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SEA

SERVICE DATE – MARCH 13, 2009

SURFACE TRANSPORTATION BOARD
WASHINGTON, DC 20423

ENVIRONMENTAL ASSESSMENT

STB Docket No. AB-33 (Sub-No. 272X)

**Union Pacific Railroad Company – Abandonment Exemption –
in Kootenai County, ID**

BACKGROUND

In this proceeding, Union Pacific Railroad Company (UP) has filed a petition of exemption under 49 U.S.C. 10502 from the prior approval requirements of 49 U.S.C. 10903 seeking to abandon a portion of its Coeur d'Alene Industrial Lead, from milepost 7.5 near Gibbs, ID, to its end at milepost 8.79 at Coeur d'Alene, a distance of 1.29 miles in Kootenai County, ID. According to UP, there are no customers on the Line. The Line traverses U.S. Postal Service Zip Code 83814. A map depicting the proposed abandonment and discontinuance in relationship to the area served is appended to this Environmental Assessment (EA).

ENVIRONMENTAL REVIEW

UP has submitted an environmental report that concludes that neither the proposed abandonment nor post-abandonment activities, such as salvage and disposition of the right-of-way, would significantly affect the quality of the human environment. UP 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.

Diversion of Traffic

As explained above, UP seeks approval to abandon 1.29 miles of its Coeur d'Alene Industrial Lead from milepost 7.5 near Gibbs, ID, to the end of the Line at milepost 8.79 at Coeur d'Alene in Kootenai County, ID.

UP states that until May 2008, the Line served only one shipper: Stimson Lumber Company's DeArmond Stud Mill (Mill). According to UP, the Mill was jointly served by UP and BNSF Railway Company (BNSF) with each carrier maintaining its own access. In October 2003, UP ceased operation of its own service over the Line. At that point, BNSF began providing service for UP pursuant to a haulage agreement between the carriers.

According to UP, in May 2008 all production at the Mill ceased and rail service over the Line also ceased. The Mill is currently being dismantled and the property is being converted for other, non-industrial uses. UP states that it handled 90 rail cars in 2007 and 27 rail cars in 2008. UP also states that there are no other opportunities for rail traffic on the Line.

In a letter dated December 17, 2008, Mr. Jeff Webber from the Stimson Lumber Company states that the Lumber Company has no objection to UP's proposed abandonment of the Coeur d'Alene Industrial Lead.

On December 24, 2008, Stimson Lumber Company's Chief Executive Officer, Andrew W. Miller, informed UP that the Lumber Company had entered into a contract to sell its Mill property to North Idaho College, which will use the property to expand its campus.

If the Board should approve the proposed abandonment, other rail lines in the area would continue to provide service to the area. For example, the City of Coeur d'Alene (City) would continue to receive rail service from BNSF, whose rail line is located approximately one mile away from the Coeur d'Alene Industrial Lead. The closest UP rail service to the City would then be the Feeley Spur Station located several miles northwest of the City. The City is also served by Interstate 90 and U.S. Highway 95.

UP states that the right-of-way may be suitable for other public purposes, including use as a recreational trail. UP has entered discussions with the City's Attorney's Office and a developer regarding the possible relocation of an existing trail to the Line's right-of-way. However, UP believes that the Line does not appear to be suitable for other public purposes including roads or highways, or other forms of mass transportation. Nor does the Line appear suitable for energy transmission lines. According to UP, portions of the Line may be suitable for industrial, commercial, residential or other new development. UP also notes that the Line includes reversionary property interests, which could impact the transfer of title or use of the Line for other than railroad purposes. According to UP, the Line contains no federally granted right-of-way.

UP states that there are no reasonable alternatives to its proposed abandonment of the Line as there is no reasonable likelihood that a new industry requiring significant rail service would locate on the Line. Moreover, UP is not aware of any other locations along the Line suitable for the establishment of rail-served industries.

Salvage Activities

If the petition becomes effective, UP states that it intends to salvage the track and ties.¹ SEA notes that rail line salvage typically entails removal of the rail, other track material, and ties from the right-of-way. Salvage operations normally are conducted entirely within the right-of-

¹ On March 2, 2009, Mr. Gabriel Meyer of UP confirmed via telephone that if the abandonment is approved, UP intends to salvage the track and ties.

way by use of rail-mounted equipment that removes the spikes and plates holding the rails to the ties. After the rail, ties and other track material are removed, a vehicle equipped with magnets moves over the right-of-way to remove any remaining spikes or plates inadvertently left behind. The ballast and sub-ballast typically remains undisturbed.

UP states that there abandonment would not affect the transportation of energy resources, recyclable commodities, or energy consumption. Furthermore, UP notes that the proposed abandonment would not affect the transportation of hazardous materials and that UP is not aware of any hazardous material waste sites or sites where hazardous material spills have occurred on or along the Line's right-of-way.

In a letter dated July 18, 2008, Mr. Daniel Redline, Regional Administrator, Idaho Department of Environmental Quality (ID-DEQ), states that in addition to forest products, the Coeur d'Alene Industrial Lead also transported petroleum products to heating oil distributors and an asphalt plant. ID-DEQ notes that the UP likely used herbicides to control vegetation. ID-DEQ notes that both the petroleum products and the herbicides are potential contaminants that could be present on the Line. Therefore, ID-DEQ requests the UP conduct a reconnaissance assessment of the rail bed and adjacent right-of-way over the Line. ID-DEQ states that the assessment should inventory any areas with discolored soils or that are devoid of vegetation for no apparent reason. Any of these potentially contaminated areas, they should be mapped and should undergo soil testing using a defensible sampling design to establish the nature, extent, and maximum concentration values of any contamination. The type of contamination suspected at any particular site should dictate the constituents sampled and assessed.

ID-DEQ also notes that since the Line is located near the Spokane River, any abandonment activities should apply best management practices (BMPs) designed to protect the River from non-point source pollution.

Lastly, ID-DEQ states that any area used for temporary storage and/or treatment of salvaged materials should be situated away from the Spokane River, should be fenced to restrict public access, and should comply with Idaho Groundwater Protection requirements as the Line is situated over the Rathdrum Prairie-Spokane Valley Aquifer, a sole drinking water source for the region.

Therefore, SEA will recommend the Board impose a condition requiring UP to consult with ID-DEQ (Kreg Beck at 208.769.1422 or kreg.beck@deq.idaho.gov) prior to the commencement of any salvage activities.

UP states that it believes that the proposed abandonment is consistent with local land use plans.

A letter dated July 22, 2008 from State Conservationist Jeff Burwell of the Natural Resources Conservation Service states that the Service has no comments or concerns regarding the proposed abandonment on listed resources.

The U.S. Department of Interior, Fish and Wildlife Service, Upper Columbia Fish and Wildlife Office, states that no federally listed, proposed, or candidate species are likely to occur in the vicinity of the proposed project.

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.

The U.S. Department of Commerce, National Geodetic Survey (NGS) indicates that one geodetic station marker may be located in the area of the proposed abandonment. Therefore, SEA will recommend that the Board impose a condition requiring UP to notify the NGS at least 90 days prior to beginning salvage activities in order to plan for the possible relocation of the geodetic station marker by NGS.

Based on all information available to date, SEA does not believe that salvage activities would cause significant environmental impacts.

HISTORIC REVIEW

In its Environmental and Historic Report, UP states that the Line was originally constructed in 1911 by the Coeur d'Alene and Pend Oreille Railways Company (CAPOR). Either at the time of construction or shortly thereafter, CAPOR leased the Line to the Spokane International Railway (SIR), who purchased the Line outright in October 1941. SIR existed independently from 1906 to 1958, then in 1958 merged with the UP.²

As explained above, the UP Line proposed for abandonment begins at milepost 7.5 near Gibbs and extends 1.29 miles to its end at milepost 8.79 near Coeur d'Alene. UP states that there are no structures 50 year old or older that would be affected by the proposed abandonment and. Furthermore, UP states that it knows of no historic sites or structures or archaeological resources within the project area. UP also notes that the right-of-way varies from 20 to approximately 100 feet wide and its topography is relatively flat.

UP has served the historic report on the Idaho Historical Society (SHPO), pursuant to 49 CFR 1105.8(c).³ SEA has not heard from the SHPO and therefore has not been able to consider the SHPO's opinion before determining if the Line may be potentially eligible for

² History of the Line was limited. Some of the historical information was taken from "Mike Pagano's Spokane International Ry" website: <http://www.spokaneinternationalrailroad.com/2007/06/spokane-international-railway.html> and from <http://www.crownsnest.bc.ca/branchlines03.html>

³ Guidance regarding the Board's historic preservation review process is available on the Board's web site at <http://www.stb.dot.gov/stb/environment/preservation.html>.

listing on the National Register of Historic Places. Accordingly, we are recommending a condition requiring the railroad to retain its interest in and take no steps to alter the historic integrity of all historic properties including sites, buildings, structures and objects within the project right-of-way (the Area of Potential Effect) eligible for listing or listed in the National Register of Historic Places until completion of the Section 106 process.

Pursuant to 36 CFR 800.2, SEA conducted a search of the Native American Consultation Database at <http://home.nps.gov/nacd> to identify Federally recognized tribes, which may have ancestral connections to the project area. The database indicated that the following two Federally recognized tribes that may have ancestral connection to the project area: 1) Coeur D'Alene Tribe of the Coeur D'Alene Reservation and 2) Kalispel Indian Community of the Kalispel Reservation. SEA will ensure that each tribe receives a copy of this EA for its review and that the tribe be added to the service list for this proceeding.

Based on all information available to date, SEA does not believe that salvage activities would cause significant impacts to historic or cultural resources. SEA is providing a copy of this EA to the following agencies for review and comment: Idaho Department of Environmental Quality and the Idaho Historical Society.

CONDITIONS

SEA recommends that three conditions be imposed on any decision granting abandonment authority.

- 1. The Union Pacific Railroad Company shall notify the National Geodetic Survey (NGS) at least 90 days prior to beginning salvage activities in order to plan for the possible relocation of the geodetic station marker by NGS.**
- 2. The Union Pacific Railroad Company shall retain its interest in and take no steps to alter the historic integrity of all historic properties including sites, buildings, structures, and objects within the project right-of-way (the Area of Potential Effect) that are eligible for listing or listed in the National Register of Historic Places until the Section 106 process of the National Historic Preservation Act, 16 U.S.C. 470f, has been completed. The Union Pacific Railroad Company shall report back to the Section of Environmental Analysis (SEA) regarding any consultations with the Idaho Historical Society and the public. The Union Pacific Railroad Company may not file its consummation notice or initiate any salvage activities related to abandonment (including removal of tracks and ties) until the Section 106 process has been completed and the Board has removed this condition.**
- 3. Prior to commencement of any salvage activities, the Union Pacific Railroad Company shall consult with the Idaho Department of Environmental Quality to ensure that any concerns regarding potential contamination of the right-of-way are addressed. The Union Pacific Railroad Company shall report the results of these**

consultations in writing to the Board's Section of Environmental Analysis prior to the onset of salvage operations.

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 would 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 rail 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.

UP believes that the Line does not appear to be suitable for other public purposes including roads or highways, or other forms of mass transportation. Nor does the Line appear suitable for energy transmission lines. Portions of the Line may be suitable for assemblage with adjacent property for industrial, commercial, residential or other new development. UP also notes that the Line includes reversionary-property interests which could impact the transfer of title or use of the Line for other than railroad purposes. According to UP, the line contains no federally granted right-of-way.

TRAILS USE

A request for a notice of interim trail use (NITU) is due to the Board, with a copy to the railroad, within 10 days of publication of the notice of exemption in the Federal Register. 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).

UP states that the right-of-way may be suitable for other public purposes, including use as a recreational trail. UP has entered discussions with the City's Attorney's Office and a developer regarding the possible relocation of an existing trail onto the Line's right-of-way.

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) 245-0230, 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 Troy Brady, 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-33 Sub No. 272X in all correspondence, including e-filings, addressed to the Board.** If you have any questions regarding this Environmental Assessment, please contact Troy Brady, the environmental contact for this case, by phone at (202) 245-0301, fax at (202) 245-0454, or e-mail at Troy.Brady@stb.dot.gov.

Date made available to the public: March 13, 2009.

Comment due date: April 13, 2009.

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

Anne K. Quinlan
Acting Secretary

Attachment