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SERVICE DATE - LATE RELEASE DECEMBER 27, 2001

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-472 (Sub-No. 1X)

DAKOTA RAIL, INC.—ABANDONMENT EXEMPTION—IN McLEOD, CARVER, AND  
HENNEPIN COUNTIES, MN

Decided: December 27, 2001

By decision served on November 30, 2001, the Board, under 49 U.S.C. 10502, exempted from the prior approval requirements of 49 U.S.C. 10903, the abandonment by Dakota Rail, Inc. (Dakota Rail), of its entire rail line from milepost 24.6, near Wayzata, to the end of the line at milepost 68.5, in Hutchinson, a distance of approximately 43.9 miles, in McLeod, Carver, and Hennepin Counties, MN, subject to public use, environmental, and historic conditions. The exemption was scheduled to become effective on December 30, 2001, unless an offer of financial assistance (OFA) was filed on or before December 10, 2001.

On December 10, 2001, Hennepin County Regional Railroad Authority (HCRRA) timely filed an OFA under 49 U.S.C. 10904 and 49 CFR 1152.27 to purchase the entire 43.9-mile line for \$5 million. By decision served on December 14, 2001, HCRRA was found to be financially responsible and the effective date of the decision authorizing abandonment of the line was postponed to permit the financial assistance process to proceed. The December 14 decision also noted that, on or before January 9, 2001, either party could request that the Board establish terms and conditions for the sale of the line if no agreement was reached during negotiations.

By letter filed on December 20, 2001, Dakota Rail advised the Board that Dakota Rail and HCRRA have reached agreement for HCRRA to acquire the line from Dakota Rail.

When a carrier and a person offering to purchase a line enter into an agreement for continued rail service, the Board is required to approve the transaction and dismiss the petition for exemption. See 49 U.S.C. 10904 and 49 CFR 1152.27(f)(2). Accordingly, the sale will be approved and the petition for exemption will be dismissed.

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. Under 49 U.S.C. 10904, HCRRA is authorized to acquire the line described above.

2. Under 49 U.S.C. 10904 and 49 CFR 1152.27(f)(2), the petition for exemption is dismissed effective on the date the sale is consummated.

3. This decision is effective on its service date.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams  
Secretary