



F. E. "Skip" Kalb, Jr.
Director
Strategic Development

BNSF Railway Company
P.O. Box 961051
Fort Worth, TX 76161-0051
2650 Lou Menk Drive, 2nd. Fl.
Fort Worth, TX 76131-2830
817-867-6133 Office
817-352-0376 Fax
817-271-3057 Cell
Email: Skip.kalb@bnsf.com

August 25, 2014

Mayor Kelli Linville
City of Bellingham
210 Lottie Street
Bellingham, Washington 98225

Cathy Lehman
President
Bellingham City Council
210 Lottie Street
Bellingham, Washington 98225

RECEIVED
AUG 29 2014
Whatcom County P&DS

Re: Gateway Pacific Terminal (GPT) Rail Related Issues

This is in reference to your letter to Whatcom County PDS dated July 21, 2014 outlining certain rail-related concerns regarding the proposed Gateway Pacific Terminal (GPT) project.

I would like to address some of the items raised in this letter relative to rail matters.

First, there are no plans to build a railroad siding in the city of Bellingham to accommodate trains for a proposed Gateway Pacific Terminal (GPT) at Cherry Point, nor will the terminal need such a siding. BNSF has determined that any capacity improvements that might be needed to accommodate our overall rail business in the Pacific Northwest are more appropriately placed along our route in areas other than Bellingham.

The only capacity improvement plans related to the GPT project are those currently under review by the U.S. Army Corps of Engineers in the EIS process. As such, that process is the appropriate way to address questions regarding rail issues associated with the GPT project.

Secondly, your letter states that "there are reasons to believe that significant off-site improvements in rail lines through Bellingham are necessary in order for the GPT rail-to-marine shipping terminal to function as portrayed in the application materials.", and that "...third party investigations have verified existing capacity constraints..."

To our knowledge, neither the City of Bellingham, nor any third parties have ever contacted BNSF for our input on these matters. BNSF's position remains the same: there is no need for additional off-site rail improvements beyond the Custer Spur to serve GPT. BNSF is the party that first identified that the Custer Spur improvements should be considered in the same EIS as

the terminal itself. BNSF is committed to ensuring that connected actions are all considered in one EIS. If other improvements were necessary, BNSF would have been the first party to identify those as connected actions and ensure they were part of the EIS process.

Thirdly, the revised Project Information Document (PID) that you reference is just that---a good faith effort to provide early, general information on the project. It was never intended to be and is not a permitting document under the EIS process.

Having said that, the revisions you cite regarding changes to the PID from the February 2011 version to the March 2012 version had nothing to do with or change the fact that there are no plans to build a siding in Bellingham to accommodate coal trains for GPT.

In fact, the reference cited to the Washington State Transportation Plan is identical in both versions (Pg. 5-101 in the March 2012 Rev. PID and Pg. 5-185 in the Feb. 2011 PID). Additionally, the Revised March 2012 PID states on Pg. 4-34 that "No interdependent projects have been identified on the BNSF Railway's mainline—Bellingham Subdivision, or any other portion of BNSF Railway's infrastructure."

Therefore, any conclusion that "the applicant removed these assurances from the revised PID" is incorrect.

As further clarification on this point, we can find no verbiage in the either the WSDOT State Rail Plan (SRP) or supporting documents to support your statement that:


"...the updated Washington State Rail Plan identified the same Bellingham siding as the necessary infrastructure to provide an increase in rail capacity in this bottleneck."

A prior draft project list mentioned a South Bellingham Siding in reference to future needs required by passenger rail, but it was not included in the Final WSDOT SRP.

I hope that this answers and clarifies the points raised in your letter.

Please feel free to contact me at any time if you have any further questions regarding this matter.

Sincerely,



F. E. Kalb, Jr.

Cc: Ms. Sam Ryan, Director
Whatcom County PDS
311 Grand Avenue
Bellingham, Washington 98225

Mr. Jack Louws
Whatcom County Executive
Whatcom County Executive's Office
311 Grand Avenue, Suite 108
Bellingham, WA 98225

Mr. Randel Perry
U.S. Army Corps of Engineers, Seattle District
1440 10th Street, Suite 102
Bellingham, Washington 98225

Tyler Schroeder
Whatcom County Executive Office's Project Manager
Whatcom County Executive's Office
311 Grand Avenue, Suite 108
Bellingham, WA 98225

Ms. Alice Kelly
Washington Department of Ecology
Northwest Regional Office
3190 160th Ave. S.E.
Bellevue, Washington 98008

Honorable Suzan DelBene, U.S. House of Representatives

Honorable Rick Larsen, U.S. House of Representatives

Honorable Maria Cantwell, U.S. Senate

Honorable Patty Murray, U.S. Senate