

43756
DO

SERVICE DATE – LATE RELEASE APRIL 17, 2014

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. AB 55 (Sub-No. 718X)

CSX TRANSPORTATION, INC.—
ABANDONMENT EXEMPTION—IN ALACHUA COUNTY, FLA.

Docket No. AB 507 (Sub-No. 1X)

FLORIDA NORTHERN RAILROAD COMPANY, INC.—DISCONTINUANCE OF SERVICE
EXEMPTION—IN ALACHUA COUNTY, FLA.

Decided: April 17, 2014

CSX Transportation, Inc. (CSXT), and Florida Northern Railroad Company, Inc. (FNOR), jointly filed a verified notice of exemption under 49 C.F.R. pt. 1152 subpart F—Exempt Abandonments and Discontinuances of Service for: (1) CSXT to abandon approximately 11.62 miles of rail line on CSXT's Southern Region, Jacksonville Division, West Coast Subdivision, between milepost AR 716.88, at High Springs, and milepost AR 726.69, at Newberry, and milepost ARB 717.11, at High Springs, and milepost ARB 718.92, at High Springs, in Alachua County, Fla. (the Line); and (2) FNOR to discontinue service over approximately 9.81 miles of rail line between milepost AR 716.88, at High Springs, and milepost AR 726.69, at Newberry (the FNOR Line). Notice of the exemption was served and published in the Federal Register on December 10, 2013 (78 Fed. Reg. 74,227). The notice of exemption was scheduled to become effective on January 9, 2014, unless it was stayed by the Board or a formal expression of intent to file an offer of financial assistance (OFA) under 49 U.S.C. § 10904 and 49 C.F.R. § 1152.27(c)(2) was filed by December 20, 2013.

On December 20, 2013, Seaside Holdings, Inc. (Seaside), filed a formal notice of intent to file an OFA to purchase the Line from CSXT and a request to toll the OFA due date until 10 days after Seaside received the information about the Line that it requested from CSXT and FNOR. CSXT and FNOR replied on December 24, 2013, proposing that the due date be extended to March 17, 2014. The Board, in a decision served on January 16, 2014, tolled the due date until March 17, 2014. By letter filed on March 26, 2014, CSXT stated that it was finalizing the information to be provided to Seaside and requested that the deadline for Seaside to file an OFA be extended to April 18, 2014. The Board, in a decision served on March 31, 2014, granted that request.

In a letter filed on April 14, 2014, Seaside requests that the deadline to file an OFA be extended to May 19, 2014, asserting that it did not receive the requested information until April 8, 2014, and that it would have to engage the services of a real estate appraiser. In response, CSXT filed a letter in opposition on April 14, 2014, arguing that from the time the information was supplied

Seaside had the full 10-day time period it requested when it filed the notice of intent and that Seaside could have engaged a real estate appraiser at any time during the abandonment process.

Seaside's request to extend the OFA deadline will be denied. The Board typically does not allow extensions of time for filing OFAs when the line owner objects. See, e.g., Lassen Valley Ry.—Aban. Exemption—in Washoe Cnty., Nev. & Lassen Cnty., Cal., AB 1074X (STB served Sept. 7, 2011). Here, Seaside requested 10 days to submit an offer once the railroad provided the required information. Seaside's desire to retain its own appraiser is not an adequate justification for further delay. The due date for Seaside's OFA remains April 18, 2014. If by that date Seaside has not filed an OFA satisfying the standards of 49 U.S.C. § 10904(d), the OFA process will be terminated and the effective date of the exemption will be April 28, 2014.¹

It is ordered:

1. Seaside's request to extend the OFA deadline is denied.
2. If Seaside has not filed an OFA satisfying the standards of 49 U.S.C. § 10904(d) by April 18, 2014, the OFA process is terminated and the effective date of the exemption is April 28, 2014.
3. This decision is effective on its date of service.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.

¹ Any conditions recommended by the Board's Office of Environmental Analysis will be addressed in a subsequent decision.