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SERVICE DATE – JULY 30, 2010

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35392]

Gregory B. Cundiff, Connie Cundiff, CGX, Inc. and Ironhorse Resources, Inc.–
Continuance in Control Exemption–Gardendale Railroad, Inc.

Gregory B. Cundiff (Mr. Cundiff), Connie Cundiff (Mrs. Cundiff), CGX, Inc. (CGX), and Ironhorse Resources, Inc. (Ironhorse) (collectively, applicants), all noncarriers, jointly have filed a verified notice of exemption to continue in control of Gardendale Railroad, Inc. (GRI), upon GRI becoming a Class III rail carrier.

This transaction is related to a concurrently filed verified notice of exemption in Docket No. FD 35391, Gardendale Railroad–Operation Exemption–Rail Line of Border Transload & Transfer, Inc. at Gardendale, LaSalle County, Tex. In that proceeding, GRI seeks an exemption under 49 C.F.R. § 1150.31 to operate 1.86 miles of rail line owned by Crystal City Railroad, Inc., extending between specified points in Texas.

The applicants intend to consummate the transaction no sooner than August 13, 2010, the effective date of the exemption (30 days after the exemption was filed).

GRI is owned by Ironhorse, a noncarrier holding company. Ironhorse is owned by CGX, a noncarrier holding company. CGX is owned by Mr. and Mrs. Cundiff, individuals who are noncarriers. CGX owns the following rail carriers: Crystal City Railroad, Inc., Lone Star Railroad, Inc., Rio Valley Railroad, Inc., and Mississippi

Tennessee Holdings, LLC. Ironhorse owns the following carriers: Railroad Switching Service of Missouri, Texas Railroad Switching, Inc, Rio Valley Switching Company, Southern Switching Company, Mississippi Tennessee Railroad, LLC, and GRI.

Applicants certify that: (1) the rail line to be operated by GRI does not connect with any other railroads in their corporate family; (2) the continuance in control is not part of a series of anticipated transactions that would connect this rail line with any other railroad in their corporate family; and (3) the transaction does not involve a Class I rail carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. § 11323. See 49 C.F.R. § 1180.2(d)(2).

Under 49 U.S.C. § 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under §§ 11324 and 11325 that involve only Class III rail carriers. Accordingly, the Board may not impose labor protective conditions here because all of the carriers are Class III carriers.

If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Stay petitions must be filed no later than August 6, 2010 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35392, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington,

D.C. 20423-0001. In addition, one copy of each pleading must be served on Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, Ill. 60604.

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Decided: July 23, 2010.

By the Board, Joseph H. Dettmar, Acting Director, Office of Proceedings.