

SURFACE TRANSPORTATION BOARD

DECISION

STB Finance Docket No. 35218

MERIDIAN SOUTHERN RAILWAY, LLC—CONSTRUCTION OF CONNECTING
TRACK EXEMPTION—IN LAUDERDALE COUNTY, MS

Decided: September 22, 2009

On June 25, 2009, Meridian Southern Railway, LLC (MDS) filed a verified notice of exemption under 49 CFR 1150.36 to construct approximately 1,910 feet of track in Lauderdale County, MS. The track to be constructed would extend from the existing MDS track near Interchange Road to a yard track (designated Number 4 track) in the existing Norfolk Southern Railway Company (NS) rail yard near NS milepost 3.2 in Meridian, MS. The track to be constructed would connect MDS to the NS main line, whereas MDS currently connects only to the Kansas City Southern Railway Company main line, and would provide shippers with improved access to the national rail system by adding a more efficient routing and price competition. The connection would be constructed within existing rail rights-of-way (owned either by MDS or NS) and within an acquired railroad easement. Notice of the filing was served and published in the Federal Register (74 FR 34391) on July 15, 2009. The notice stated that, upon completion of the environmental review process, a final decision would be issued addressing the environmental impacts of the proposal and, if appropriate, making the exemption effective at that time.

The Board's Section of Environmental Analysis (SEA) served an environmental assessment (EA) in this proceeding on July 30, 2009. In the EA, SEA stated that, based on the information that was provided to the U.S. Army Corps of Engineers (USACE), USACE has preliminarily determined that the proposed track construction may involve work in, and the discharge or placement of dredged and/or fill material into, waters of the United States under USACE's regulatory jurisdiction. SEA stated that USACE requires additional information to complete its evaluation, including a wetland delineation and stream assessment of the project area (USACE file number SAM-2009-0499-SBC). SEA added that MDS has hired an environmental consultant to perform a wetland delineation and stream assessment and is working with USACE to address USACE permitting requirements. Accordingly, SEA recommended that MDS be required to complete consultation with USACE prior to commencement of any connecting track construction activities regarding potential impacts to waters of the United States, including wetlands, and comply with the reasonable requirements of USACE. Comments to the EA were due by August 28, 2009.

The City of Meridian (City) timely filed a comment to the EA. After considering the comment, SEA served a Post EA on September 16, 2009, recommending that a new environmental mitigation condition also be imposed.

As noted in the Post EA, the City supports MDS's expansion plans and does not oppose the connecting track construction, but it has concerns that MDS has not satisfactorily demonstrated how it intends to construct the proposed connecting track over existing utility lines. The City indicates that there are two sanitary sewer lines and one water line that would be crossed by the proposed connecting track construction. In addition, the proposed connecting track construction would increase the number of rail lines within the area that the City would be required to consider when maintaining or expanding utility, water, and sewer lines. Therefore, SEA recommends that MDS be required to consult with the City prior to commencement of any connecting track construction activities to address the City's concern about potential impacts to utility, water, and sewer lines.

After reviewing the environmental record, we agree with SEA's conclusion that the environmental analysis in the EA and the Post EA is adequate, that, with the recommended mitigation, the construction of the proposed connecting track would have no significant environmental effects, and that preparation of a full environmental impact statement is not required. Accordingly, we will adopt SEA's final recommended environmental mitigation measures as set forth in the Appendix to this decision, and impose them as conditions to this exemption.

As conditioned, this action will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. The environmental mitigation measures set forth in the Appendix to this decision are adopted and imposed as conditions to the exemption being granted in this proceeding.
2. The exemption conditionally approved in the July 15, 2009 notice is granted, subject to the environmental conditions set forth in the Appendix to this decision.
3. This decision is effective on September 23, 2009.

By the Board, Chairman Elliott, Vice Chairman Nottingham, and Commissioner Mulvey.

Anne K. Quinlan
Acting Secretary

APPENDIX

ENVIRONMENTAL MITIGATION MEASURES

1. Meridian Southern Railway, LLC (MDS) shall complete consultation with the U.S Army Corps of Engineers (USACE) prior to commencement of any connecting track construction activities regarding potential impacts to waters of the United States, including wetlands, and shall comply with the reasonable requirements of USACE.
2. MDS shall consult with the City of Meridian (City) prior to commencement of any connecting track construction activities to address the City's concerns about potential impacts to utility, water, and sewer lines.