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SEA

SERVICE DATE – FEBRUARY 24, 2006

SURFACE TRANSPORTATION BOARD
WASHINGTON, DC 20423

ENVIRONMENTAL ASSESSMENT

STB Docket No. AB-1067 (Sub-No. 1X)

**Iowa Northwestern Railroad – Abandonment Exemption – in Osceola and Dickinson
Counties, IA**

BACKGROUND

In this proceeding, General Railway Corporation, d/b/a Iowa Northwestern Railroad (IANW) filed a petition for exemption under 49 U.S.C. 10502 seeking exemption from the requirements of 49 U.S.C. 10903 to abandon a line of railroad known as the Iowa Northwestern Railroad (the Line) in Osceola and Dickinson Counties, Iowa. The Line extends 17.05 miles from milepost 235.25 near Lake Park, Iowa, to the end of the Line at milepost 252.3 near Allendorf, Iowa. A map depicting the Line in relationship to the area served is appended to this Environmental Assessment (EA). If the petition is granted, IANW will be able to salvage track, ties and other railroad appurtenances and to dispose of the right-of-way.

ENVIRONMENTAL REVIEW

IANW submitted an environmental report that concludes the quality of the human environment will not be affected significantly as a result of the abandonment or any post-abandonment activities, including salvage and disposition of the right-of-way. IANW served the environmental report on a number of appropriate Federal, state, and local agencies as required by the Surface Transportation Board's (Board) environmental rules [49 CFR 1105.7(b)]. The Board's Section of Environmental Analysis (SEA) has reviewed and investigated the record in this proceeding.

According to IANW, no local traffic has moved on the Line since December 22, 2003 and there has been no overhead traffic on the Line since it was stub-ended in 1993. Thus, the abandonment would not cause the diversion of rail traffic to other transportation modes. Accordingly, the proposed abandonment would not adversely impact the development, use and transportation of energy resources or recyclable commodities; transportation of ozone-depleting materials; or result in the diversion of rail traffic to truck traffic that could result in significant impacts to air quality or the local transportation network.

IANW's proposed salvage activities would include removing the rail, ties and other track material from the right-of-way. IANW plans to transfer a small amount of ballast to its remaining operational trackage on rail line that is not part of this proposed abandonment. The rest of the ballast would remain in place and a small number of ties would be used for fencing.

Highway crossings would be removed and all highway crossing areas would be graded or paved, as appropriate. The crossing signals at Ocheyedan and Highway 9 would be removed and all crossbuck signs and unsignaled crossings would be removed as well. The two bridges and the culverts would remain intact, as would the track bed, although IANW plans to grade the trackbed.¹

SEA believes that any air emissions associated with salvage operations would be temporary and would not have a significant impact on air quality. Noise associated with salvage activities would also be temporary and should not have a significant impact on the area surrounding the proposed abandonment.

In the environmental report, IANW states that it has had discussions with the U.S. Army Corps of Engineers (Corps) and the Corps indicated that no permits would be required for the proposed abandonment. IANW also states that the proposed abandonment would not cause a change in wetlands or floodplains. SEA is providing a copy of this EA to the Corps, the U.S. Environmental Protection Agency, the Natural Resources Conservation Service, the National Geodetic Survey, and the Iowa Department of Natural Resources for their review and comment.

The U.S. Fish and Wildlife Service submitted comments stating that the proposed abandonment would not impact Federally listed threatened or endangered species.

According to IANW, over 95 percent of the right-of-way passes through rural farm and pasture land. The right-of-way is generally 100 feet in width, with narrower sections passing through the towns of Allendorf and Harris. IANW states that it intends to preserve the right-of-way for future railroad use by transferring the right-of-way to a trails group for hiking and biking; IANW desires that the trail group convert at least part of the right-of-way back to native prairie. The Iowa Natural Heritage Foundation (INHF), the Iowa Trails Council (ITC), and the Dickinson County Trails Board have submitted filings to the Board expressing support for the development of a trail on the right-of-way. In their filings, INHF and ITC have requested that the Board issue a public use condition and a notice of interim trail use. See 49 CFR 1152.28 and 1152.29.

¹ IANW's petition includes a copy of a court order by the United States District Court for the Northern District of Iowa, Western Division. This court order discusses pending litigation between IANW and Cooperative Elevator Association, the one shipper on the Line, and indicates that IANW has already salvaged portions of the Line. In addition, Iowa Central Railroad Co. submitted a filing to the Board on February 9, 2006, alleging that the entire Line has already been salvaged and the information regarding proposed salvage activities in the environmental report is inaccurate. However, because it is unclear exactly which portions of the Line have been salvaged and whether IANW would conduct any remaining salvage activities for those areas of the right-of-way where the track and ties have been removed, SEA's discussion of potential impacts from salvage activities in this EA includes the entire length of the rail line proposed for abandonment.

HISTORIC REVIEW

IANW served a historic report on the State Historical Society of Iowa (State Historic Preservation Officer or SHPO), pursuant to 49 CFR 1105.8(c). In the report, IANW states that there are no structures built by the railroad or its predecessors that are over 50 years old. There are two bridges on the Line. One of the bridges was rebuilt as a steel piling bridge in 1987 and the other bridge is a short two pile trestle bridge that has had renewed pile trestles within the past 40 years. IANW also states that a former Milwaukee Railroad depot was relocated to the Line at Harris, Iowa from Fostoria, Iowa in May, 2004. According to IANW, the structure is in fair condition and was modified by the addition of a storage shed in the late 1970s. IANW plans to sell or donate this structure to the Northwest Iowa Railroad Historical Society for removal to an active portion of the IANW.

The SHPO has not completed its review of the proposed abandonment. Accordingly, we will recommend a condition requiring IANW to retain its interest in and take no steps to alter the historic integrity of all sites, buildings, and structures within the project right-of-way that are eligible for listing or listed in the National Register of Historic Places (generally, 50 years old or older) until the Section 106 process has been completed.

SEA conducted a search of the Native American Consultation Database at <http://www.cast.uark.edu/other/nps/nacd/> and identified seven Federally-recognized tribes that may be interested in projects in Osceola and Dickinson Counties, Iowa. These tribes are the following: the Flandreau Santee Sioux Tribe of South Dakota; the Lower Sioux Indian Community of the State of Minnesota; the Prairie Island Indian Community in the State of Minnesota; the Santee Sioux Nation, Nebraska; the Sisseton-Wahpeton Oyate of the Lake Traverse Reservation, South Dakota; the Spirit Lake Tribe, North Dakota; and the Upper Sioux Community, Minnesota. SEA is sending a copy of the EA to these tribes for their review and comment.²

CONDITION

We recommend that the following environmental condition be imposed on any decision granting abandonment authority:

Iowa Northwestern Railroad shall retain its interest in and take no steps to alter the historic integrity of all sites, buildings, and structures within the project right-of-way that are eligible for listing or listed in the National Register of Historic Places (generally, 50 years old or older) until the Section 106 process of the National Historic Preservation Act, 16 U.S.C. 470f, has been completed. The railroad shall report back to the Section of Environmental Analysis regarding any consultations with the State Historical Society of Iowa and any other Section 106 consulting

² A copy of IANW's environmental report and historic report is available for viewing on the Board's website at www.stb.dot.gov by going to "E-Library," selecting "Filings," and then conducting a search for the filings for AB-1067 (Sub-No. 1X).

parties. IANW shall not consummate the abandonment or initiate any salvage activities until the Board removes this condition.

CONCLUSIONS

Based on the information provided from all sources to date, SEA concludes that, as currently proposed, and if the recommended condition is imposed, abandonment of the Line will not significantly affect the quality of the human environment. Therefore, the environmental impact statement process is unnecessary.

Alternatives to the proposed abandonment would include denial (and therefore no change in operations), discontinuance of service without abandonment, and continued operation by another operator. In any of these cases, the existing quality of the human environment and energy consumption should not be affected.

PUBLIC USE

Following abandonment and salvage of the Line, the right-of-way may be suitable for other public use. A request containing the requisite four-part showing for imposition of a public use condition (49 CFR 1152.28) must be filed with the Board and served on the railroad within the time specified in the Federal Register notice.

TRAILS USE

A request for a notice of interim trail use (NITU) is due to the Board, with a copy to the railroad, within the time specified in the Federal Register notice. Nevertheless, the Board will accept late-filed requests as long as it retains jurisdiction to do so in a particular case. This request must comply with the Board's rules for use of rights-of-way as trails (49 CFR 1152.29).

PUBLIC ASSISTANCE

The Board's Office of Public Services (OPS) responds to questions regarding interim trail use, public use, and other reuse alternatives. You may contact OPS directly at (202) 565-1592, or mail inquiries to Surface Transportation Board, Office of Public Services, Washington, DC 20423.

COMMENTS

If you wish to file comments regarding this environmental assessment, send an **original and two copies** to Surface Transportation Board, Case Control Unit, Washington, DC 20423, to the attention of Rini Ghosh, who prepared this environmental assessment. Environmental comments may also be filed electronically on the Board's web site, www.stb.dot.gov, by clicking on the "E-FILING" link. **Please refer to Docket No. AB-1067 (Sub-No. 1X) in all correspondence, including e-filings, addressed to the Board.** If you have any questions

regarding this environmental assessment, please contact Rini Ghosh, the environmental contact for this case, by phone at (202) 565-1539, fax at (202) 565-9000, or e-mail at ghoshr@stb.dot.gov.

Date made available to the public: February 24, 2006

Comment due date: March 27, 2006.

By the Board, Victoria Rutson, Chief, Section of Environmental Analysis.

Vernon A. Williams
Secretary

Attachment