Emails pertaining to Gateway Pacific Project
For June 16-22, 2012
Dear Tyler,

I attended the overview presentation in March which outlined the process of the entire coal train proposal, approval, etc. During the presentation we were given some links and advised we could sign up for notifications as to when the scoping period was open, which I THOUGHT I had done. However, I have never received any updates and I cannot find when the actual scoping period IS, hoping it has not come and gone?

Can you please direct me to the appropriate website or email address to subscribe for the updates.

I appreciate any information you can provide.

Best Regards,

Toni Bistodeau

360-714-8821

email address I would like notifications to be sent to:
tonibis2do@hotmail.com<mailto:tonibis2do@hotmail.com>

Thank you for your time!
Please find the Sierra Club's request to be included as a stakeholder group in the Gateway Pacific Terminal EIS scoping process attached to this email.

Best,

Jessica Yarnall Loarie
Associate Attorney
Sierra Club Environmental Law Program
85 Second St, 2nd Floor
San Francisco, CA 94105
Tel: (415) 977-5636
Fax: (415) 977-5793
jessica.yarnall@sierraclub.org

CONFIDENTIAL LEGAL COMMUNICATION/WORK PRODUCT
This email may contain privileged and confidential communications and/or confidential attorney work product. If you receive this email inadvertently, please reply and notify the sender and delete all versions from your system. Thank You.
June 22, 2012

Tyler Schroeder
Whatcom County Planning Manager
Planning and Development Services
5280 Northwest Drive
Bellingham, WA 98226
tschoed@co.whatcom.wa.us

VIA ELECTRONIC MAIL

Dear Mr. Schroeder:

I am writing on behalf of the Sierra Club to request that we be included as one of the 20 stakeholder groups mentioned in the contract between CH2M Hill Engineers, Inc. and Whatcom County for the EIS Preparation for the Gateway Pacific Terminal and BNSF Custer Spur Modification Project.¹

The Sierra Club has been actively involved in the proposed Gateway Pacific Terminal at Cherry Point from the beginning of the proposal and has approximately 22,000 members in Washington, including nearly 1800 in Bellingham. Sierra Club is a nationwide organization and also has a substantial number of members living in Oregon, Montana, Wyoming and Idaho.

Section 2.2.1 regarding the “Public Participation Plan” notes that to support the development of a public involvement plan, CH2M Hill will “conduct interviews with 20 key stakeholders including local governments in affected communities, representatives of key stakeholder groups, and representatives of or services providers for environmental justice populations.” Given Sierra Club’s history of engagement in the issue and interest in continued participation, we believe that we qualify as a representative of a key stakeholder group.

Further, the Sierra Club encourages CH2M Hill, Whatcom County, the Army Corps of Engineers and the Department of Ecology to include as many groups as necessary to get a complete picture in developing the public process, a number which may well exceed 20 when factoring in the regionwide impacts of the proposed Cherry Point coal export facility. Communities from the Montana and Wyoming to Spokane to Bellingham would all be affected by the rail traffic and mining associated with this proposal. Although the contract makes the assumption that such stakeholder interviews should occur in Whatcom County, phone, video or skype interviews should not preclude the participation of stakeholders residing in other areas, and/or CH2M Hill should be prepared to travel to other locations to complete its analysis.

¹ Section 2.2 regarding “Public and Agency Involvement Strategy” of the Scope of Work found at Exhibit A to the EIS preparation contract mentions the interviews of 20 stakeholder groups.
I appreciate your consideration of our request. Please contact me via email (lynadele@gmail.com) or phone (360-527-1134) if you have further questions. I look forward to your response.

Sincerely,

Llyn Doremus  
Sierra Club  
Mt Baker Group  
2520 Jefferson St  
Bellingham, WA 98225

cc: Randel Perry, U.S. Army Corps of Engineers, Randel.J.Perry@usace.army.mil  
Alice Kelly, Department of Ecology, alice.kelly@ecy.wa.gov  
Robin Everett, Sierra Club, robin.everett@sierraclub.org  
Jessica Yarnall Loarie, Sierra Club Law Program, jessica.yarnall@sierraclub.org
Hi Tyler

I am confused and I hope you can help. (SEE BELOW exchange I had with Army Corp of Engineers, FOIA people)

I did a FOIA request trying to find out what BNSF was planning on doing regarding the Spur. There was no specifics on where exactly the road, tracks, siderails, etc. were going to be. No diagrams or anything. The request noted that the info I wanted was not yet given to them. I then wrote back asking how the JARPA application could be considered complete and they said it was NOT COMPLETE.

Therefore, I hate to ask again, but how can the entire application be complete if the railroad has not given any specifics of what and where they plan to build. We are getting closer to Scoping and still not specifics from them.

Please clarify for me. Sorry to continue to ask the same question but I am confused.

Amy Glasser
Hi Tyler,

I just left a message for you in this regard, but wanted to ask if we could take a look at the other proposals that were submitted as part of our debrief today. Wanted to give you a heads up in case you need to round them up.

See you in half an hour.

Cheers,

DK

Derek Koellmann, AICP

ANCHOR QEA, LLC
dkoellmann@anchorqea.com
1605 Cornwall Avenue
Bellingham, WA  98225
360.733.4311 ex. 221 (office)
360.303.4106 (cell)
360.733.4312 (fax)

ANCHOR QEA, LLC
www.anchorqea.com
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SPONSORED BY: Pete Kremen, County Executive, and
Ward Nelson, County Council Chair

PROPOSED BY: Public Works

INTRODUCTION DATE: 12/11/01

ORDINANCE NO. 2002-001

ORDERING THE CLOSURE OF ALDERGROVE ROAD,
FROM JACKSON ROAD TO 0.3 MILES EAST OF GULF ROAD,
AND GULF ROAD (AKA POWDER PLANT ROAD),
FROM LONSETH ROAD TO ALDERGROVE ROAD

WHEREAS, the Whatcom County Council has been requested by BP Cherry Point
Refinery to close a portion of Aldergrove Road, from Jackson Road to 0.3 miles east of Gulf
Road, AND a portion of Gulf Road (aka Powder Plant Road), from Lonesth Road to Aldergrove
Road, and

WHEREAS, the closure is requested for security reasons to limit vehicular traffic from
accessing potentially vulnerable refinery facilities, and

WHEREAS, the closure of these portions of roads will not eliminate public access to
other destinations in this area, and there are no residential structures along said road portions,
and

WHEREAS, BP Cherry Point Refinery will accept responsibility to maintain said
portions of roads during the length of closure, and to construct gates, a guard station and proper
turnarounds, along with removal of said facilities at the end of said closure, and

WHEREAS, the County Council held a public hearing on the proposed closure on
January 15, 2002, and is authorized to close the roads according to the provisions of RCW
36.32.120.

NOW, THEREFORE, BE IT ORDAINED by the Whatcom County Council that the
Public Works Department of Whatcom County is hereby directed, subject to further
consideration for re-establishing access for adjoining property owners and the public, to close
Aldergrove Road, from Jackson Road to 0.3 miles east of Gulf Road, AND a portion of Gulf
Road (aka Powder Plant Road), from Lonesth Road to Aldergrove, to vehicular traffic.

BE IT FURTHER ORDAINED that as a condition of closure, BP Cherry Point Refinery
will install proper signs and gates approved by Whatcom County Public Works at each closure
location allowing pedestrian and non-motor vehicle access along said portions of closed roads.

ADOPTED this 15th day of January, 2002.
ATTEST:

Dana Brown-Davis, Council Clerk

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WASHINGTON

Council Chair

APPROVED AS TO FORM:

Daniel L. Wilson

Civil Deputy Prosecutor

( ) Approved ( ) Denied

Pete Kremen, County Executive
Date: 1-28-02
WHATCOM COUNTY COUNCIL AGENDA BILL

CLEARANCES

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SUBJECT:

Discussion of Proposed Closure of Portions of Aldergrove Road and Gulf Road

ATTACHMENTS:

1. Memo to County Executive and Council
2. Letters from BP and Chevron
3. Maps of affected area
4. Proposed Ordinance

Related County Contract #: Should Clerk schedule a hearing: NO / / YES / / Requested Date: 1/15/02

SUMMARY STATEMENT:

Whatcom County has been requested by BP Cherry Point Refinery to close portions of Aldergrove Road and Gulf Road. The closure is requested for security purposes to limit vehicular traffic from accessing potentially vulnerable refinery facilities.

RECOMMENDED ACTION:

Request that the proposed ordinance be introduced to the County Council for consideration and adoption.

COUNCIL ACTION TAKEN:

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Relate

Ordinance or Resolution Number (this item): ORD.# 2002-001
WHATCOM COUNTY  
DEPARTMENT OF PUBLIC WORKS  

Jeffrey M. Monsen, P.E. - Director  

DIVISION OF ENGINEERING  
Bruce G. Mills, P.E. - County Road Engineer  
5280 Northwest Drive, Suite C  
Bellingham, WA 98226  

MEMO TO: Pete Kremen, County Executive and  
County Council Members  

FROM: Bruce Mills, County Road Engineer  

DATE: December 10, 2001  

SUBJECT: Possible Closure of Portions of Aldergrove Road and Gulf Road  

Background:  
Whatcom County received a request from BP Cherry Point Refinery to close a portion of  
Aldergrove Road, from Jackson Road to 0.3 miles east of Gulf Road, AND a portion of Gulf Road  
(aka Powder Plant Road), from Lonseth Road to Aldergrove.  

BP Cherry Point feels strongly that the closure is necessary for security reasons to limit vehicular  
traffic from accessing potentially vulnerable refinery facilities, especially in light of recent terrorist  
activities and national security concerns.  

Upon examination, proposed closure of these portions of roads will not eliminate public access to  
other destinations in this area, and there are no residential structures along said road portions. BP  
Cherry Point and Chevron Companies own all of the properties bordering the closure area, and both  
are in favor of the closure.  

BP Cherry Point Refinery will accept responsibility to maintain said portions of roads during the  
length of closure, and to install gates, a guard station and proper turnarounds, at their expense,  
along with removal of said facilities at the end of said closure. They will provide keys to  
applicable County and emergency response personnel.  

Information:  
Letter from BP Cherry Point Refinery  
Letter from Chevron Companies  
Maps of affected area  

Requested Action:  
The Public Works Department recommends the closure of these two sections of road. We request  
that the County Council review, introduce and adopt the proposed ordinance to close portions of  
Aldergrove Road and Gulf Road.  

Should you have questions, please contact me.  

Thank you.  

cc: Jeff Monsen  

Phone: (360) 676-6700  
County: (360) 676-8110  
FAX: (360) 676-6558
Al,

Per your request I am providing the ordinances addressing the closure of the subject roads.

Joe Rutan, P.E.
Co. Engineer/Asst. Dir. Public Works
322 N. Commercial Street
Bellingham, WA  98225-4052
360-715-7450
ORDINANCE NO. 2001-053

ORDERING THE CLOSURE OF HENRY ROAD AND LONSETH ROAD
WEST OF POWDER PLANT ROAD

WHEREAS, the Whatcom County Council has been requested by BP Cherry Point Refinery to
close Henry Road and Lonseth Road, each west of Powder Plant Road, and

WHEREAS, the closure is requested because illegal dumping has taken place in that area for
many years and efforts to stop the dumping have been ineffective, and because of frequent trespass and
illegal shooting activities on adjoining vacant property, and

WHEREAS, these roads are dead-end roads with no residential structures along them, and

WHEREAS, the County Council held a public hearing on the proposed closure on October 23,
2001, and is authorized to close the road according to the provisions of RCW 36.32.120.

NOW, THEREFORE, BE IT ORDAINED by the Whatcom County Council that the Public
Works Department of Whatcom County is hereby directed, subject to further consideration for re-
establishing access for adjoining property owners, to close Henry Road and Lonseth Road, west of
Powder Plant Road.

BE IT FURTHER ORDAINED that two parking spaces will be provided by BP Cherry Point
Refinery at the east end of Henry Road, just west of Powder Plant Road, along with a sign designating
pedestrian and non-motor vehicle access along Henry Road.

ADOPTED this 13th day of November, 2001.

ATTEST:

Dana Brown-Davis, Council Clerk

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WASHINGTON

L. Ward Nelson, Council Chair

APPROVED AS TO FORM:

Pete Kremen, County Executive

(1) Approved ( ) Denied

Date: 12-11-01
WHATCOM COUNTY COUNCIL AGENDA BILL

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SUBJECT:

Discussion of Proposed Closure of Henry Road and Lounseh Road, West of Powder Plant Road

ATTACHMENTS:
1. Memo to County Executive and Council
2. Letter from BP
3. Map
4. Proposed Ordinance

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<th>Related County Contract #:</th>
<th>Should Clerk schedule a hearing: NO / / YES / / Requested Date: 10/23/01</th>
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SUMMARY STATEMENT:

Whatcom County has been requested by BP Cherry Point Refinery to close Henry Road and Louseh Road, west of Powder Plant Road. The closure is requested because of frequent illegal dumping, trespass and shooting activities.

RECOMMENDED ACTION:

Request that the proposed ordinance be introduced to the County Council for consideration and adoption.

COUNCIL ACTION TAKEN:


Ordinance or Resolution Number (this item): ORD. # 2001-053
WHATCOM COUNTY  
DEPARTMENT OF PUBLIC WORKS  
Jeffrey M. Monsen, P.E. - Director

DIVISION OF ENGINEERING  
Bruce G. Mills, P.E. - County Road Engineer

MEMO TO: Pete Kremen, County Executive and  
County Council Public Works & Capital Projects Committee Members

FROM: Bruce Mills, County Road Engineer

DATE: September 27, 2001

SUBJECT: Possible Closure of Henry Road and Lonseth Road,  
West of Powder Plant Road

Background:  
Whatcom County received a request from BP Cherry Point Refinery to close Henry Road and Lonseth Road, just west of Powder Plant Road. BP supplied the County with a copy of over 100 incident reports of security issues they have dealt with on these two dead-end unoccupied roads in the past 15 years. These incidents involve frequent illegal dumping of trash, trespass, destruction of property, and illegal shooting activities, which endanger BP workers and other neighbors.

Whatcom County Public Works has spent significant time and resources in frequently collecting and disposing of dumped materials, and the Sheriff’s department has logged many calls in response to these two dead-end roads.

Recently BP completed purchase agreements to obtain ownership of all land that adjoins these two sections of road, which have no residential structures along them. BP is anxious to close these roads at this time, as a security measure, and they are willing to install locking gates, at their own expense, and to provide keys to applicable County personnel.

Information:  
Letter from BP Cherry Point Refinery  
Map of affected area

Requested Action:  
The Public Works Department recommends the closure of these two sections of road. We request that the County Council review, introduce and adopt the proposed ordinance to close Henry Road and Lonseth Road, west of Powder Plant Road.

Should you have questions, please contact me.

Thank you.

cc: Jeff Monsen

bgm
August 6, 2001

Honorable Pete Kremen
County Executive
Whatcom County
311 Grand Avenue
Bellingham, WA 98225

Re: Cherry Point Road Closures

Dear Pete:

We would appreciate your help in resolving an issue that concerns BP and the employees of the Cherry Point Refinery. We own property adjacent to the ends of the Henry and Lonseth roads on the west side of the Gulf road. These roads have chronically suffered from undesirable activities including the illegal dumping of garbage, vandalizing of vehicles, damage from campfires, and shootings heard over the Cherry Point dock.

Over the past 16 years, our refinery security personnel have logged a list of over 100 incidents notable enough to be recorded at these sites. However, the frequency and severity of these incidents are becoming more of a problem. The latest and most dangerous of these was the destruction of a tree, which was shattered by shots from a high-powered rifle. These shots were heard overhead by Cherry Point employees working on our dock facility, who in fear of becoming injured, found safety inside. While we don’t believe that the shots were aimed at our people, we are concerned that it could happen again with a different outcome.

This situation could be avoided in the future by blocking the access to the Gulf and Henry roads. Property owners that require access to the road could be issued keys to a lock on the gate. This would not affect any shoreline access in the area.

BP Cherry Point Refinery values its employees and our safety record. We would sincerely appreciate the county’s help on this matter.

Respectfully,

[Signature]
Scott Walker
External and Governmental Affairs
I was told the scope of the study was modified from the settlement terms that I originally was lead on. No public process that I am aware of. The Parties probably just agreed amongst themselves.

Fred

Fred Felleman
3004 NW 93rd St.
Seattle, WA 98117
206.783.6676
http://www.fredfelleman.wordpress.com

On Jun 18, 2012, at 4:38 PM, Tom Ehrlichman wrote:

> Hi Alice,
> 
> Can you please email us a copy of the final scope of work for the vessel traffic study? We understand it has been approved by Whatcom County and therefore possibly Ecology?
> 
> We’re not seeing any of that on the County, DOE or ORA websites so its hard to know what the status of the study is at this point. When a scope of study is approved that will be utilized in the EIS process for the coal terminal, we would hope Ecology and the County would post it on its Gateway website in the interests of transparency. (The county had the contract, but not the scope of study posted on its website). In the interests of transparency, perhaps the approved study and comments could be posted on one of those locations?
> 
> On another note, even if a study relates solely to the original shoreline permit for a different dock shipping no coal, shouldn’t Ecology and the County keep the public informed about environmental studies related to that earlier permit? The lack of public process, when so many are interested, is frankly demoralizing. And we’re not among those that get demoralized when it comes to land use, very easily!!!
> 
> Thank you for your efforts at keeping the public informed, in addition to all your other tasks.
> 
> By copy of this email to Tyler Schroeder and Jane Dewell, we are requesting posting of this comment on their respective websites. Thank you.
>
> Tom and Barbara
> 
> Tom Ehrlichman & Barbara Dykes
> Salish Law, PLLC
> 909 Harris Avenue, Suite 201h
> Bellingham, WA 98225
> (425) 268-5553
Thanks Tyler!

-----Original Message-----
From: Tyler Schroeder [mailto:Tschroed@co.whatcom.wa.us]
Sent: Wednesday, June 20, 2012 7:37 AM
To: Kawakami, Wendy
Subject: RE: GPT Consultant Selection Update

Wendy,

Alice Kelly is out of the office on June 28th. Randel and I may be available. We are meeting today on another topic and I can discuss there availability.

Thanks,

Tyler

Tyler R. Schroeder
Planning Manager
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
Whatcom County Planning and Development Services
5280 Northwest Dr.
Bellingham, WA  98225

>>> "Kawakami, Wendy" <Wendy.Kawakami@icfi.com> 6/19/2012 5:01 PM >>>
Hi Tyler,
I just wanted to follow-up with you on the proposed debrief date of Thursday, June 28th at 1PM. Do you think this time will be ok to meet with you, Randel and Alice?

Thank you,
Wendy

-----Original Message-----
From: Kawakami, Wendy
Sent: Monday, June 18, 2012 9:21 AM
To: ’Tyler Schroeder’
Cc: Alice (ECY) Kelly; Rucker, Amy; Summers, Greg; Randel J NWS Perry
Subject: RE: GPT Consultant Selection Update

Hi Tyler,
How about Thursday, June 28th at 1PM?

Thanks,
Wendy

-----Original Message-----
From: Tyler Schroeder [mailto:Tschroed@co.whatcom.wa.us]
Sent: Monday, June 18, 2012 8:19 AM
To: Kawakami, Wendy
Cc: Alice (ECY) Kelly; Rucker, Amy; Summers, Greg; Randel J NWS Perry
Subject: RE: GPT Consultant Selection Update

Wendy,

Let me check with everyone’s schedules and we can coordinate. Is there another date and time that will work as I will be out of the office on the 3rd for the holiday?

Thanks,

Tyler

Tyler R. Schroeder
Planning Manager
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
Whatcom County Planning and Development Services
5280 Northwest Dr.
Bellingham, WA  98225

>>> "Kawakami, Wendy" <Wendy.Kawakami@icfi.com> 6/18/2012 8:11 AM >>>
Hi Tyler,
I'm helping Greg to coordinate the debrief regarding the GPT consultant selection. We were hoping that you, Randel and Alice are available on Tuesday, July 3rd at 1:00 PM to meet. Please let me know if this date and time works with your schedules.

Thank you,
Wendy Kawakami

WENDY KAWAKAMI | Proposal Manager | 206.801.2845 |
wendy.kawakami@icfi.com | icfi.com

ICF INTERNATIONAL | 710 Second Avenue, Suite 550, Seattle, WA 98104 |
206.801.2800 | 206.457.7634 (c)

-----Original Message-----
From: Tyler Schroeder [mailto:Tschroed@co.whatcom.wa.us]
Sent: Wednesday, June 13, 2012 2:32 PM
To: Summers, Greg
Cc: Alice (ECY) Kelly; Randel J NWS Perry
Subject: RE: GPT Consultant Selection Update

Greg,

Randel and I have time on Friday, June 22nd, to have a debriefing meeting. Does 11 am work?

Thanks,
Hello Tyler,

What is the process for obtaining a debrief on this process? We would like to schedule one quickly so everyone’s memory is still relatively fresh. Thanks!

Greg Summers

-----Original Message-----
From: Tyler Schroeder [mailto:Tschroed@co.whatcom.wa.us]
Sent: Wednesday, May 30, 2012 3:09 PM
To: Summers, Greg
Subject: Re: GPT Consultant Selection Update

Greg,

I want to provide an update to the GPT Consultant Selection process. Environmental consulting company CH2M Hill has been selected by Whatcom County, the Washington Department of Ecology and the U.S. Army Corps of Engineers to help prepare the required environmental impact statement (EIS). County Executive Louws will be seeking Whatcom County Council’s endorsement of the contract during the Whatcom County Council meeting on June 5th, 2012.

Again, thank you for your firm’s proposal and your patience on hearing the final selection.

Tyler

Tyler R. Schroeder
Planning Manager
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
Whatcom County Planning and Development Services
5280 Northwest Dr.
Bellingham, WA  98225
I want to update you and your firm on the status of the consultant selection process for the GPT project. At this time, the County, in coordination with DOE and the Corps, have made a preliminary selection for the most qualified consultant. This selection is based off of the review of the proposal and the interview process. The County is now working through the contracting process with the preliminarily selected firm. If the situation arises that the contract negotiations are not finalized, the County will be re-reviewing the firms that were interviewed for possible selection.

Thank you for your firm’s proposal and we will be formally noticing you of the selected firm once the contracting process is final.

Tyler

Tyler R. Schroeder
Current Planning Supervisor
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
Whatcom County Planning and Development Services
5280 Northwest Dr.
Bellingham, WA  98225
Hi Tyler,

I hope you are well. I am out of the office on bank business this week, but my colleague John Mistretta is coordinating the onboarding of this account and should be reaching out to you tomorrow.

Thanks,
Z

Zahava Hanuka
Bank of America Merrill Lynch
Global Custody and Agency Services
540 W. Madison, IL4-540-20-06
Chicago, IL 60661
Phone: 312.904.7130
zahava.hanuka@bankofamerica.com

----- Original Message -----
From: Tyler Schroeder [mailto:Tschroed@co.whatcom.wa.us]
Sent: Tuesday, June 19, 2012 04:36 PM
To: Hanuka, Zahava
Cc: Brad Bennett <BBennett@co.whatcom.wa.us>; Stephanie Drake <SDrake@co.whatcom.wa.us>
Subject: Fwd: FW: Pacific International Terminals, Inc. Escrow

Ms. Hanuka,

I am Tyler Schroeder, Whatcom County Planning Manager, and the County's project manager for the Pacific International Terminal's proposal. I have been forwarded the KYC questionnaire and have been asked to fill out the form. I have a couple of questions regarding the form and have been unable to reach you by phone. As the County is not opening an account, can you provide some direction on what exactly the Bank needs to be filled out?

Could you please let me know a good way to contact you or call 360.676.6907 and ask for Stephanie Drake.

Thanks you for your time and your prompt attention to this is greatly appreciated.

Tyler

Tyler R. Schroeder
Planning Manager
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
Whatcom County Planning and Development Services
5280 Northwest Dr.
Bellingham, WA  98225

>>> Ari Steinberg <Ari.Steinberg@SSAMarine.com> 6/15/2012 11:22 AM >>>
Tyler,

Attached is a questionnaire from the Bank of America they need completed for the escrow account (there are other requirements too as described e-mail below). If you can send the information back to me and Tony we will get the package to the bank.

Let us know if you have questions.

Thanks,

Ari

From: Tony Viola
Sent: Friday, June 15, 2012 9:06 AM
To: Ari Steinberg
Cc: Bill Hirai
Subject: FW: Pacific International Terminals, Inc. Escrow

Ari,

As discussed, please see below for the information required by Bank of America from Whatcom County. I will take care of completing the information required from Carrix. Please forward the KYC questionnaire to your contacts at the County and return the completed information to me.

Thanks,

Tony

From: Hanuka, Zahava
Sent: Thursday, June 14, 2012 3:21 PM
To: Tony Viola; Daher, Jill C
Cc: Bill Hirai; Mistretta, John R
Subject: RE: Pacific International Terminals, Inc. Escrow

Hi Tony,

Thanks very much for providing a marked-up draft of the agreement for our review. Has a choice been made on the indicative pricing option per my previous e-mail? Please confirm the option chosen is the uninvested option, as reflected in the marked agreement.

As next steps we will need to obtain the bank’s Know Your Customer (KYC) items from each of the legal entities (by relevant Tax ID) signing the agreement who are not current bank clients. I believe we will need these items for Whatcom County:

* Completed KYC Questionnaire (attached). Please note the separate tabs in bottom left corner of the Questionnaire for completion by entity.
* Two forms of supporting documentation as identified in the Customer Verification section of the KYC Questionnaire, such as Articles of Incorporation, Certificate of Good Standing, etc.

Additionally, we will need signed and dated W-9s on the current rev December 2011 version of the form from each party to the agreement (both Pacific International Terminals, Inc. as well as Whatcom County). For convenience, I have included a link to the most recent form of W-9 here below:

At this time, I would like to introduce my product partner, John Mistretta, who is copied on this e-mail. He is going to help coordinate the negotiation of the agreement and onboarding/opening of the account.

Please let me know if you have any questions regarding this information, and we look forward to working with you.

Thanks again,

Z

**PLEASE NOTE: My e-mail address has changed to zahava.hanuka@baml.com.**

Zahava Hanuka  
Vice President, Product Sales Specialist  
Global Custody and Agency Services (GCAS)  
Bank of America Merrill Lynch  
135 S. LaSalle, IL4-135-14-01  
Chicago, IL 60603  
Phone: 312.904.7130  
zahava.hanuka@baml.com
regulators, law enforcement, in litigation and as required by law. The laws of the country of each sender/recipient may impact the handling of EC, and EC may be archived, supervised and produced in countries other than the country in which you are located. This message cannot be guaranteed to be secure or free of errors or viruses.

References to "Sender" are references to any subsidiary of Bank of America Corporation. Securities and Insurance Products: * Are Not FDIC Insured * Are Not Bank Guaranteed * May Lose Value * Are Not a Bank Deposit * Are Not a Condition to Any Banking Service or Activity * Are Not Insured by Any Federal Government Agency. Attachments that are part of this EC may have additional important disclosures and disclaimers, which you should read. This message is subject to terms available at the following link: http://www.bankofamerica.com/emaildisclaimer. By messaging with Sender you consent to the foregoing.
Thank you for your email. I am out of the office on business, with limited access to email, returning Friday, June 22nd. For immediate assistance, please contact Carol Watkins at 312-904-1871/carol.watkins@baml.com. Otherwise, I will respond to your message when I return.

Thanks again!
Z
Begin forwarded message:

> From: Larry Winslow <larry@NORTHERNPLAINS.ORG>
> Date: June 19, 2012 11:35:28 AM PDT
> To: COAL-EXPORT-FORUM@LISTS.SIERRACLUB.ORG
> Subject: [COAL-EXPORT-FORUM] News release: Ranchers, agency deliver blow to coal-hauling railroad
> Reply-To: Larry Winslow <larry@NORTHERNPLAINS.ORG>
>
> FOR IMMEDIATE RELEASE: June 19, 2012
>
> CONTACTS: Walter Archer, Powder River County rancher and Chair of Northern Plains Resource Council, (406) 853-2642.
> Jeanie Alderson, Tongue River rancher and Chair of Northern Plains' Tongue River Task Force, (406) 984-6229.
> Mark Fix, Tongue River rancher and Northern Plains member, (406) 421-5460.
> Larry Winslow, Northern Plains staff, (406) 256-4970 (cell).
>
> ATTACHMENT: U.S. Surface Transportation Board press release and document link.
>
> Ranchers, agency deliver blow to coal-hauling Tongue River Railroad
>
> Federal Surface Transportation Board sends “coal to China” railroad back to square one
>
> BILLINGS, Mont. – The Surface Transportation Board on Monday announced the controversial Tongue River Railroad (TRR) must reapply for a permit to haul coal from the isolated Otter Creek coal tracts in southeastern Montana. The coal is destined for markets in China and other Asian countries.
>
> Last December, the Ninth Circuit U.S. Court of Appeals ruled, in a case filed by the Northern Plains Resource Council and Native Action, that the environmental impact statement for the Tongue River Railroad fell short of the law’s requirements, partly because much of the field data was decades old, and partly because much field data had simply never been gathered.
>
> Because of this court decision, and the numerous changes in the railroad’s proposals, the STB has decided to clarify the proposal before it by requiring the TRR to submit a revised application.
"My ranch would be cut in half by the proposed Tongue River Railroad," said Mark Fix, a Tongue River rancher and member of the Northern Plains Resource Council. "We can only hope that, for the first time in more than 30 years, the Surface Transportation Board will ask some tough questions about whether this railroad will benefit anyone besides Arch Coal and the Chinese industrialists who will burn that coal."

Landowners facing condemnation along the TRR’s 89-mile route have fought the plan for years, arguing that they would be forced to bear a tremendous cost for the benefit of coal and railroad companies and Asian economies that kill American jobs.

"What we have done is won a voice for Montanans," said Walter Archer, a Powder River County rancher and Chair of Northern Plains, "We can express our concerns about the affects industrializing southeastern Montana will have on agriculture and tourism – our two mainstays in the economy that seem to always get overlooked by those is search of economic development."

Tongue River rancher Jeanie Alderson added, "We finally have a chance to ask whether it’s really in America’s interest to ruin good ranchland to build a railroad that will ship coal to China so we can stoke their economic engine."

The proposed railroad has undergone numerous changes since being proposed in 1980. Those changes have become intertwined in several court cases and changes of plans by the railroad’s promoters. It was originally intended to serve a speculative coal mine in the Ashland area. When that mine never came to be, TRR’s promoters announced a new proposal to haul coal from Wyoming to the main rail line in Montana. Years passed and the railroad was never built.

With the plans of St. Louis-based Arch Coal for building Montana’s largest-ever coal mine on Otter Creek southeast of Ashland, the Tongue River Railroad took on a new form. The Wyoming connection was dropped because candy magnate Forrest Mars bought one-third interest in the TRR and managed to get that portion dropped so the railroad wouldn’t cut through his sprawling ranch. The TRR would now become the first leg in transporting coal from Montana to China and other Asian nations. Controversy surrounds six proposed coal ports in Oregon and Washington that would ship the coal across the Pacific.

Northern Plains is a family agriculture group that organizes Montana citizens to protect water quality, family farms and ranches, and the area’s unique quality of life.
Northern Plains Resource Council is a grassroots conservation and family agriculture group. We organize Montana citizens to protect our water quality, family farms and ranches, and unique quality of life. If you aren't a member, you should join!

To unsubscribe from the COAL-EXPORT-FORUM list, send any message to: COAL-EXPORT-FORUM-signoff-request@LISTS.SIERRACLUB.ORG Check out our Listserv Lists support site for more information: http://www.sierraclub.org/lists/faq.asp Sign up to receive Sierra Club Insider, the flagship e-newsletter. Sent out twice a month, it features the Club's latest news and activities. Subscribe and view recent editions at http://www.sierraclub.org/insider/
SURFACE TRANSPORTATION BOARD PROCEEDS ON TONGUE RIVER RAILROAD'S REVISED CONSTRUCTION PROPOSAL

The Surface Transportation Board announced today its approach for the continuation of the Tongue River Railroad Company, Inc.'s (TRRC) revised proposal to build and operate a new rail line in Montana. This approach takes into account a number of recent changed circumstances and will allow the Board to complete its review of TRRC's current plans for a new railroad line.

In December 2011, the U.S. Court of Appeals for the Ninth Circuit issued a decision affirming in part the Board's decisions in two of the three Tongue River cases, while making it clear that TRRC may not build any part of the Tongue River Railroad without further environmental review. TRRC also recently announced revised plans for the location of the line and a change in ownership of the railroad and stated that the purpose and need for the proposed line have changed. Accordingly, the Board is requiring TRRC to file a revised application that presents fully TRRC's new proposal to build a rail line between Miles City and Ashland. The agency will conduct a new environmental review of that plan consistent with the Ninth Circuit's decision regarding these cases.

In addition, the Board is dismissing the Tongue River proceedings concerning related lines that TRRC no longer intends to construct.

Today's decision in Tongue River Railroad Company—Rail Construction and Operation—in Custer, Powder River and Rosebud Counties, MT, Docket No. FD 30186; Tongue River Railroad Company—Construction and Operation—Ashland to Decker, Montana, Docket No. FD 30186 (Sub-No. 2); and in Tongue River Railroad Company—Construction and Operation—Western Alignment, Docket No. FD 30186 (Sub-No. 3) is available for viewing and downloading at the Board's website at www.stb.dot.gov. The Ninth Circuit's decision is Northern Plains Resource Council v. STB, 668 F.3d 1067 (9th Cir. 2011).

###
Tyler,

The best person to contact at Bank of America regarding the EIS reimbursable contract escrow account we are setting up is Zahava Hanuka. Her contact information is:

Zahava Hanuka  
Vice President, Product Sales Specialist  
Global Custody and Agency Services (GCAS)  
Bank of America Merrill Lynch  
135 S. LaSalle, IL4-135-14-01  
Chicago, IL 60603  
Phone: 312.904.7130  
zahava.hanuka@baml.com
Hi Tyler,

As a follow up to our conversation regarding the Governor last week -- I'm assuming that it all went well and we are fully approved and moving forward?

I just want to make sure Jack knows.

Arden
Hi Tyler,

I hope this message finds you well.

From what I understand, the County Council has agreed to a change in the consultant contract for a 120 scoping period.

Was that needing approval from the other agencies or is this for certain?

If it does need approval, who do I need to write to, to ask that they also allow for 120 scoping period?

Also, can you be sure that my email address is added to all correspondence lists for the public, or guide me to who I need to send this request.

Thank you, Jill

Jill MacIntyre Witt

Whatcom County resident

360-201-3093
Hi Alice,

Can you please email us a copy of the final scope of work for the vessel traffic study? We understand it has been approved by Whatcom County and therefore possibly Ecology?

We're not seeing any of that on the County, DOE or ORA websites so its hard to know what the status of the study is at this point. When a scope of study is approved that will be utilized in the EIS process for the coal terminal, we would hope Ecology and the County would post it on its Gateway website in the interests of transparency. (The county had the contract, but not the scope of study posted on its website). In the interests of transparency, perhaps the approved study and comments could be posted on one of those locations?

On another note, even if a study relates solely to the original shoreline permit for a different dock shipping no coal, shouldn't Ecology and the County keep the public informed about environmental studies related to that earlier permit? The lack of public process, when so many are interested, is frankly demoralizing. And we're not among those that get demoralized when it comes to land use, very easily!!!

Thank you for your efforts at keeping the public informed, in addition to all your other tasks.

By copy of this email to Tyler Schroeder and Jane Dewell, we are requesting posting of this comment on their respective websites. Thank you.

Tom and Barbara

Tom Ehrlichman & Barbara Dykes
Salish Law, PLLC
909 Harris Avenue, Suite 201h
Thanks so much.

See you Wednesday.

Skip Kalb
Director Strategic Development
BNSF Railway Company
Cell: (817)271-3057

-----Original Message-----
From: Tyler Schroeder [mailto:Tschroed@co.whatcom.wa.us]
Sent: Monday, June 18, 2012 5:43 PM
To: Kalb, F E Skip
Cc: Jodi.Ketelsen@CH2M.com
Subject: Re: GPT/Custer Spur Improvements Kick-Off Meeting-June 20

Skip,

The inclusion of Glen at the Kick-off meeting is acceptable. I will work on the ability to have a conference call number.

Thanks,

Tyler

Tyler R. Schroeder
Planning Manager
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
Whatcom County Planning and Development Services
5280 Northwest Dr.
Bellingham, WA  98225

>>> "Kalb, F E Skip" <F.Kalb@BNSF.com> 6/18/2012 1:59 PM >>>
Tyler,

Just checking back to see if it's for Glen Gaz to come to the Kick-off meeting on Wednesday.

He's the Seattle based project engineer and know he would add value.

Also, Mike Stanfill had a conflict with the short notice and would like to dial in.

Appreciate your advice on these.

Thanks, Tyler.

Skip Kalb
Tyler,

Representing BNSF, it be myself, Walt Smith (Engineering), Pierre Bordenave (JLP), and Jim Lynch (KL Gates).

Two questions, please:

1) Mike Stanfill of our Environmental Dept has a conflict, but would like to participate via conference line.

2) We would like to also bring Glen Gaz from our Seattle Engineering office.

Will this be okay?

Skip

--------------------------
Sent from my BlackBerry Wireless Handheld

----- Original Message ----- 
From: Tyler Schroeder [mailto:tschroed@co.whatcom.wa.us]
Sent: Friday, June 15, 2012 02:16 PM
To: Kalb, F E Skip; Jodi.Ketelsen@CH2M.com; Ari.Steinberg@SSAMarine.com
Cc: AKEL461@ECY.WA.GOV; Randel.J.Perry@usace.army.mil
Subject: RE: GPT Kick-off Meeting - June 20th

Ari,

Please see the following answers to your questions below.

Thanks,

Tyler

----- Original Message----- 
From: Ari Steinberg [mailto:Ari.Steinberg@SSAMarine.com]
Sent: Friday, June 15, 2012 10:59 AM
To: Tyler Schroeder
Cc: Ketelsen, Jodi/SEA; AKEL461@ECY.WA.GOV; Randel.J.Perry@usace.army.mil; skip.kalb@bnsf.com
Subject: RE: GPT Kick-off Meeting - June 20th

Thank you Tyler.  We will plan a presentation per your agenda items.  A
couple of off the top of my head questions (there may be more on Monday).

1. Who will be in attendance at the meeting?
   There will be 11 consultants - ranging from Proj Mgr to lead economist and biologist.
   There will be 2 to 3 representatives from Whatcom County, Ecology and USACE.

2. Can we presume everyone at the meeting is somewhat familiar with the:
   (a) function of the proposed terminal, i.e. major components of the rail network, product receiving, storage, outloading, in-water operations, etc.,

   NO - please provide a general walk through all of the above - as though you were speaking to a high school student. We will have a structural eng present and he may have some additional questions - but we need good general overview of operations.

   (b) Project Information Document and the technical studies being supplied to the EIS team?

   Yes - not at this meeting. The consultant team will be receiving that at the next meeting.

3. How much time total are you planning for:
   (a) meeting at Ecology's office - is the hour meant to cover a presentation and Q&A?

   YES - correct.

   (b) the site visit - will this be a drive by visit or will there be time to get out of the vans and have us point out features (similar to the MAPT site visit/tour)?

   2 hours including driving from Fairhaven to the site - ideally we can stop 3 times, at least visiting a point at the BNSF Custer Spur, the site and the beach/port pier, as a suggestion.

Thank you,

Ari

-----Original Message-----
From: Tyler Schroeder [mailto:tschroed@co.whatcom.wa.us]
Sent: Friday, June 15, 2012 10:25 AM
To: skip.kalb@bnsf.com; Tyler Schroeder; Ari Steinberg
Cc: Jodi.Ketelsen@CH2M.com; AKEL461@ECY.WA.GOV; Randel.J.Perry@usace.army.mil
Subject: Re: GPT Kick-off Meeting - June 20th

Ari and Skip,
I would like to add one more question to be incorporated into the presentation;

Provide an understanding about the how this proposal relates or does not relate to the previous approved site development proposal.

Thanks,

Tyler

Tyler R. Schroeder  
Planning Manager  
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Ari and Skip,

The Agencies and the 3rd party consultant would like to request your presence at the initial kick-off meeting to provide the team with a common understanding of the proposed application, field visit of the site (both the uplands of the proposed dry bulk facility and the BNSF Custer Spur modification areas,) and an update of the studies underdevelopment.

We request that you arrive at 1pm on Wednesday. The meeting will be at the “Groucho” Conference room at the Bellingham Ecology Office, at 1440 10th Street. 3-4 people from your respective companies should work for the meeting. We will provide up to 1 hour for your presentation of the proposal and an overview of what you’d like to show the team during the site visit. We will have 2 vans to hold most of the attendants to visit the site. We would like the tour points identified and the major points of interest defined at the meeting room prior to the visit.

Please provide a presentation using the following elements. Presentation of the components of the proposal (PPT or handouts (20 copies)). The presentation should, to the extent possible, cover basic details of the proposed application, construction overview, and operations overview. Please provide any details that would be important to the analysis - updates on the phased development, loads anticipated, trains, vessel movements, etc. Please provide information on any connected actions under consideration - additional property acquisition or other possible rail improvements, etc.
3. 20 sets of 11X17 of the aerials of the project drawing - a simplified drawing over an aerial for all pieces of the application (Spur, Dry bulk and port pier).
4. Please provide a list of all studies currently under development and a schedule for completion.

Please incorporate answers to the following questions for the group:
1. Why this site?
2. What are the drivers for this project?
3. What is the timeline for the proposed project - for construction, operational phases.

Please let me know if you have any other questions on the meeting.

Thanks,

Tyler

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Cell: (817)271-3057

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Subject: Re: GPT Kick-off Meeting - June 20th

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Tyler

Tyler R. Schroeder
Planning Manager
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
Whatcom County Planning and Development Services
5280 Northwest Dr.
Bellingham, WA 98225
Good Afternoon,

Attached is correspondence received in the Executive office today from GPT regarding current public policy issues - dated 06-14-12.

Thank you,

Suzanne Mildner
Administrative Secretary/Grants Coordinator
Whatcom County Executive Department
311 Grand Avenue, Suite 108
Bellingham, WA 98225
(360) 676-6717
smildner@co.whatcom.wa.us
June 14, 2012

Honorable Jack Louws
Whatcom County
311 Grand Ave, Suite 108
Bellingham, WA 98225

Dear County Executive Louws

The Gateway Pacific Terminal project is one of the more widely discussed issues throughout Northwest Washington. As a regional leader, we want to make sure that you are aware of some of the important public policy issues that are at stake. The following items are enclosed:

- **Matt Rose, the CEO of BNSF Railway Company**, sets the record straight on such issues as rail capacity, coal dust, and diesel emissions in a letter to Governor Gregoire. Rose not only assures the Governor that coal dust will not be an issue, but that BNSF will ensure there is adequate capacity to handle future freight and passenger rail volumes.

- **"Will the Northwest Economy be a Casualty of the War on Coal?"** Don Brunell, President of the Association of Washington Business—the largest and oldest business association in the state, claims that environmental groups are attacking Pacific Northwest coal exporting facilities based on a larger war against coal, but may end up hindering the review process for all future industrial developments.

- **Washington’s Freight Mobility Strategic Investment Board**, adopted a policy pointing to the importance of bulk commodity exports and expressing its concern for subjecting transportation infrastructure projects to expanded layers of permit reviews for each export product in question (wheat, coal, etc.). "...if such procedures were applied to a variety of projects, such as grain elevators or manufacturing centers, it is doubtful whether projects could ever come to fruition or whether the state could continue to attract the investment for a first-class road, rail and air freight system." The Board’s purpose is to create a state program to facilitate freight movement to enhance trade opportunities, and to find solutions that lessen the impact of the movement of freight on local communities.

- **Engineers and Trainmen: 'No Health Issues Related to Coal Dust'**— in a press release, the railroad union states that despite working directly with coal trains 24 hours a day, seven days a week, none of their members have experienced adverse health effects from coal dust.

Please be sure to let us know if we can provide any information of interest to you. Thank you for your attention to this important matter.
Craig Cole craig.cole@gatewaypacificterminal.com

Cc: Dana Brown-Davis, Clerk of the Council
May 14, 2012

The Honorable Christine Gregoire
Office of the Governor
Postal Office Box 40002
Olympia, WA 98504-0002

Dear Governor Gregoire:

As you are aware, this subject of the potential impact on Washington state from the opening of new bulk export facilities along the state’s coast has generated substantial interest and public debate. Unfortunately, much of the public discussion is misleading and incorrect. As a result, I write to provide you with additional information regarding these assertions.

For over a century, BNSF Railway Company (BNSF) has been serving Washington state. Our railroad is a key component of many of the state’s leading economic engines—from natural resources to consumer products and aerospace. International trade has always been a driver of Washington’s diverse economy, and bulk commodities, such as coal and agricultural products from Montana and Wyoming, have been part of Washington’s export trade flow for decades.

The proposed Gateway Pacific Terminal (GPT) at Cherry Point would enable the state to benefit directly from the growth in the export of bulk commodities and allow Washington state ports to effectively compete with ports in Canada and Mexico.

At the outset, much of the public debate about GPT (and other proposed export terminals) has been framed by national advocacy groups that are attempting to affect world energy and climate policy. These groups are not interested in seeing the proposed terminal’s economic and environmental impacts on Washington state properly evaluated. These groups have raised a number of assertions which are incorrect. In particular, I would like to highlight a few issues: existing and future freight capacity, ongoing commitments to passenger rail service and capacity, and particular matter and coal dust.

Freight Rail Capacity and Investment—It has been asserted in the media that freight rail traffic serving GPT will cause a potential shortage of capacity for other port freight movements and passenger rail service. This assertion is incorrect. Rather, I want to assure you that BNSF will ensure that we have adequate capacity to handle current and future freight and passenger volumes. The reality is that increased freight rail volume, including coal, provides the necessary private capital to refresh BNSF’s physical plant and expand capacity.

Some have suggested exaggerated increases in train counts resulting from the GPT facility. Like any freight flow that fluctuates with an ever-changing global marketplace, we do not know what the net effect in train traffic would be. (For example, the GPT facility could well draw business away from Canadian exports, thereby reducing traffic north of the border.) Whatever the daily
train count, it will be a small fraction of the overall freight and passenger rail traffic in Washington state.

Strategic planning, construction, and maintenance of rail infrastructure and facilities are central to BNSF’s ongoing commitment to its current customers in Washington and across our 28-state system. We constantly update and refine a capital investment program that anticipates and responds to dynamic customer needs and changing traffic volumes, as well as deployment of new technology to ensure even higher levels of efficiency and safety.

BNSF regularly invests over $100 million annually in Washington state to preserve, maintain and grow freight rail capacity. In 2012, $106 million is slated for improvements across the state, to enhance service for existing customers. As evidenced by our recent capital investments at the Seattle International Gateway and other yard improvements, new rail access to the Port of Vancouver, advanced signalization, and siding construction and extensions around the state—BNSF is actively investing in Washington to ensure that we meet current and future customers’ rail service requirements. As new business opportunities are considered, their impact on velocity, capacity and a host of other potential impacts are evaluated to ensure that service requirements will be met for new—as well as existing—customers.

Passenger Rail Capacity and Service—Next, I want to assure you that our agreements with Washington state and Amtrak will ensure that increased freight traffic will not harm the Amtrak Cascades and Sounder commuter rail operations. Detailed agreements obligate BNSF to meet specific service requirements, and there are consequences for failure to do so.

Since its launch in the mid-1990s, Amtrak Cascades passenger volumes have consistently grown, along with its ridership popularity. This success is tied directly to BNSF’s commitment to consistently high on-time performance, and would not be possible but for the fact that BNSF accommodated its own growth in freight volumes through consistent and aggressive capital investment and operations efficiencies. For close to two decades, Washington state and BNSF have built a partnership of success, based on the blending of public and private investment, to meet growing public and private traffic volumes. And, our experience with Sounder commuter rail is no different. Our agreements with Sound Transit, in effect, dedicate rail capacity to help ensure the success of service levels and schedules.

Emissions Reduction—In 2012, BNSF will make an overall capital investment of $3.9 billion, including $1.1 billion for the purchase of new rolling stock with most of that for energy-efficient, low-emission locomotives. These new “Tier 3” locomotives achieve the highest EPA emissions standards available from locomotive manufacturers. From pre-2000 units, these latest locomotives cut NOx by 60 percent and particulate matter by 69 percent.

With the newest locomotive fleet in the industry, and further deployment of other green technology—like the wide-span electric cranes installed in Seattle (the first in North America), we are proud of our environmental stewardship. Rail is four times more fuel-efficient and has 75 percent less emissions than trucking, making it the most environmentally-friendly mode of surface transportation, and we are continuing to make strides toward a cleaner environment.

Coal Dust—Despite decades of hauling coal in Washington, we are not aware of a single complaint raised about coal dust until the recent interest in coal exports. In fact, railroads were first to recognize coal dust, which impacted proper track ballast drainage near the mines, resulting in derailments. In response, we have called on customers to treat coal carloads with a surface “crusting agent” at the mine to prevent dust. While the exact method of coal dust suppression is
a decision of the mine and the railroad, we can be confident that, as a result of these steps, virtually no measurable coal dust will exit coal cars in Washington state or any point along the trip from the mines to the port facility.

As always, BNSF is committed to working with Washington to strengthen the state's trade competitiveness and grow family wage jobs, and to do so in an environmentally-responsible manner.

Sincerely,

Matthew K. Rose

Matthew K. Rose
Will the Northwest Economy be a Casualty of the War on Coal?

Friday, May 25, 2012

Written by Don C. Brunell

Activists waging a national war on coal have turned their sights on the Pacific Northwest, targeting proposed shipping terminals in Washington and Oregon that would export coal to China.

They’re aggressively lobbying federal officials to change how these projects are evaluated. If they succeed, our economy could become a casualty of the war on coal.

Currently, such projects undergo a rigorous environmental review known as an Environmental Impact Statement (EIS) involving months or even years of public hearings and analysis by federal, state and county regulators. The EIS for each project must also examine the cumulative impacts of other potential activities in the area.

But opponents want to insert a second, more expansive layer of environmental review, which some are calling a Programmatic EIS (PEIS), which would have to be completed before each individual project EIS could begin. This additional review would include all of the Washington and Oregon proposals and expand to analyze their potential “cumulative” economic and environmental impacts across the region, the United States or perhaps the world.

A PEIS is historically reserved for assessing the broad national impacts of a federal action or a new federal policy. But the activists want to apply that same scope of review to a local shipping terminal.

For example, what would be the collective impacts on air, water, wildlife and so on, if all the proposals are built? And what are the additional environmental impacts of the coal mines in Wyoming and Montana? What are the additional environmental impacts along the rail lines from the mines to the terminals? How about the environmental impacts of shipping the coal to Asia? Or the global impact of Asia burning U.S. coal?

Opponents argue that all of these issues should be part of an additional environmental review.

Couldn’t happen? Think again.

Oregon Gov. John Kitzhaber, the Washington State Department of Ecology, the Region 10 office of the
Environmental Protection Agency, the City of Seattle and the Yakama Nation are among those urging the U.S. Corps of Engineers to change the rules. They want the Corps to conduct a special analysis of the so-called cumulative effects of all the proposed terminals.

Even if this extra layer of analysis didn’t ultimately block the projects, it would delay them for years. The opponents’ presumed goal is to create delay and legal gridlock, making it so difficult, time-consuming and expensive that the backers ultimately give up.

Call it “death by a thousand lawyers.”

Eric Johnson, executive director of the Washington Public Ports Association, agrees that these projects should undergo rigorous review. “However,” he notes, “this review should be of the project itself, not of the overall system of commerce across our region, the United States, or as urged by some commenters, the entire world.”

Johnson warns that requiring an additional layer of analysis for these projects would set a dangerous precedent in a state where one of every three jobs is linked to trade. “If this precedent is applied to all products imported and exported through our port transportation system, we will bog our project review timeline down in needless process.”

Consider the possibilities.

Want to expand an aircraft manufacturing facility? Why not require the study of the pollution impacts of all of the manufacturer’s subcontractors worldwide? Why not examine the greenhouse gas effects of jet engine exhaust around the globe?

Would it ever go on this far? No one knows for sure, but would you want to take that chance?

For employers trying to decide whether to locate or expand their business in the Northwest, the uncertainty is enough to convince them to take their business — and their jobs — elsewhere.

About the Author
Don Brunell is the president of the Association of Washington Business. Formed in 1904, the Association of Washington Business is Washington’s oldest and largest statewide business association, and includes more than 7,800 members representing 700,000 employees. AWB serves as both the state’s chamber of commerce and the manufacturing and technology association. While its membership includes major employers like Boeing, Microsoft and Weyerhaeuser, 90 percent of AWB members employ fewer than 100 people. More than half of AWB’s members employ fewer than 10. For more about AWB, visit www.awb.org.
Brotherhood of Locomotive Engineers and Trainmen
A Division of the Rail Conference — International Brotherhood of Teamsters
Washington State Legislative Board
Workplace Safety, Health, and Education

April 18, 2012

FOR MORE INFORMATION:
Mike.Elliott.WSLB@Comcast.net

Engineers and Trainmen: ‘No Health Issues Related To Coal Dust’

The Washington State Legislative Board of the Brotherhood of Locomotive Engineers and Trainmen is concerned about deceptive tactics being used against major infrastructure projects in the State, said its chairman, Mike Elliott.

Proposals for major bulk export terminals are being considered in Longview and Whatcom County. These projects will generate thousands of union jobs and desperately needed tax revenues for state and local governments. The first commodity to be exported will be coal, to be transported by rail from the Powder River Basin in Wyoming.

“The public is being misled about trains and coal,” said Elliott. “Our union knows more about these issues than the Sierra Club, and we can’t stand idly by while they scare people with misleading information and take jobs away.”

“I have worked in, on, and around trains and rail equipment for over 17 years all across Washington State,” Elliott said. “I am active in our union and in the labor community. Recently, there has been a lot of misleading information circulated regarding coal trains and the transportation of coal by rail—namely coal dust. I can tell you for certain I have never experienced or heard complaints of coal dust from trains in Washington State.

“None of my members, who operate and work around coal trains 24/7, have reported health issues related to coal dust. This is a non-issue as far as our organization is concerned. In fact, ensuring our members have a safe and healthy work environment is our highest priority. If the trains we work on and around carried anything that posed a health risk to my membership or the community, you could be certain that I would be taking action to correct the problem.

“Actually, the greatest risk to my membership—and the Washington State community at large—is this misinformation campaign. The truth is rail is one of the most environmentally sound ways to ship goods in our country, and we have been shipping coal, grain, and many other commodities safely and cleanly every day for decades.”

220 S. 27th St., Suite “B”, Tacoma, WA. 98407
Brotherhood of Locomotive Engineers and Trainmen
A Division of the Rail Conference — International Brotherhood of Teamsters
Washington State Legislative Board
Workplace Safety, Health, and Education

But with all the fear and misinformation being spread around, people are getting the wrong idea, that somehow we need less rail transportation. In fact, we should be supporting more rail transportation projects that strengthen our supply chain across America. We’re going to get the truth out about rail transportation and fight back against these types of attacks on our jobs.”

Mike Elliott, Chairman
RE: Application to be considered for inclusion in the CH2M Hill/Gateway Pacific Terminal/EIS stakeholders group as a representative of the Green Party of Whatcom County

Dear Mr. Schroeder:

This letter is to request inclusion in the CH2M Hill/Gateway Pacific Terminal/EIS stakeholders group as a representative of the Green Party of Whatcom County.

Thelma Follett
P. O. Box 28804
Bellingham, WA 98228
360-671-0434
June 17, 2012

Tyler R. Schroeder
Planning Manager
Whatcom County Planning and Development Services
5280 Northwest Drive,
Bellingham, WA 98226-9097

RE: Application to be considered for inclusion in the CH2M Hill/Gateway Pacific Terminal/EIS stakeholders group as a representative of the Green Party of Whatcom County

Dear Mr. Schroeder:

This letter is to request inclusion in the CH2M Hill/Gateway Pacific Terminal/EIS stakeholders group as a representative of the Green Party of Whatcom County.

The Green Party of Whatcom County works at the county level to educate about and to implement the Ten Key Values of the national organization. These values include Ecological Wisdom, Personal & Global Responsibility, Future Focus and Grassroots Democracy.

· Ecological Wisdom: We support a sustainable society that utilizes resources in such a way that future generations will benefit from the practices of our generation. We seek to protect ecological diversity and balance.
· Personal & Global Responsibility: We seek to join with people and organizations around the world to foster peace, economic justice, and the health of our planet. We take personal responsibility in upholding our values.
· Future Focus: As did the Iroquois, we strive to create a society where the interests of the Seventh Generation are considered equal to the interests of the present.
· Grassroots Democracy: The influence of big business and big government combined is undermining genuine democracy. To help overcome this, we promote public participation at all levels of government.

The Green Party of Whatcom County outreaches to and interacts with many other groups locally and within the state therefore we wish to be considered as a stakeholder in the creation of the EIS for the Gateway Pacific Terminal Project.

Thank you for your consideration.

Sincerely,
Thelma
I will call Greg and Tyler at 3:00 and conference you in; John, we are in the admin conference room.

---

Greg Stern 6/18/2012 9:16 AM >>>
Works fine for me. I'll be on the road, heading back from Eugene. Do I call in, or do you call me on my cell phone? Let me know the call in number if I need to call.

Greg

---

Tyler Schroeder 06/18/12 7:46 AM >>>
Group,

I will be around for the call at 3 pm this afternoon. Sorry for any inconvenience.

Thanks,

Tyler

---

Jeffrey Hegedus 6/4/2012 5:01 PM >>>
Conference call. Jeff to call Tyler.

---

Jeffrey Hegedus, MS, RS
Environmental Health Supervisor
Whatcom County Health Department
Hi Tyler,

How about Thursday, June 28th at 1PM?

Thanks,
Wendy

-----Original Message-----
From: Tyler Schroeder [mailto:Tschroed@co.whatcom.wa.us]
Sent: Monday, June 18, 2012 8:19 AM
To: Kawakami, Wendy
Cc: Alice (ECY) Kelly; Rucker, Amy; Summers, Greg; Randel J NWS Perry
Subject: RE: GPT Consultant Selection Update

Wendy,

Let me check with everyone's schedules and we can coordinate. Is there another date and time that will work as I will be out of the office on the 3rd for the holiday?

Thanks,

Tyler

Tyler R. Schroeder
Planning Manager
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
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5280 Northwest Dr.
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I'm helping Greg to coordinate the debrief regarding the GPT consultant selection. We were hoping that you, Randel and Alice are available on Tuesday, July 3rd at 1:00 PM to meet. Please let me know if this date and time works with your schedules.

Thank you,
Wendy Kawakami

WENDY KAWAKAMI | Proposal Manager | 206.801.2845 |
wendy.kawakami@icfi.com | icfi.com

ICF INTERNATIONAL | 710 Second Avenue, Suite 550, Seattle, WA 98104 | 206.801.2800 | 206.457.7634 (c)

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Randel and I have time on Friday, June 22nd, to have a debriefing meeting. Does 11 am work?

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Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
Whatcom County Planning and Development Services
5280 Northwest Dr.
Bellingham, WA  98225

>>> "Summers, Greg" <Greg.Summers@icfi.com> 6/7/2012 9:21 AM >>>
Hello Tyler,

What is the process for obtaining a debrief on this process? We would like to schedule one quickly so everyone's memory is still relatively fresh. Thanks!

Greg Summers

-----Original Message-----
From: Tyler Schroeder [mailto:Tschroed@co.whatcom.wa.us]
Sent: Wednesday, May 30, 2012 3:09 PM
To: Summers, Greg
Subject: Re: GPT Consultant Selection Update

Greg,

I want to provide an update to the GPT Consultant Selection process. Environmental consulting company CH2M Hill has been selected by Whatcom County, the Washington Department of Ecology and the U.S. Army Corps of Engineers to help prepare the required environmental impact statement (EIS). County Executive Louws will be seeking Whatcom County Council’s endorsement of the contract during the Whatcom County Council meeting on June 5th, 2012.

Again, thank you for your firm’s proposal and your patience on hearing the final selection.

Tyler
>>> Tyler Schroeder 3/30/2012 9:45 AM >>>
Greg,

I want to update you and your firm on the status of the consultant selection process for the GPT project. At this time, the County, in coordination with DOE and the Corps, have made a preliminary selection for the most qualified consultant. This selection is based off of the review of the proposal and the interview process. The County is now working through the contracting process with the preliminarily selected firm. If the situation arises that the contract negotiations are not finalized, the County will be re-reviewing the firms that were interviewed for possible selection.

Thank you for your firm's proposal and we will be formally noticing you of the selected firm once the contracting process is final.

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Conference call. Jeff to call Tyler.

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509 Girard Street
Bellingham, WA 98227-0935
(360) 676-6724 ext. 50895
jhegedus@co.whatcom.wa.us

Public Health- Always Working for a Safer and Healthier Washington
PBe sustainable, please print only when necessary.
Hi Tyler,

I'm helping Greg to coordinate the debrief regarding the GPT consultant selection. We were hoping that you, Randel and Alice are available on Tuesday, July 3rd at 1:00 PM to meet. Please let me know if this date and time works with your schedules.

Thank you,
Wendy Kawakami
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5280 Northwest Dr.
Bellingham, WA  98225
Hello Mr Schroeder-
I understand there is an opportunity for the Sierra Club to participate in an interview with CH2MHiIl as one of the local environmental stakeholders. I am submitting my name as the representative of the Sierra Club. If there is more information needed from me about my self-nomination, please let me know. I can also be reached by phone at 360-927-3078.

Thanks,
Llyn Doremus
Dear Tyler

I would like to be considered as one of the stakeholders to be interviewed by CH2M-Hill in their environmental review of the Coal Port proposal. My experience in marine ecology coal transportation and its environmental impacts make me well suited for this interview process. I have not joined with any of the advocacy groups either for or against the project and have maintained a unbiased view. I have volunteered to be a science advisor to the web site www.coaltrainfacts.org. My qualifications are summarized below.

1. A faculty member of Huxley College of the Environment from 1970 to 1998. My major interest is the relationship between human actions and environmental impacts on the ecology of marine systems, with an emphasis on water quality, particularly the impacts of oil. I am currently a professor emeritus.

2. In 1982-83, I was a member of an international team based in the East West Center (Honolulu) that evaluated environmental impacts of coal transportation, including rail and ports. At that time there was more than 20 proposals for coal ports on the west coast of North America. Because of the requirements of environmental reviews, by the time environmental studies were conducted interest in coal ports collapsed and no more than one was constructed. My time at the East West Center included participating in development of an environmental assessment of a coal port in China. As far as I can tell little has changed since that time of the environmental impacts of coal transportation.

3. Based on the science that shows the Strait of Georgia, the Strait of Juan de Fuca and the Puget Sound are part of an integrated ecosystem, I recommended that these three bodies of water be named the Salish Sea. Both rail transportation and the operations of a coal port present environmental challenges to the Salish Sea that should be considered in an environmental review.

I understand this application must be submitted by June 18th. I would appreciate your letting me know you have received this on time. If you have any questions or require any additional information please feel free to call.

Sincerely

Bert Webber
733-9078
bertandsue@earthlink.net
Dear Mr. Schroeder;

I am writing another coal update for Whatcom Watch.

I wonder if you have any information to share with me about the following matters:

1. Whatcom County's response to the numerous comments you received about the GPT Notice of Application?

2. Any information you might have about the numerous requests from citizens and affected jurisdictions requesting a PEIS?

Any brief information that you could share with me would be welcome, thanks,

Preston Schiller
Wendy,

Alice Kelly is out of the office on June 28th. Randel and I may be available. We are meeting today on another topic and I can discuss their availability.

Thanks,

Tyler

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>>> Tyler Schroeder 3/30/2012 9:45 AM >>>
I want to update you and your firm on the status of the consultant selection process for the GPT project. At this time, the County, in coordination with DOE and the Corps, have made a preliminary selection for the most qualified consultant. This selection is based off of the review of the proposal and the interview process. The County is now working through the contracting process with the preliminarily selected firm. If the situation arises that the contract negotiations are not finalized, the County will be re-reviewing the firms that were interviewed for possible selection.

Thank you for your firm's proposal and we will be formally noticing you of the selected firm once the contracting process is final.

Tyler

Tyler R. Schroeder  
Current Planning Supervisor  
Phone: (360) 676-6907 ext. 50202  
Fax: (360)738-2525  
Email: Tschroed@co.whatcom.wa.us  
Address:  
Whatcom County Planning and Development Services  
5280 Northwest Dr.  
Bellingham, WA  98225
From: Tyler Schroeder
To: Ari Steinberg
CC: Bill Hirai; Tony Viola
Date: 6/19/2012 12:13 PM
Subject: Re: Escrow Agreement Contact

Thanks Ari,

I will followup with Zahava and then be in touch.

Tyler

Tyler R. Schroeder
Planning Manager
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address: Whatcom County Planning and Development Services 5280 Northwest Dr. Bellingham, WA 98225

>>> Ari Steinberg <Ari.Steinberg@SSAMarine.com> 6/19/2012 11:32 AM >>>
Tyler,

The best person to contact at Bank of America regarding the EIS reimbursable contract escrow account we are setting up is Zahava Hanuka. Her contact information is:

Zahava Hanuka
Vice President, Product Sales Specialist
Global Custody and Agency Services (GCAS)
Bank of America Merrill Lynch
135 S. LaSalle, IL4-135-14-01
Chicago, IL 60603
Phone: 312.904.7130
zahava.hanuka@baml.com<mailto:zahava.hanuka@lasallebts.com>
Ari,

As a follow up to our phone call yesterday. We are not looking for your presentation to get the consultant "up to full speed" - only common understanding of project pieces/broad overview to help the tour context. The consultant will have plenty of time to "study" project elements and details following this meeting.

Also, we will be dividing up the attendees in the vans. I think one van will be focused on project drivers, another would be part of "impacts related issues" and then public involvement will be sprinkled in both. We do not have many project analyst at this meeting.

One thought from Jodi was whether or not one of the companies could be able to provide one large vehicle? We currently have two vans, and are looking at other options.

Lastly, there will be a conference call line available to use. I will make sure to get the number out as soon as I have it.

Thanks,

Tyler
Skip,

The inclusion of Glen at the Kick-off meeting is acceptable. I will work on the ability to have a conference call number.

Thanks,

Tyler

Tyler R. Schroeder
Planning Manager
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
Whatcom County Planning and Development Services
5280 Northwest Dr.
Bellingham, WA  98225

>>> "Kalb, F E Skip" <F.Kalb@BNSF.com> 6/18/2012 1:59 PM >>>
Tyler,

Just checking back to see if it's for Glen Gaz to come to the Kick-off meeting on Wednesday.

He's the Seattle based project engineer and know he would add value.

Also, Mike Stanfill had a conflict with the short notice and would like to dial in.

Appreciate your advice on these.

Thanks, Tyler.

Skip Kalb
Director Strategic Development
BNSF Railway Company
Cell: (817)271-3057

-----Original Message-----
From: Kalb, F E Skip
Sent: Friday, June 15, 2012 2:39 PM
To: 'Tschroed@co.whatcom.wa.us'; 'Jodi.Ketelsen@CH2M.com'; 'Ari.Steinberg@SSAMarine.com'
Cc: 'AKEL461@ECY.WA.GOV'; 'Randel.J.Perry@usace.army.mil'
Subject: Re: GPT Kick-off Meeting - June 20th

Tyler,
Representing BNSF, it be myself, Walt Smith (Engineering), Pierre Bordenave (JLP), and Jim Lynch (KL Gates).

Two questions, please:

1) Mike Stanfill of our Environmental Dept has a conflict, but would like to participate via conference line.

2) We would like to also bring Glen Gaz from our Seattle Engineering office.

Will this be okay?

Skip

--------------------------
Sent from my BlackBerry Wireless Handheld

----- Original Message ----- 
From: Tyler Schroeder [mailto:tschroed@co.whatcom.wa.us] 
Sent: Friday, June 15, 2012 02:16 PM 
To: Kalb, F E Skip; Jodi.Ketelsen@CH2M.com; Ari.Steinberg@SSAMarine.com 
Cc: AKEL461@ECY.WA.GOV; Randel.J.Perry@usace.army.mil; skip.kalb@bnsf.com 
Subject: RE: GPT Kick-off Meeting - June 20th 

Ari, 

Please see the following answers to your questions below. 

Thanks, 

Tyler 

-----Original Message----- 
From: Ari Steinberg [mailto:Ari.Steinberg@SSAMarine.com] 
Sent: Friday, June 15, 2012 10:59 AM 
To: 'Tyler Schroeder' 
Cc: Ketelsen, Jodi/SEA; AKEL461@ECY.WA.GOV; Randel.J.Perry@usace.army.mil; skip.kalb@bnsf.com 
Subject: RE: GPT Kick-off Meeting - June 20th 

Thank you Tyler. We will plan a presentation per your agenda items. A couple of off the top of my head questions (there may be more on Monday).

1. Who will be in attendance at the meeting? 
There will be 11 consultants - ranging from Proj Mgr to lead economist and biologist.
There will be 2 to 3 representatives from Whatcom County, Ecology and USACE.

2. Can we presume everyone at the meeting is somewhat familiar with
the:
(a) function of the proposed terminal, i.e. major components of the rail network, product receiving, storage, outloading, in-water operations, etc.,

NO - please provide a general walk through all of the above - as though you were speaking to a high school student. We will have an structural eng present and he may have some additional questions - but we need good general overview of operations.

(b) Project Information Document and the technical studies being supplied to the EIS team?

Yes - not at this meeting. The consultant team will be receiving that at the next meeting.

3. How much time total are you planning for:
   (a) meeting at Ecology's office - is the hour meant to cover a presentation and Q&A?

YES - correct.

   (b) the site visit - will this be a drive by visit or will there be time to get out of the vans and have us point out features (similar to the MAPT site visit/tour)?

2 hours including driving from Fairhaven to the site - ideally we can stop 3 times, at least visiting a point at the BNSF Custer Spur, the site and the beach/port pier, as a suggestion.

Thank you,
Ari

-----Original Message-----
From: Tyler Schroeder [mailto:tschroed@co.whatcom.wa.us]
Sent: Friday, June 15, 2012 10:25 AM
To: skip.kalb@bnsf.com; Tyler Schroeder; Ari Steinberg
Cc: Jodi.Ketelsen@CH2M.com; AKEL461@ECY.WA.GOV; Randel.J.Perry@usace.army.mil
Subject: Re: GPT Kick-off Meeting - June 20th

Ari and Skip,

I would like to add one more question to be incorporated into the presentation;

Provide an understanding about the how this proposal relates or does not relate to the previous approved site development proposal.

Thanks,
Ari and Skip,

The Agencies and the 3rd party consultant would like to request your presence at the initial kick-off meeting to provide the team with a common understanding of the proposed application, field visit of the site (both the uplands of the proposed dry bulk facility and the BNSF Custer Spur modification areas,) and an update of the studies underdevelopment.

We request that you arrive at 1pm on Wednesday. The meeting will be at the “Groucho” Conference room at the Bellingham Ecology Office, at 1440 10th Street. 3-4 people from your respective companies should work for the meeting. We will provide up to 1 hour for your presentation of the proposal and an overview of what you’d like to show the team during the site visit. We will have 2 vans to hold most of the attendants to visit the site. We would like the tour points identified and the major points of interest defined at the meeting room prior to the visit.

Please provide a presentation using the following elements:

1. Presentation of the components of the proposal (PPT or handouts) (20 copies). The presentation should, to the extent possible, cover basic details of the proposed application, construction overview, and operations overview. Please provide any details that would be important to the analysis - updates on the phased development, loads anticipated, trains, vessel movements, etc. Please provide information on any connected actions under consideration - additional property acquisition or other possible rail improvements, etc.

2. 20 sets of 11X17 of the aerials of the project drawing - a simplified drawing over an aerial for all pieces of the application (Spur, Dry bulk and port pier).

3. Please provide a list of all studies currently under
development and a schedule for completion.

Please incorporate answers to the following questions for the group:
1. Why this site?
2. What are the drivers for this project?
3. What is the timeline for the proposed project - for construction, operational phases.

Please let me know if you have any other questions on the meeting.

Thanks,

Tyler

Tyler R. Schroeder
Planning Manager
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
Whatcom County Planning and Development Services
5280 Northwest Dr.
Bellingham, WA  98225
Good Afternoon,

Attached is correspondence received in the Executive office today from GPT regarding current public policy issues - dated 06-14-12.

Thank you,

Suzanne

Suzanne Mildner
Administrative Secretary/Grants Coordinator
Whatcom County Executive Department
311 Grand Avenue, Suite 108
Bellingham, WA 98225
(360) 676-6717
smildner@co.whatcom.wa.us
June 14, 2012

Honorable Jack Louws
Whatcom County
311 Grand Ave, Suite 108
Bellingham, WA 98225

Dear County Executive Louws

The Gateway Pacific Terminal project is one of the more widely discussed issues throughout Northwest Washington. As a regional leader, we want to make sure that you are aware of some of the important public policy issues that are at stake. The following items are enclosed:

- **Matt Rose, the CEO of BNSF Railway Company,** sets the record straight on such issues as rail capacity, coal dust, and diesel emissions in a letter to Governor Gregoire. Rose not only assures the Governor that coal dust will not be an issue, but that BNSF will ensure there is adequate capacity to handle future freight and passenger rail volumes.

- **"Will the Northwest Economy be a Casualty of the War on Coal?"** Don Brunell, President of the Association of Washington Business—the largest and oldest business association in the state, claims that environmental groups are attacking Pacific Northwest coal exporting facilities based on a larger war against coal, but may end up hindering the review process for all future industrial developments.

- **Washington’s Freight Mobility Strategic Investment Board,** adopted a policy pointing to the importance of bulk commodity exports and expressing its concern for subjecting transportation infrastructure projects to expanded layers of permit reviews for each export product in question (wheat, coal, etc.). "...if such procedures were applied to a variety of projects, such as grain elevators or manufacturing centers, it is doubtful whether projects could ever come to fruition or whether the state could continue to attract the investment for a first-class road, rail and air freight system." The Board’s purpose is to create a state program to facilitate freight movement to enhance trade opportunities, and to find solutions that lessen the impact of the movement of freight on local communities.

- **Engineers and Trainmen: ‘No Health Issues Related to Coal Dust’**— In a press release, the railroad union states that despite working directly with coal trains 24 hours a day, seven days a week, none of their members have experienced adverse health effects from coal dust.

Please be sure to let us know if we can provide any information of interest to you. Thank you for your attention to this important matter.
Craig Cole craig.cole@gatewaypacificterminal.com

Cc: Dana Brown-Davis, Clerk of the Council
May 14, 2012

The Honorable Christine Gregoire
Office of the Governor
Postal Office Box 40002
Olympia, WA 98504-0002

Dear Governor Gregoire:

As you are aware, this subject of the potential impact on Washington state from the opening of new bulk export facilities along the state’s coast has generated substantial interest and public debate. Unfortunately, much of the public discussion is misleading and incorrect. As a result, I write to provide you with additional information regarding these assertions.

For over a century, BNSF Railway Company (BNSF) has been serving Washington state. Our railroad is a key component of many of the state’s leading economic engines—from natural resources to consumer products and aerospace. International trade has always been a driver of Washington’s diverse economy, and bulk commodities, such as coal and agricultural products from Montana and Wyoming, have been part of Washington’s export trade for decades.

The proposed Gateway Pacific Terminal (GPT) at Cherry Point would enable the state to benefit directly from the growth in the export of bulk commodities and allow Washington state ports to effectively compete with ports in Canada and Mexico.

At the outset, much of the public debate about GPT (and other proposed export terminals) has been framed by national advocacy groups that are attempting to affect world energy and climate policy. These groups are not interested in seeing the proposed terminal’s economic and environmental impacts on Washington state properly evaluated. These groups have raised a number of assertions which are incorrect. In particular, I would like to highlight a few issues: existing and future freight capacity, ongoing commitments to passenger rail service and capacity, and particular matter and coal dust.

Freight Rail Capacity and Investment—It has been asserted in the media that freight rail traffic servicing GPT will cause a potential shortage of capacity for other port freight movements and passenger rail service. This assertion is incorrect. Rather, I want to assure you that BNSF will ensure that we have adequate capacity to handle current and future freight and passenger volumes. The reality is that increased freight rail volume, including coal, provides the necessary private capital to refresh BNSF’s physical plant and expand capacity.

Some have suggested exaggerated increases in train counts resulting from the GPT facility. Like any freight flow that fluctuates with an ever-changing global marketplace, we do not know what the net effect in train traffic would be. (For example, the GPT facility could well draw business away from Canadian exports, thereby reducing traffic north of the border.) Whatever the daily
train count, it will be a small fraction of the overall freight and passenger rail traffic in Washington state.

Strategic planning, construction, and maintenance of rail infrastructure and facilities are central to BNSF’s ongoing commitment to its current customers in Washington and across our 28-state system. We constantly update and refine a capital investment program that anticipates and responds to dynamic customer needs and changing traffic volumes, as well as deployment of new technology to ensure even higher levels of efficiency and safety.

BNSF regularly invests over $100 million annually in Washington state to preserve, maintain and grow freight rail capacity. In 2012, $106 million is slated for improvements across the state, to enhance service for existing customers. As evidenced by our recent capital investments at the Seattle International Gateway and other yard improvements, new rail access to the Port of Vancouver, advanced signalization, and siding construction and extensions around the state—BNSF is actively investing in Washington to ensure that we meet current and future customers’ rail service requirements. As new business opportunities are considered, their impact on velocity, capacity and a host of other potential impacts are evaluated to ensure that service requirements will be met for new—as well as existing—customers.

Passenger Rail Capacity and Service—Next, I want to assure you that our agreements with Washington state and Amtrak will ensure that increased freight traffic will not harm the Amtrak Cascades and Sounder commuter rail operations. Detailed agreements obligate BNSF to meet specific service requirements, and there are consequences for failure to do so.

Since its launch in the mid-1990s, Amtrak Cascades passenger volumes have consistently grown, along with its ridership popularity. This success is tied directly to BNSF’s commitment to consistently high on-time performance, and would not be possible but for the fact that BNSF accommodated its own growth in freight volumes through consistent and aggressive capital investment and operations efficiencies. For close to two decades, Washington state and BNSF have built a partnership of success, based on the blending of public and private investment, to meet growing public and private traffic volumes. And, our experience with Sounder commuter rail is no different. Our agreements with Sound Transit, in effect, dedicate rail capacity to help ensure the success of service levels and schedules.

Emissions Reduction—In 2012, BNSF will make an overall capital investment of $3.9 billion, including $1.1 billion for the purchase of new rolling stock with most of that for energy-efficient, low-emission locomotives. These new “Tier 3” locomotives achieve the highest EPA emissions standards available from locomotive manufacturers. From pre-2000 units, these latest locomotives cut NOx by 60 percent and particulate matter by 69 percent.

With the newest locomotive fleet in the industry, and further deployment of other green technology—like the wide-span electric cranes installed in Seattle (the first in North America), we are proud of our environmental stewardship. Rail is four times more fuel-efficient and has 75 percent less emissions than trucking, making it the most environmentally-friendly mode of surface transportation, and we are continuing to make strides toward a cleaner environment.

Coal Dust—Despite decades of hauling coal in Washington, we are not aware of a single complaint raised about coal dust until the recent interest in coal exports. In fact, railroads were first to recognize coal dust, which impacted proper track ballast drainage near the mines, resulting in derailments. In response, we have called on customers to treat coal carloads with a surface “rusting agent” at the mine to prevent dust. While the exact method of coal dust suppression is
a decision of the mine and the railroad, we can be confident that, as a result of these steps, virtually no measurable coal dust will exit coal cars in Washington state or any point along the trip from the mines to the port facility.

As always, BNSF is committed to working with Washington to strengthen the state’s trade competitiveness and grow family wage jobs, and to do so in an environmentally-responsible manner.

Sincerely,

Matthew K. Rose

Matthew K. Rose
Will the Northwest Economy be a Casualty of the War on Coal?

Friday, May 25, 2012

Written by Don C. Brunell

Activists waging a national war on coal have turned their sights on the Pacific Northwest, targeting proposed shipping terminals in Washington and Oregon that would export coal to China.

They're aggressively lobbying federal officials to change how these projects are evaluated. If they succeed, our economy could become a casualty of the war on coal.

Currently, such projects undergo a rigorous environmental review known as an Environmental Impact Statement (EIS) involving months or even years of public hearings and analysis by federal, state and county regulators. The EIS for each project must also examine the cumulative impacts of other potential activities in the area.

But opponents want to insert a second, more expansive layer of environmental review, which some are calling a Programmatic EIS (PEIS), which would have to be completed before each individual project EIS could begin. This additional review would include all of the Washington and Oregon proposals and expand to analyze their potential “cumulative” economic and environmental impacts across the region, the United States or perhaps the world.

A PEIS is historically reserved for assessing the broad national impacts of a federal action or a new federal policy. But the activists want to apply that same scope of review to a local shipping terminal.

For example, what would be the collective impacts on air, water, wildlife and so on, if all the proposals are built? And what are the additional environmental impacts of the coal mines in Wyoming and Montana? What are the additional environmental impacts along the rail lines from the mines to the terminals? How about the environmental impacts of shipping the coal to Asia? Or the global impact of Asia burning U.S. coal?

Opponents argue that all of these issues should be part of an additional environmental review.

Couldn’t happen? Think again.

Oregon Gov. John Kitzhaber, the Washington State Department of Ecology, the Region 10 office of the
Environmental Protection Agency, the City of Seattle and the Yakama Nation are among those urging the U.S. Corps of Engineers to change the rules. They want the Corps to conduct a special analysis of the so-called cumulative effects of all the proposed terminals.

Even if this extra layer of analysis didn't ultimately block the projects, it would delay them for years. The opponents' presumed goal is to create delay and legal gridlock, making it so difficult, time-consuming and expensive that the backers ultimately give up.

Call it "death by a thousand lawyers."

Eric Johnson, executive director of the Washington Public Ports Association, agrees that these projects should undergo rigorous review. "However," he notes, "this review should be of the project itself, not of the overall system of commerce across our region, the United States, or as urged by some commenters, the entire world."

Johnson warns that requiring an additional layer of analysis for these projects would set a dangerous precedent in a state where one of every three jobs is linked to trade. "If this precedent is applied to all products imported and exported through our port transportation system, we will bog our project review timeline down in needless process."

Consider the possibilities.

Want to expand an aircraft manufacturing facility? Why not require the study of the pollution impacts of all of the manufacturer's subcontractors worldwide? Why not examine the greenhouse gas effects of jet engine exhaust around the globe?

Would it ever go this far? No one knows for sure, but would you want to take that chance?

For employers trying to decide whether to locate or expand their business in the Northwest, the uncertainty is enough to convince them to take their business — and their jobs — elsewhere.

About the Author
Don Brunell is the president of the Association of Washington Business. Formed in 1904, the Association of Washington Business is Washington's oldest and largest statewide business association, and includes more than 7,800 members representing 700,000 employees. AWB serves as both the state's chamber of commerce and the manufacturing and technology association. While its membership includes major employers like Boeing, Microsoft and Weyerhaeuser, 90 percent of AWB members employ fewer than 100 people. More than half of AWB's members employ fewer than 10. For more about AWB, visit www.awb.org.
FMSIB Policy on changing evaluation requirements based upon commodity

The board shall develop and recommend policies that address operational improvements that primarily benefit and enhance freight movement. (RCW 47.06A.020 (7))

The Freight Mobility Strategic Investment Board has studied the various comments and reactions to announced plans for proposed bulk import/export marine terminals in the state of Washington. The board has discussed the concerns that have been raised about these facilities, specifically the concerns about the commodity impacts not the terminal design and operating impacts, and considered their relationship to the FMSIB mission of enhancing freight capacity and efficiency within the state.

FMSIB believes that bulk import/export facilities are important to stimulate more trade within the state and across state borders. We believe this is congruent with the federal export policy of doubling exports over the next five years and of the state’s export policy. Bulk product terminals, as well as container terminals and other cargo handling terminals, regardless of the commodity shipped, create the economic basis that stimulates investments in roads, rail, port connections and terminal infrastructure so necessary to our state economy. The import/export of bulk cargo also stimulates investment in basic infrastructure that supports the movement of non-bulk cargoes, such as containerized traffic, home-building supplies, industrial products, autos and much more, the movement of which creates jobs, payrolls and tax revenue for state and local governments.

The FMSIB mission, in part, is to recommend policies that address operational improvements that benefit and enhance freight movement and that recognize the economic importance of freight movement to Washington State. FMSIB is very concerned of the precedent that will be set if Washington State Agencies require new marine terminal infrastructure environmental review to include an analysis of the source and destination effects of the commodity that is being moved. This would be a substantial deviation from existing commonly followed environmental impact analysis procedures. The new analysis that is being requested asking for this broad-scale impact analysis of the production and consumption effects of a particular commodity far away from project sites will create significant delays and economic problems for the development of freight infrastructure in our state if such procedures were applied to a variety of projects, such as grain elevators or manufacturing centers, it is doubtful whether projects could ever come to fruition or whether the state could continue to attract the investment for a first-class road, rail and air freight system.

In addition, the calls for a broad programmatic analyses of unrelated projects, in very different locations, with separate environmental concerns and solutions, based solely on the proposed movement of a similar commodities through these projects sets a policy that will undermine the ability of this State to attract investment in freight infrastructure. Broad programmatic analysis of projects that are only related due to the commodity, or a related use, will serve to significantly and unnecessarily delay any development and force those developments to occur outside our State. FMSIB is also concerned that the precedent of broad programmatic analysis on related projects would in the future be expanded, and used to prevent the development of other freight related infrastructure.

In taking this policy position FMSIB is not taking a position, either in favor or opposed, to any specific project.
Brotherhood of Locomotive Engineers and Trainmen
A Division of the Rail Conference — International Brotherhood of Teamsters
Washington State Legislative Board
Workplace Safety, Health, and Education

April 18, 2012

FOR MORE INFORMATION:
Mike.Elliott.WSLB@Comcast.net

Engineers and Trainmen: ‘No Health Issues Related To Coal Dust’

The Washington State Legislative Board of the Brotherhood of Locomotive Engineers and Trainmen is concerned about deceptive tactics being used against major infrastructure projects in the State, said its chairman, Mike Elliott.

Proposals for major bulk export terminals are being considered in Longview and Whatcom County. These projects will generate thousands of union jobs and desperately needed tax revenues for state and local governments. The first commodity to be exported will be coal, to be transported by rail from the Powder River Basin in Wyoming.

“The public is being misled about trains and coal,” said Elliott. “Our union knows more about these issues than the Sierra Club, and we can’t stand idly by while they scare people with misleading information and take jobs away.”

“I have worked in, on, and around trains and rail equipment for over 17 years all across Washington State,” Elliott said. “I am active in our union and in the labor community. Recently, there has been a lot of misleading information circulated regarding coal trains and the transportation of coal by rail—namely coal dust. I can tell you for certain I have never experienced or heard complaints of coal dust from trains in Washington State.

“None of my members, who operate and work around coal trains 24/7, have reported health issues related to coal dust. This is a non-issue as far as our organization is concerned. In fact, ensuring our members have a safe and healthy work environment is our highest priority. If the trains we work on and around carried anything that posed a health risk to my membership or the community, you could be certain that I would be taking action to correct the problem.

“Actually, the greatest risk to my membership — and the Washington State community at large — is this misinformation campaign. The truth is rail is one of the most environmentally sound ways to ship goods in our country, and we have been shipping coal, grain, and many other commodities safely and cleanly every day for decades.
But with all the fear and misinformation being spread around, people are getting the wrong idea, that somehow we need less rail transportation. In fact, we should be supporting more rail transportation projects that strengthen our supply chain across America. We’re going to get the truth out about rail transportation and fight back against these types of attacks on our jobs.”

Mike Elliott, Chairman
Wendy,

Let me check with everyone's schedules and we can coordinate. Is there another date and time that will work as I will be out of the office on the 3rd for the holiday?

Thanks,

Tyler

Tyler R. Schroeder
Planning Manager
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
Whatcom County Planning and Development Services
5280 Northwest Dr.
Bellingham, WA  98225

>>> "Kawakami, Wendy" <Wendy.Kawakami@icfi.com> 6/18/2012 8:11 AM >>>
Hi Tyler,
I'm helping Greg to coordinate the debrief regarding the GPT consultant selection. We were hoping that you, Randel and Alice are available on Tuesday, July 3rd at 1:00 PM to meet. Please let me know if this date and time works with your schedules.

Thank you,

Wendy Kawakami

WENDY KAWAKAMI | Proposal Manager | 206.801.2845 | wendy.kawakami@icfi.com | icfi.com
-----------------------------------------------------------------------------------------------------------------
ICF INTERNATIONAL | 710 Second Avenue, Suite 550, Seattle, WA 98104 | 206.801.2800 | 206.457.7634 (c)

-----Original Message-----
From: Tyler Schroeder [mailto:Tschroed@co.whatcom.wa.us]
Sent: Wednesday, June 13, 2012 2:32 PM
To: Summers, Greg
Cc: Alice (ECY) Kelly; Randel J NWS Perry
Subject: RE: GPT Consultant Selection Update

Greg,

Randel and I have time on Friday, June 22nd, to have a debriefing meeting. Does 11 am work?

Thanks,
>>> "Summers, Greg" <Greg.Summers@icfi.com> 6/7/2012 9:21 AM >>>
Hello Tyler,

What is the process for obtaining a debrief on this process? We would like to schedule one quickly so everyone's memory is still relatively fresh. Thanks!

Greg Summers

-----Original Message-----
From: Tyler Schroeder [mailto:Tschroed@co.whatcom.wa.us]
Sent: Wednesday, May 30, 2012 3:09 PM
To: Summers, Greg
Subject: Re: GPT Consultant Selection Update

Greg,

I want to provide an update to the GPT Consultant Selection process. Environmental consulting company CH2M Hill has been selected by Whatcom County, the Washington Department of Ecology and the U.S. Army Corps of Engineers to help prepare the required environmental impact statement (EIS). County Executive Louws will be seeking Whatcom County Council's endorsement of the contract during the Whatcom County Council meeting on June 5th, 2012.

Again, thank you for your firm's proposal and your patience on hearing the final selection.

Tyler

Tyler R. Schroeder
Planning Manager
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
Whatcom County Planning and Development Services
5280 Northwest Dr.
Bellingham, WA 98225

>>> Tyler Schroeder 3/30/2012 9:45 AM >>>
Greg,

I want to update you and your firm on the status of the consultant selection process for the GPT project. At this time, the County, in coordination with DOE and the Corps, have made a preliminary selection for the most qualified consultant. This selection is based off of the review of the proposal and the interview process. The County is now working through the contracting process with the preliminarily selected firm. If the situation arises that the contract negotiations are not finalized, the County will be re-reviewing the firms that were interviewed for possible selection.

Thank you for your firm's proposal and we will be formally noticing you of the selected firm once the contracting process is final.

Tyler

Tyler R. Schroeder
Current Planning Supervisor
Phone: (360) 676-6907 ext. 50202
Fax: (360)738-2525
Email: Tschroed@co.whatcom.wa.us
Address:
Whatcom County Planning and Development Services
5280 Northwest Dr.
Bellingham, WA  98225
Group,

I will be around for the call at 3 pm this afternoon. Sorry for any inconvenience.

Thanks,

Tyler

Tyler R. Schroeder  
Planning Manager  
Phone: (360) 676-6907 ext. 50202  
Fax: (360)738-2525  
Email: Tschroed@co.whatcom.wa.us  
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---

Jeffrey A. Hegedus, MS, RS  
Environmental Health Supervisor  
Whatcom County Health Department  
509 Girard Street  
Bellingham, WA 98227-0935  
(360) 676-6724 ext. 50895  
jhegedus@co.whatcom.wa.us

Public Health- Always Working for a Safer and Healthier Washington  
/
Be sustainable, please print only when necessary.
FYI
Dear Tyler

I would like to be considered as one of the stakeholders to be interviewed by CH2M-Hill in their environmental review of the Coal Port proposal. My experience in marine ecology coal transportation and its environmental impacts make me well suited for this interview process. I have not joined with any of the advocacy groups either for or against the project and have maintained a unbiased view. I have volunteered to be a science advisor to the web site www.coaltrainfacts.org. My qualifications are summarized below.

1. A faculty member of Huxley College of the Environment from 1970 to 1998. My major interest is the relationship between human actions and environmental impacts on the ecology of marine systems, with an emphasis on water quality, particularly the impacts of oil. I am currently a professor emeritus.

2. In 1982-83, I was a member of an international team based in the East West Center (Honolulu) that evaluated environmental impacts of coal transportation, including rail and ports. At that time there was more than 20 proposals for coal ports on the west coast of North America. Because of the requirements of environmental reviews, by the time environmental studies were conducted interest in coal ports collapsed and no more than one was constructed. My time at the East West Center included participating in development of an environmental assessment of a coal port in China. As far as I can tell little has changed since that time of the environmental impacts of coal transportation.

3. Based on the science that shows the Strait of Georgia, the Strait of Juan de Fuca and the Puget Sound are part of an integrated ecosystem, I recommended that these three bodies of water be named the Salish Sea. Both rail transportation and the operations of a coal port present environmental challenges to the Salish Sea that should be considered in an environmental review.

I understand this application must be submitted by June 18th. I would appreciate your letting me know you have received this on time. If you have any questions or require any additional information please feel free to call.

Sincerely

Bert Webber
733-9078
bertandsue@earthlink.net
The State School Levy New Construction Calc is done at the DOR (Dept of Revenue, Property Tax division), this will be more difficult to calculate as the operational administrative formula is different. (uses combination's of 5 yr rolling averages)
The other districts use a formula which is to take the value of New Construction, divide by 1000, and multiply by the fund's previous year's levy rate.
Example  County = 1M/1000=1,000 x 1.112297565 = $1,112.30 of additional Budget Revenue
         PORT = 1M /1000=1,000 x .2971942749 = $ 297.19
County Roads = 1M/1000 = 1,000 x 1.4650757629 = $ 1,465.08
Rural Library = 1M/1000 = 1,000 x .4860387678 = $ 486.04
Use could do the same thing with the Sate School but it would only be in the ball park, not fully accurate. These calculations again are for 2012 property tax collection if the new construction had been completed by July 31, 2011

>>> Hart Hodges <Hart.Hodges@wwu.edu> 6/20/2012 10:12 AM >>>
Keith,
Is there a source we could use to see how much $1 million in new construction would add to county current expense, Port, County Roads, Rural Library and State Schools?
Sorry to be a pest.
Hart

County Current Expense, Port, County Roads, and Rural library as well as the State School also whatever Rural fire district (#7 I believe) all would benefit from the New Construction with increased Budget (levy) additions. No cities unless Birch Bay were to incorporate and annex those properties into their City Limits.

>>> Hart Hodges <Hart.Hodges@wwu.edu> 6/19/2012 5:05 PM >>>
Keith,
Thank you very much ! Am I correct in assuming that the County would see a slight increase in revenues due to the new construction, while specific cities would not (since the development is not within city limits)?
Best regards,
Hart
Subject: School Dist Property Tax Recalc

see attached
I hope this is helpful
Call me if you have any questions
From: Keith Willnauer
to: gpttoweb@co.whatcom.wa.us
date: 6/20/2012 11:36 AM
subject: Fwd: RE: School Dist Property Tax Recalc

>>> Keith Willnauer 6/19/2012 5:20 PM >>>
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Best regards,
Hart

--
From: Keith Willnauer [kwillnau@co.whatcom.wa.us]
Sent: Tuesday, June 19, 2012 3:54 PM
To: Hart Hodges
Subject: School Dist Property Tax Recalc

see attached
I hope this is helpful
Call me if you have any questions
Attached is a reference from the Department of Revenue's Levy Manual which can be found at http://dor.wa.gov/content/GetAFormOrPublication/PublicationBySubject/#property with information regarding school levies. The limiting factor for school levies is the ballot measure passed by voters. In the case of the Ferndale School District, the voters approved a 4 year Maintenance and Operation Levy in February 2012. That levy replaces an expiring Maintenance and Operation Levy and will begin in 2013. The Ferndale School District also has a Capital Projects Levy that generates $700,000.00 a year through 2014. A copy of that ballot measure is also attached. The years of collection and dollar amounts are listed on the attached election certification. The Ferndale School District also has a bond levy which varies from year to year. In 2012, $3,218,947.22 will be collected to service the debt. The amount to be collected can not increase without going to the voters again. The addition of new construction in the school district will not generate additional property taxes. To calculate tax amounts for a school district, a rate is calculated by taking the total dollar amount to be collected and dividing by the total assessed value of the district. That rate is then multiplied by the assessed value of each parcel within the district to calculate individual bills. If the dollar amount to be collected is fixed, and the total district value increases, the rate will decrease. Conversely, if the total district value decreases and the dollar amount to be collected is fixed, the rate will increase.

You also had some questions about the 1% limit and if that applies to schools. I have attached a Department of Revenue publication that answers many questions about the 1% limit. You will see that it says on page 2 that school districts are not affected by the 1% levy limitation.

You may want to contact the Ferndale School District for further questions about funding sources that may be affected by district valuation.

Let me know if you have any questions.
We talked on the phone. I asked the question about whether or not any tax impacts for the Ferndale School District would be limited to the 1% lid or would they also get the tax impacts from new construction in addition to the 1% lid. Would you please explain the correct formula for distributing tax revenues to the school districts from new construction? And how are the tax impacts handled for ongoing operations- what is the percentage or amount that the Ferndale School District can collect?

I really appreciate your explanations. I am not very familiar with how the tax formulas work and look forward to your clear and simple examples. :)

Thank you!
Megan

Megan Watt
Gateway Pacific Terminal
360.296.9600
### 3.2 Types of Excess Levies

<table>
<thead>
<tr>
<th>School District Levies (Excess)</th>
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<tbody>
<tr>
<td><strong>RCW:</strong></td>
</tr>
<tr>
<td><strong>Maximum Statutory Levy Rate:</strong></td>
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<tr>
<td><strong>Type of Levy:</strong></td>
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<tr>
<td><strong>Affecting Levy Limits:</strong></td>
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<tr>
<td><strong>Excess Levies Authorized:</strong></td>
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<tr>
<td><strong>Governing Body:</strong></td>
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<tr>
<td><strong>Purpose:</strong></td>
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<td><strong>Notes:</strong></td>
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</tbody>
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**Sewer District**

See Water-Sewer District
WHATCOM COUNTY AUDITOR'S OFFICE

OFFICIAL CANVASS of the Special Election held Tuesday, February 14, 2012, in Ferndale School District 502, Whatcom County, Washington, for the purpose of submitting to the qualified electors of the district a proposition to levy taxes to replace an expiring levy to maintain the District's educational programs and operations.

CERTIFICATION OF CANVASSING BOARD

STATE OF WASHINGTON )
COUNTY OF WHATCOM ) ss.

THIS IS TO CERTIFY that we, as the Whatcom County Canvassing Board, have completed the canvass of votes as it pertains to the Special Election held in the precincts within the boundaries of Ferndale School District 502, Whatcom County, Washington, on the 14th day of February 2012 and the results are as follows:

FERNDALE SCHOOL DISTRICT No. 502
Proposition No. 1
Ferndale School District No. 502
Replacement Educational Maintenance and Operations Levy

The Board of Directors of Ferndale School District adopted Resolution #13-2011 concerning educational funding. This proposition authorizes the District to levy the following excess taxes, to replace an expiring levy, on all taxable property within the District in addition to state funding, to maintain the District's educational programs and operations:

<table>
<thead>
<tr>
<th>Collection Years</th>
<th>Levy Rate/$1,000</th>
<th>Levy Amount</th>
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<tbody>
<tr>
<td>2013</td>
<td>$3.52</td>
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<tr>
<td>2014</td>
<td>$3.45</td>
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<tr>
<td>2015</td>
<td>$3.43</td>
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<tr>
<td>2016</td>
<td>$3.53</td>
<td>$16,500,000</td>
</tr>
</tbody>
</table>

Should this proposition be approved?

YES

NO

ACTUAL RESULTS:

YES – 4,992 61.18%
NO – 3,168 38.82%

Proposition PASSED 61.18%
Minimum Numbers for Validation:
Number of persons voting last General Election: 8,121
40% Turnout 3,249
Needs 60% Yes Vote

REJECTED

ACTUAL RESULTS:

APPROVED – 3,636 56.33%
REJECTED – 2,819 43.67%

BONDS FAILED 56.33%

Bonds failed because it did not receive a 60% "Yes" vote.

YES 3,445 53.44%
NO 3,001 46.56%

YES
LEVY PASSED

NO

The canvass has been completed this 26th day of March 2008

WHATCOM COUNTY CANVASSING BOARD

County Chief Deputy Auditor

untly lative Autho

Cou Attorney

Page 2
How The 1 Percent Property Tax Limit Works

Q. What is the 1 percent limit on increases in property taxes?

It limits increases in taxes by individual taxing districts to 1 percent annually. For example, if a city received $1 million in property taxes one year, it can only receive $1.01 million the next year, plus any tax revenues generated by new construction added to the tax rolls in the past year.

Q. Does that mean my property taxes cannot rise more than 1 percent a year regardless of how much my assessed value increases?

No, not necessarily. Individual tax bills are based on a number of factors, including how much your property changes in value relative to other property in a taxing district, and whether voters approve tax increases beyond the 1 percent limit.

Q. How is my tax bill calculated?

Your property tax bill is composed of taxes levied by the state, counties, cities, schools, and several other “junior” taxing districts such as fire districts and hospitals. The annual property tax statement you receive in the mail every February usually provides a breakdown of these levies by district. Each district applies a specific rate, and the rates are added together to determine how much tax you will pay on the taxable value of your property. The statewide average levy rate was $10.48 per $1,000 assessed value for taxes due in 2007. Of this, the combined local regular tax rate was $4.45, the local voter-approved rate was $3.72, and the state school levy was $2.31.

Q. How does the 1 percent limit affect property taxes on individual homes?

The 1 percent limit applies to the maximum increase in tax revenue levied by an individual taxing district. It does not apply to individual homes, which tend to increase in assessed valuations at varying rates depending on location and other factors. Taxes on individual homes could increase by more or less than 1 percent depending on how they change in value relative to other properties in a district.

Example:

Home A increases from $200,000 to $220,000 in assessed value within a city (a 10 percent increase);

Home B increases from $200,000 to $240,000 in assessed value (a 20 percent increase);

Home C increases from $200,000 to $230,000 in assessed value (a 15 percent increase - the average increase in assessed valuations for all properties.)

The city collected $1,000,000 in property taxes in 2006 at a rate of $1.00 per $1,000 assessed value, on a total valuation of $1 billion. The city can increase its 2007 levy by 1 percent to $1,010,000 in
2007 (not counting any additional tax revenue from new construction added to the tax rolls in the past year). The total taxable value of properties in the district increased 15 percent from $1 billion to $1.15 billion (not counting new construction). In order to keep from collecting more than 1 percent additional tax on existing properties, the city must lower its tax rate to $0.878261 from $1.00 per $1,000 assessed value.

In 2007, each of these three homes paid $200 in taxes on $200,000 of assessed value at the $1.00 rate. In 2008, the tax depends on how their assessed values change compared to other properties in the city.

**Home A** - value increased by 10 percent; taxes drop to $193.22 on $220,000 of assessed value at $0.878261 rate (3.39% decrease);

**Home B** - value increased by 20 percent; taxes rise to $210.78 on $240,000 of assessed value at $0.878261 rate. (5.39% increase);

**Home C** - value increased by 15 percent; taxes rise to $202.00 on $230,000 of assessed value at $0.878261 rate (1% increase).

Q. How do revaluation cycles affect property taxes?

About half of Washington’s 39 counties revalue all properties annually, but the rest are revalued on two-, three- or four-year cycles. Counties with annual revaluation cycles adjust the value of all properties simultaneously, so no shifts in property tax burdens can occur due to one property being revalued while another is not.

That isn’t the case in counties with multiple-year cycles. For instance, if a quarter of a county is revalued each year, these property values increase while properties in the remaining three-quarters of the county are unchanged. That means the revalued properties will represent a greater percentage of the total county valuation and will pay a greater percentage of total property taxes, at least for countywide taxes such as county levies or the state school levy. However, if all the revalued properties are within a taxing district (for example a fire or library district), then there is no shift due to one property being revalued while another is not. However, there still could be a shift to the extent one property within that taxing district increases in value more than another in that district.

As the county reassesses other quarters of the county in subsequent years, over time the revaluation shift averages out. The problem with multiple-year revaluations is that property owners can get “sticker shock” when their properties increase substantially in value after no increases in the prior three years.

Q. How is the school district portion of the property tax affected by the 1 percent limit?

Most voter-approved measures, including, but not limited to maintenance and operation and bond levies proposed by school districts, are not subject to the 1 percent limit. The limit only affects regular levies, most of which are not subject to voter approval.

Q. Is the state school levy subject to the 1 percent limit?

Yes, the state school levy is subject to the 1 percent limit. Growth in this levy, which is dedicated to K-12 funding, was limited to the rate of inflation under Referendum 47, which was in effect from 1997 through 2001, and to 1 percent since 2002 under Initiative 747 (I-747) and reenactment by the
Legislature of the 1 percent limit after the Supreme Court ruled I-747 to be invalid. This limit does not include property taxes from new construction added to the tax rolls. As a result, the state levy has shrunk as a percentage of total property taxes. In 2007, the state school levy comprised 22 percent of property taxes statewide, compared to 26 percent in 1997. Meanwhile, the average statewide levy rate has dropped from $3.59 per $1,000 assessed value in 1997 to $2.31 in 2007.

Q. How do levy lid lifts affect property taxes?

Local taxing districts can propose that voters “lift” the 1 percent limit on annual levy increases so the district can collect a higher levy rate, up to the maximum rate for that jurisdiction. These districts have certain statutory maximum rates but many of these districts have had to reduce their rates year after year to avoid collecting more than 1 percent additional revenue as property valuations increase. A levy lid lift lets them increase rates up to the statutory maximum rate.

For example, fire districts generally have a maximum rate of $1.50 per $1,000 assessed value. Many fire districts have seen their actual rates drop significantly below that maximum rate. In turn, many fire districts have successfully proposed to voters that they be allowed to increase their rates. This results in an increase in property taxes beyond the 1 percent limit. Voter-approval of levy lid lifts by fire districts and other local districts has steadily increased the percentage of voter-approved property taxes, to 38 percent of all property taxes statewide.

Q. How much has the 1 percent limit saved taxpayers since it took effect in 2002?

Taxpayers have saved an estimated $1.6 billion in property taxes since the 1 percent limit imposed by I-747 took effect in 2002. This estimate is based on the assumption that if the limit had not been in effect, taxing districts would have continued to collect the same percentage increase in taxes in 2002 and beyond, that they did in 2001. Property taxes are now about 6.6 percent lower than they otherwise would have been. The chart below depicts the cumulative savings compared to property taxes collected.
Q. Can taxing districts use “banked capacity” to increase taxes beyond 1 percent?

Some taxing districts have levied less than the maximum amount allowed over the years, particularly in the years before the Ref. 47 and I-747 tax limitations took effect. The law allowed these districts to retain the right to use that “banked” capacity at some future date. Many districts have never used that capacity even though they could have done so at any time.

While some districts have the authority to increase taxes beyond the 1 percent limit at some future date, this doesn’t allow them to recoup taxes from past years. The Department estimates that altogether, taxing districts have about $108 million in banked capacity, meaning if every one of these districts decided to use all their banked capacity, property taxes could increase another $108 million. This is a relatively small amount, 1.4 percent, compared to $7.7 billion in collections in 2008. Examples of taxing districts with substantial banked capacity include port districts and some cities such as Bellevue, which has enough assessed valuation that it doesn’t need to collect all the property taxes it could collect. For more information on banked capacity, please see our banked capacity Q&A and spreadsheet at http://dor.wa.gov/content/aboutus/newsroom/html/bankedcapacityqna.aspx.

Q. How do property taxes stack up against personal income and taxes in other states?

Property taxes relative to income have varied over the years but over time have kept in line with personal incomes. In 2005, the most recent year for which national comparisons are available, Washingtonians paid $30.60 in property taxes per $1,000 of personal income. At that time, Washington ranked 28th highest among the states. In 1995, property taxes were $36.30 per $1,000 for a ranking of 24th highest. In 1985, they were $32.59 per $1,000 of personal income, or 24th-highest in national ranking. Thus, Washington usually ranks halfway between the highest and lowest states in property taxes relative to income.

Property Taxes Per $1,000 Personal Income

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<tr>
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<tr>
<td>Taxes</td>
<td>$33.82</td>
<td>$32.59</td>
<td>$33.82</td>
<td>$36.30</td>
<td>$31.53</td>
<td>$30.60</td>
</tr>
</tbody>
</table>

Property taxes relative to personal income have remained within a narrow range in the past 25 years.
Q. How are my property taxes spent?

This varies by location, but statewide, 54.6 percent of property taxes were used to finance schools in 2007. Counties receive 17.1 percent for general county government and roads, cities receive 13.9 percent, and junior taxing districts such as fire districts, ports and libraries shared 14.4 percent.

Q. Is there any help available for senior citizens or the disabled?

Yes. Senior citizens and the disabled on limited incomes are eligible for exemption from paying some property taxes, depending on their income levels. More information is available at http://dor.wa.gov/content/FindTaxesAndRates/PropertyTax/.

Q. What other information is available on property taxes?

Detailed information on property taxes levied by all taxing districts is available in “Property Tax Statistics,” which the Department publishes annually based on information it receives from counties.
see attached
I hope this is helpful
Call me if you have any questions
### SCHOOL DIST PROPERTY TAX RECALCULATIONS FOR ADDN TAXABLE AV to 2012 TAXABLE VALUE (with formulas)

**TAX YEAR** | **2012** | **Current Tax on 250K Prop**
---|---|---

#### FERNDALE SCHOOL DIST #502

<table>
<thead>
<tr>
<th></th>
<th>Curr Tax AV</th>
<th>Curr Levy Rate</th>
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<tbody>
<tr>
<td>M&amp;O</td>
<td>3,565,732,874</td>
<td>3.1771903029</td>
<td>11,329,011.91</td>
</tr>
<tr>
<td>BOND</td>
<td>3,566,144,807</td>
<td>0.9026406369</td>
<td>3,218,974.22</td>
</tr>
<tr>
<td>CAP PROJ BOND</td>
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<td>0.1970336114</td>
<td>702,650.39</td>
</tr>
<tr>
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#### BLAINE SCHOOL DIST #503

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**Recalc Explanation**

Current Levy Amounts for collection in 2012
Add Taxable Value to 2012 Current Taxable Valuations
250K approx Median value home

### SCHOOL DIST PROPERTY TAX RECALCULATIONS FOR ADDN TAXABLE AV to 2012 TAXABLE VALUE (without formulas)

**TAX YEAR** | **2012** | **Current Tax on 250K Prop**
---|---|---

#### FERNDALE SCHOOL DIST #502

<table>
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**Recalc Explanation**

Current Levy Amounts for collection in 2012
Add Taxable Value to 2012 Current Taxable Valuations
<table>
<thead>
<tr>
<th>TAX AV + 1M</th>
<th>Recalc Levy Rate +1M</th>
<th>Recalc Levy Rate Diff +1M</th>
<th>Recalc Tax +1M on 250K Prop</th>
<th>Tax Diff +250M on 250K Prop</th>
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Good Afternoon,

Attached is correspondence received in the Executive office today from GPT regarding current public policy issues - dated 06-14-12.

Thank you,

Suzanne Mildner  
Administrative Secretary/Grants Coordinator  
Whatcom County Executive Department  
311 Grand Avenue, Suite 108  
Bellingham, WA 98225  
(360) 676-6717  
smildner@co.whatcom.wa.us
June 14, 2012

Honorable Jack Louws
Whatcom County
311 Grand Ave, Suite 108
Bellingham, WA 98225

Dear County Executive Louws

The Gateway Pacific Terminal project is one of the more widely discussed issues throughout Northwest Washington. As a regional leader, we want to make sure that you are aware of some of the important public policy issues that are at stake. The following items are enclosed:

- **Matt Rose, the CEO of BNSF Railway Company,** sets the record straight on such issues as rail capacity, coal dust, and diesel emissions in a letter to Governor Gregoire. Rose not only assures the Governor that coal dust will not be an issue, but that BNSF will ensure there is adequate capacity to handle future freight and passenger rail volumes.

- **"Will the Northwest Economy be a Casualty of the War on Coal?"** Don Brunell, President of the Association of Washington Business—the largest and oldest business association in the state, claims that environmental groups are attacking Pacific Northwest coal exporting facilities based on a larger war against coal, but may end up hindering the review process for all future industrial developments.

- **Washington’s Freight Mobility Strategic Investment Board,** adopted a policy pointing to the importance of bulk commodity exports and expressing its concern for subjecting transportation infrastructure projects to expanded layers of permit reviews for each export product in question (wheat, coal, etc.). "...if such procedures were applied to a variety of projects, such as grain elevators or manufacturing centers, it is doubtful whether projects could ever come to fruition or whether the state could continue to attract the investment for a first-class road, rail and air freight system." The Board's purpose is to create a state program to facilitate freight movement to enhance trade opportunities, and to find solutions that lessen the impact of the movement of freight on local communities.

- **Engineers and Trainmen: ‘No Health Issues Related to Coal Dust’**—In a press release, the railroad union states that despite working directly with coal trains 24 hours a day, seven days a week, none of their members have experienced adverse health effects from coal dust.

Please be sure to let us know if we can provide any information of interest to you. Thank you for your attention to this important matter.
Craig Cole craig.cole@gatewaypacificterminal.com

Cc: Dana Brown-Davis, Clerk of the Council
May 14, 2012

The Honorable Christine Gregoire
Office of the Governor
Post Office Box 40002
Olympia, WA 98504-0002

Dear Governor Gregoire:

As you are aware, this subject of the potential impact on Washington state from the opening of new bulk export facilities along the state’s coast has generated substantial interest and public debate. Unfortunately, much of the public discussion is misleading and incorrect. As a result, I write to provide you with additional information regarding these assertions.

For over a century, BNSF Railway Company (BNSF) has been serving Washington state. Our railroad is a key component of many of the state’s leading economic engines—from natural resources to consumer products and aerospace. International trade has always been a driver of Washington’s diverse economy, and bulk commodities, such as coal and agricultural products from Montana and Wyoming, have been part of Washington’s export trade flow for decades.

The proposed Gateway Pacific Terminal (GPT) at Cherry Point would enable the state to benefit directly from the growth in the export of bulk commodities and allow Washington state ports to effectively compete with ports in Canada and Mexico.

At the outset, much of the public debate about GPT (and other proposed export terminals) has been framed by national advocacy groups that are attempting to affect world energy and climate policy. These groups are not interested in seeing the proposed terminal’s economic and environmental impacts on Washington state properly evaluated. These groups have raised a number of assertions which are incorrect. In particular, I would like to highlight a few issues: existing and future freight capacity, ongoing commitments to passenger rail service and capacity, and particular matter and coal dust.

Freight Rail Capacity and Investment—It has been asserted in the media that freight rail traffic serving GPT will cause a potential shortage of capacity for other port freight movements and passenger rail service. This assertion is incorrect. Rather, I want to assure you that BNSF will ensure that we have adequate capacity to handle current and future freight and passenger volumes. The reality is that increased freight rail volume, including coal, provides the necessary private capital to refresh BNSF’s physical plant and expand capacity.

Some have suggested exaggerated increases in train counts resulting from the GPT facility. Like any freight flow that fluctuates with an ever-changing global marketplace, we do not know what the net effect in train traffic would be. (For example, the GPT facility could well draw business away from Canadian exports, thereby reducing traffic north of the border.) Whatever the daily
train count, it will be a small fraction of the overall freight and passenger rail traffic in Washington state.

Strategic planning, construction, and maintenance of rail infrastructure and facilities are central to BNSF's ongoing commitment to its current customers in Washington and across our 28-state system. We constantly update and refine a capital investment program that anticipates and responds to dynamic customer needs and changing traffic volumes, as well as deployment of new technology to ensure even higher levels of efficiency and safety.

BNSF regularly invests over $100 million annually in Washington state to preserve, maintain and grow freight rail capacity. In 2012, $106 million is slated for improvements across the state, to enhance service for existing customers. As evidenced by our recent capital investments at the Seattle International Gateway and other yard improvements, new rail access to the Port of Vancouver, advanced signalization, and siding construction and extensions around the state—BNSF is actively investing in Washington to ensure that we meet current and future customers' rail service requirements. As new business opportunities are considered, their impact on velocity, capacity and a host of other potential impacts are evaluated to ensure that service requirements will be met for new—as well as existing—customers.

Passenger Rail Capacity and Service—Next, I want to assure you that our agreements with Washington state and Amtrak will ensure that increased freight traffic will not harm the Amtrak Cascades and Sounder commuter rail operations. Detailed agreements obligate BNSF to meet specific service requirements, and there are consequences for failure to do so.

Since its launch in the mid-1990s, Amtrak Cascades passenger volumes have consistently grown, along with its ridership popularity. This success is tied directly to BNSF’s commitment to consistently high on-time performance, and would not be possible but for the fact that BNSF accommodated its own growth in freight volumes through consistent and aggressive capital investment and operations efficiencies. For close to two decades, Washington state and BNSF have built a partnership of success based on the blending of public and private investment, to meet growing public and private traffic volumes. And, our experience with Sounder commuter rail is no different. Our agreements with Sound Transit, in effect, dedicate rail capacity to help ensure the success of service levels and schedules.

Emissions Reduction—In 2012, BNSF will make an overall capital investment of $3.9 billion, including $1.1 billion for the purchase of new rolling stock with most of that for energy-efficient, low-emission locomotives. These new “Tier 3” locomotives achieve the highest EPA emissions standards available from locomotive manufacturers. From pre-2000 units, these latest locomotives cut NOx by 60 percent and particulate matter by 69 percent.

With the newest locomotive fleet in the industry, and further deployment of other green technology—like the wide-span electric cranes installed in Seattle (the first in North America), we are proud of our environmental stewardship. Rail is four times more fuel-efficient and has 75 percent less emissions than trucking, making it the most environmentally-friendly mode of surface transportation, and we are continuing to make strides toward a cleaner environment.

Coal Dust—Despite decades of hauling coal in Washington, we are not aware of a single complaint raised about coal dust until the recent interest in coal exports. In fact, railroads were first to recognize coal dust, which impacted proper track ballast drainage near the mines, resulting in derailments. In response, we have called on customers to treat coal loads with a surface "cruising agent" at the mine to prevent dust. While the exact method of coal dust suppression is
a decision of the mine and the railroad, we can be confident that, as a result of these steps, virtually no measurable coal dust will exit coal cars in Washington state or any point along the trip from the mines to the port facility.

As always, BNSF is committed to working with Washington to strengthen the state’s trade competitiveness and grow family wage jobs, and to do so in an environmentally-responsible manner.

Sincerely,

Matthew K. Rose

Matthew K. Rose
Will the Northwest Economy be a Casualty of the War on Coal?

Friday, May 25, 2012

Written by Don C. Brunell

Activists waging a national war on coal have turned their sights on the Pacific Northwest, targeting proposed shipping terminals in Washington and Oregon that would export coal to China.

They're aggressively lobbying federal officials to change how these projects are evaluated. If they succeed, our economy could become a casualty of the war on coal.

Currently, such projects undergo a rigorous environmental review known as an Environmental Impact Statement (EIS) involving months or even years of public hearings and analysis by federal, state and county regulators. The EIS for each project must also examine the cumulative impacts of other potential activities in the area.

But opponents want to insert a second, more expansive layer of environmental review, which some are calling a Programmatic EIS (PEIS), which would have to be completed before each individual project EIS could begin. This additional review would include all of the Washington and Oregon proposals and expand to analyze their potential "cumulative" economic and environmental impacts across the region, the United States or perhaps the world.

A PEIS is historically reserved for assessing the broad national impacts of a federal action or a new federal policy. But the activists want to apply that same scope of review to a local shipping terminal.

For example, what would be the collective impacts on air, water, wildlife and so on, if all the proposals are built? And what are the additional environmental impacts of the coal mines in Wyoming and Montana? What are the additional environmental impacts along the rail lines from the mines to the terminals? How about the environmental impacts of shipping the coal to Asia? Or the global impact of Asia burning U.S. coal?

Opponents argue that all of these issues should be part of an additional environmental review.

Couldn’t happen? Think again.

Oregon Gov. John Kitzhaber, the Washington State Department of Ecology, the Region 10 office of the
Environmental Protection Agency, the City of Seattle and the Yakama Nation are among those urging the U.S. Corps of Engineers to change the rules. They want the Corps to conduct a special analysis of the so-called cumulative effects of all the proposed terminals.

Even if this extra layer of analysis didn’t ultimately block the projects, it would delay them for years. The opponents’ presumed goal is to create delay and legal gridlock, making it so difficult, time-consuming and expensive that the backers ultimately give up.

Call it “death by a thousand lawyers.”

Eric Johnson, executive director of the Washington Public Ports Association, agrees that these projects should undergo rigorous review. “However,” he notes, “this review should be of the project itself, not of the overall system of commerce across our region, the United States, or as urged by some commenters, the entire world.”

Johnson warns that requiring an additional layer of analysis for these projects would set a dangerous precedent in a state where one of every three jobs is linked to trade. “If this precedent is applied to all products imported and exported through our port transportation system, we will bog our project review timeline down in needless process.”

Consider the possibilities.

Want to expand an aircraft manufacturing facility? Why not require the study of the pollution impacts of all of the manufacturer’s subcontractors worldwide? Why not examine the greenhouse gas effects of jet engine exhaust around the globe?

Would it ever go this far? No one knows for sure, but would you want to take that chance?

For employers trying to decide whether to locate or expand their business in the Northwest, the uncertainty is enough to convince them to take their business — and their jobs — elsewhere.

About the Author
Don Brunell is the president of the Association of Washington Business. Formed in 1904, the Association of Washington Business is Washington's oldest and largest statewide business association, and includes more than 7,800 members representing 700,000 employees. AWB serves as both the state's chamber of commerce and the manufacturing and technology association. While its membership includes major employers like Boeing, Microsoft and Weyerhaeuser, 90 percent of AWB members employ fewer than 100 people. More than half of AWB's members employ fewer than 10. For more about AWB, visit www.awb.org.
FMSIB Policy on changing evaluation requirements based upon commodity

The board shall develop and recommend policies that address operational improvements that primarily benefit and enhance freight movement. (RCW 47.06A.020 (7))

The Freight Mobility Strategic Investment Board has studied the various comments and reactions to announced plans for proposed bulk import/export marine terminals in the state of Washington. The board has discussed the concerns that have been raised about these facilities, specifically the concerns about the commodity impacts not the terminal design and operating impacts, and considered their relationship to the FMSIB mission of enhancing freight capacity and efficiency within the state.

FMSIB believes that bulk import/export facilities are important to stimulate more trade within the state and across state borders. We believe this is congruent with the federal export policy of doubling exports over the next five years and of the state’s export policy. Bulk product terminals, as well as container terminals and other cargo handling terminals, regardless of the commodity shipped, create the economic basis that stimulates investments in roads, rail, port connections and terminal infrastructure so necessary to our state economy. The import/export of bulk cargo also stimulates investment in basic infrastructure that supports the movement of non-bulk cargoes, such as containerized traffic, home-building supplies, industrial products, autos and much more, the movement of which creates jobs, payrolls and tax revenue for state and local governments.

The FMSIB mission, in part, is to recommend policies that address operational improvements that benefit and enhance freight movement and that recognize the economic importance of freight movement to Washington State. FMSIB is very concerned of the precedent that will be set if Washington State Agencies require new marine terminal infrastructure environmental review to include an analysis of the source and destination effects of the commodity that is being moved. This would be a substantial deviation from existing commonly followed environmental impact analysis procedures. The new analysis that is being requested asking for this broad-scale impact analysis of the production and consumption effects of a particular commodity far away from project sites will create significant delays and economic problems for the development of freight infrastructure in our state. If such procedures were applied to a variety of projects, such as grain elevators or manufacturing centers, it is doubtful whether projects could ever come to fruition or whether the state could continue to attract the investment for a first-class road, rail and air freight system.

In addition, the calls for a broad programmatic analyses of unrelated projects, in very different locations, with separate environmental concerns and solutions, based solely on the proposed movement of a similar commodity through these projects sets a policy that will undermine the ability of this State to attract investment in freight infrastructure. Broad programmatic analysis of projects that are only related due to the commodity, or a related use, will serve to significantly and unnecessarily delay any development and force those developments to occur outside our State. FMSIB is also concerned that the precedent of broad programmatic analysis on related projects would in the future be expanded, and used to prevent the development of other freight related infrastructure.

In taking this policy position FMSIB is not taking a position, either in favor or opposed, to any specific project.
Brotherhood of Locomotive Engineers and Trainmen

A Division of the Rail Conference — International Brotherhood of Teamsters

Washington State Legislative Board
Workplace Safety, Health, and Education

April 18, 2012

FOR MORE INFORMATION:
Mike.Elliott.WSLSB@Comcast.net

Engineers and Trainmen: ‘No Health Issues Related To Coal Dust’

The Washington State Legislative Board of the Brotherhood of Locomotive Engineers and Trainmen is concerned about deceptive tactics being used against major infrastructure projects in the State, said its chairman, Mike Elliott.

Proposals for major bulk export terminals are being considered in Longview and Whatcom County. These projects will generate thousands of union jobs and desperately needed tax revenues for state and local governments. The first commodity to be exported will be coal, to be transported by rail from the Powder River Basin in Wyoming.

“The public is being misled about trains and coal,” said Elliott. “Our union knows more about these issues than the Sierra Club, and we can’t stand idly by while they scare people with misleading information and take jobs away.”

“I have worked in, on, and around trains and rail equipment for over 17 years all across Washington State,” Elliott said. “I am active in our union and in the labor community. Recently, there has been a lot of misleading information circulated regarding coal trains and the transportation of coal by rail—namely coal dust. I can tell you for certain I have never experienced or heard complaints of coal dust from trains in Washington State.

“None of my members, who operate and work around coal trains 24/7, have reported health issues related to coal dust. This is a non-issue as far as our organization is concerned. In fact, ensuring our members have a safe and healthy work environment is our highest priority. If the trains we work on and around carried anything that posed a health risk to my membership or the community, you could be certain that I would be taking action to correct the problem.

“Actually, the greatest risk to my membership – and the Washington State community at large – is this misinformation campaign. The truth is rail is one of the most environmentally sound ways to ship goods in our country, and we have been shipping coal, grain, and many other commodities safely and cleanly every day for decades.

220 S. 27th St., Suite “B”, Tacoma, WA. 98407
But with all the fear and misinformation being spread around, people are getting the wrong idea, that somehow we need less rail transportation. In fact, we should be supporting more rail transportation projects that strengthen our supply chain across America. We’re going to get the truth out about rail transportation and fight back against these types of attacks on our jobs.”

Mike Elliott, Chairman