
Pre-tax earnings	6,169	5,928	5,377
Income taxes	2,300	2,135	2,005
Net earnings	<u>\$ 3,869</u>	<u>\$ 3,793</u>	<u>\$ 3,372</u>

Consolidated revenues in 2014 were approximately \$23.2 billion, representing an increase of \$1.2 billion (5.6%) over 2013. The overall year-to-date increase in revenues reflected a 1.8% increase in cars/units handled and a 3.5% increase in average revenue per car/unit. In 2014, our combined volume was approximately 10.3 million cars/units.

How much does it cost to build and then maintain a mile of railroad?

What does it cost per distance to go out and build a rail road infrastructure? How much does it cost to maintain that infrastructure. Please list good sources.

**Best Answer:** Heavy main line, figure \$1.3 Million per mile to build, as a general rule of thumb. Heavy grading, bridges, tunnels and the like raise this number considerably.

Maintenance costs are dependent on the geography (tangent track is cheaper than heavy curvature) and climate where the tracks lie, as well as volume of traffic and the intended speed over which trains are to be operated. The more extreme the given demands for a stretch of railroad, the higher the maintenance costs.

From ACWR.com . . . Cost of a rail siding . . . "rule of thumb for new track is between \$1 million - \$2 million per mile . . ." November 25, 2015.



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Industrial Sites Railroads 101 Costs of a Rail Siding

### COSTS OF A RAIL SIDING

rule of thumb for new track construction is between \$1 Million - \$2 Million per mile, depending on who is constructing the track. Some rail clients need alot of track space to handle unit trains over a mile long. Below is a basic cost estimate for a mile long siding.

	Price per Unit [-]	# Units [-]	Total Cost [-]
No.10 Degree Switches	\$25,000 per switch	2 switches	\$50,000
No.10 Switch Timbers	\$6,200 per timber	2 timbers	\$12,400
No.2 Relay 132/136 lb rail	\$700 per ton	245 tons	\$171,500
7"x9' Ties on 21" Centers	\$55.22 per tie	3,017 ties	\$166,598.74
Ballast (Rock)	\$27.00 per ton	6,000 tons	\$162,000.00
Spikes 68 Kegs	\$65.00 per keg	68 kegs	\$4,000
Labor	?	?	Varies by Contractor
Grading	?	?	Varies by Contractor/Topography/Soil
Drainage Pipes	?	?	Varies by Amt of Water Runoff
Road Crossings	?	?	Varies

Paying for the siding is driven by a combination of state and local funding options, which are in turn a function of jobs, investment, and future taxes. In rare cases, with enough volume (2,000 or more railcars annually), railroads can pay for a portion of the siding construction costs.

### CONTACT US

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### RAILROAD OVERVIEW

- Connections: CSX Transportation, Norfolk Southern
- Markets Served: Raleigh, Charlotte, Fayetteville, Greensboro
- Ownership: Privately Held
- Miles: 150
- Founded: 1987