

SURFACE TRANSPORTATION BOARD
WASHINGTON, DC 20423

ENVIRONMENTAL ASSESSMENT

STB DOCKET NO. AB-914X

**McCloud Railway Company – Abandonment and Discontinuance of Service Exemption – in
Siskiyou, Shasta and Modoc Counties, CA**

BACKGROUND

In this proceeding, the McCloud Railway Company (MCR) has filed a petition under 49 U.S.C. 10502 seeking exemption from the requirements of 49 U.S.C. 10903. MCR proposes to abandon approximately 80 miles of rail line in Siskiyou and Shasta Counties, CA.¹ The specific rail line segments proposed for abandonment include: (1) between milepost 3.3 east of McCloud and the end of the track at milepost B-61 rail line mileage or near Burney; (2) between milepost B-19 at or near Bartle and milepost B-31.4 at or near Hambone; (3) between milepost B-58 at or near Berry and milepost S-7 at or near Sierra; and (4) between milepost B-31.6 at or near Bear Flat and milepost P-3.93 at or near Pondosa. MCR also proposes to discontinue trackage rights over a BNSF Railway Company (BNSF) rail line between milepost 31.4 at Hambone and milepost 0.0 at Lookout Junction, a distance of approximately 31.4 miles in Siskiyou and Modoc Counties, CA.² A map depicting the rail line in relationship to the area served is appended to this environmental

1 In a draft environmental and historic report that MCR submitted in this proceeding on March 8, 2005, the carrier proposed to abandon approximately 100 miles of rail line, the carrier's entire system. Subsequent to that submission, however, MCR decided to retain approximately 19.6 miles of rail line between MCR's point of connection to Union Pacific Railroad Company (UP) at milepost 16.3 at or near Mt. Shasta, CA and milepost 3.3 east of McCloud, CA. The environmental report submitted by MCR on March 8 erroneously stated that the milepost of the MCR-UP connection was at milepost 15.2 rather than milepost 16.3.

2 The Board issued an exemption for abandonment of the Hambone-Lookout Junction rail line in Burlington Northern and Santa Fe Railway Company—Abandonment Exemption—in Modoc and Siskiyou Counties, CA, STB Docket No. AB-6 (Sub-No. 414X) (STB served May 21, 2004). However, an exemption was not sought in that proceeding for discontinuance of MCR's operations over that line pursuant to trackage rights. An environmental assessment for that section of line was served on May 28, 2004. Therefore, the environmental assessment being completed for this proceeding is only assessing potential environmental impacts to the approximately 80 miles of rail line proposed for abandonment.

assessment. If the petition becomes effective, the railroad will be able to salvage track, ties, and other railroad appurtenances and dispose of the right-of-way.

ENVIRONMENTAL REVIEW

MCR submitted an environmental report that concludes the quality of the human environment will not be affected significantly as a result of the abandonment or any post-abandonment activities, including salvage and disposition of the right-of-way. MCR served the environmental and historical reports 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.

Description of the Line

According to MCR, a predecessor company known as the McCloud River Railroad Company (MCRC) began construction on the line beginning in 1897. Additional lengths of line were added into the 20th century to connect with new sawmills and haul lumber. MCRC was created to serve the logging community and associated sawmills. MCRC was purchased by U.S. Plywood Corporation in 1964 which later merged into U.S. Plywood-Champion Papers and eventually became part of Champion International Corp. Itel Rail purchased MCRC in 1977 just before a period of economic decline. Although the company bounced back by the 1980s and 1990s, Itel sold the company in 1992 to 4-Rails Inc. A new company, known today as MCR, was subsequently formed to take over the railroad operations.

MCR states that the rail line runs through forested and otherwise rural areas. Maps of the area indicate that the rail line borders U.S. Forest Service lands of the Shasta-Trinity National Forest and passes through the California towns of Bartle, Hambone, Pondosa, Cayton, Lake Britton, Berry, Burney, and Sierra. The width of the rail road right-of-way is 100 feet along its entire length. Small wooden trestle bridges are located at mileposts 4.6, 22.5, 34.3, S0.3 and S2.0. Larger bridges, located at mileposts 50.2 and 50.4, appear to be steel trestles. Photographs included in MCR's historic report show that most of the bridges cross water bodies; however, the bridge at milepost 50.2 crosses over Highway 89. The bridge at milepost 50.4 spans Lake Britton.

According to MCR, all of the above bridges are 50 years old or older. The railroad has not indicated that if abandonment authority is granted, the bridges would be left in place or be salvaged. However MCR has indicated that several of the bridges are in poor condition and would not be repaired. It is unclear from MCR's environmental and historic report if additional bridges, other than the seven mentioned, are located along the line.

Traffic

Sierra Pacific, Dicalite, Werner and two other unnamed shippers (identified in the environmental report as miscellaneous shippers)³ were the only customers with traffic on the rail line during 2004. Sierra Pacific is a sawmill operator and owner based near Burney, CA. Sierra Pacific ships outbound cars of lumber and chips by rail. Dicalite mines diatomaceous earth which it transports four miles for reloading onto railcars at Cayton, CA. Werner Enterprises is a motor carrier operation that receives sulfate shipments at a rail siding near Burney, CA and transloads it onto trucks for use as antidust compound in highway construction projects. According to MCR, alternative transportation is available to Sierra Pacific and Dicalite if the line is abandoned. MCR states that Sierra Pacific has already begun to ship products by truck-rail via Bieber and that truck-rail service is adequate for all their needs. Dicalite has indicated to MCR that, in the event of the line's abandonment, they would ship their commodities via truck to McCloud and then by rail via MCR to connection with UP at Mt. Shasta.⁴

Rail to Truck Diversions

Sierra Pacific, Dicalite, and Werner transported a total of 1,818 carloads in 2004 (Table 1).⁵ Using a conversion factor of four trucks per railcar,⁶ SEA calculates that if all the rail traffic is diverted to truck traffic, about 7272 loaded trucks or 14,545 total trucks (assuming an empty backhaul) could be added to area roadways per year. This amounts to approximately 60.6 vehicles a day potentially added to area roadways during a 240 workday year. Most of the increase would result from the diversion of rail traffic by Sierra Pacific which transported 1,620 carloads in 2004, an increase of approximately 54 trucks a day (Table 2). The increase from the diversion of traffic from Sierra Pacific alone barely exceeds the Board's threshold of more than 50 vehicles a day added to any affected road segment [49 C.F.R. 1105.7(e)]. The daily increase in truck traffic from the other shippers would be negligible - approximately 6.47 for Dicalite and 0.13 for Werner.

According to MCR, Sierra Pacific would divert its rail traffic from its sawmill near Burney via California Highway 299 and Interstate Highway 5 to Anderson, CA (a distance of approximately 63 miles); or via Highway 299 to Bieber, CA (a distance of approximately 38 miles). The diversion of rail traffic from Dicalite via truck from Cayton, CA to McCloud, CA would likely occur along Route 89 (a distance of 35.9 miles). MCR did not provide information regarding the roadways that would be used by Werner, therefore, SEA has assumed that the full compliment of trucks from Werner would be added to all of the above roadways. SEA calculated the potential impact of the additional truck traffic based on the 2003 average daily traffic (ADT)

3 The two miscellaneous carloads in 2004 were salvaged shipments of lumber following a derailment.

4 Note that on August 3, 2005, Dicalite filed a protest with the Board regarding the proposed abandonment.

5 The miscellaneous shipments are not included in the calculations.

6 The conversion factor is an estimate used to calculate the rail to truck conversion of varied commodities.

on the above roads and potential increase in traffic that would likely occur in the event the line is abandoned (Table 2). The ADT numbers were provided by Bill Belcher of the California Department of Transportation, District 2.

Table 1. Number of Carloads for Shippers Located Along McCloud Railway Company Rail Line in the Years 2002, 2003, and 2004

SHIPPER	2002 CARLOADS	2003 CARLOADS	2004 CARLOADS
Sierra Pacific	1,108	1,669	1,620
Dicalite	181	195	194
Werner*	12	1	4
Cal Cedar	10	6	0
Louisiana Pacific	10	0	0
Miscellaneous**	19	0	2
TOTAL	1,340	1,871	1,820

** These were salvage shipments resulting from a derailment.

Table 2. Estimated Increase in ADT Resulting from Rail to Truck Diversions

Roadway	ADT	Estimated New Truck Traffic Trips		Percent Increase in ADT	
Route 299	5,869	54 from Sierra	PLUS 0.13 from Werner to each roadway*	54.13	0.9
Interstate Highway 5	52,562.5	54 from Sierra		54.13	0.1
Route 89	1,930	6.47 from Dicalite		6.60	0.3

*This is based on a worst case scenario since it is unknown which roads Werner would most likely use.

Based on the results which indicate an increase in area roadways of less than one percent each, SEA concludes that rail-to-truck diversions resulting from the proposed abandonment, if approved, would not significantly contribute to traffic delay (Table 2). Moreover, the proposed railroad abandonment should improve overall safety through elimination of many public rail-highway crossings.

Energy Consumption

As previously noted, SEA has determined that 60.6 trucks would be required per workday if MCR resumed service along its line to the level of its 2004 shipments. SEA's analysis indicates that this would result in 2,327,040 vehicle miles annually.⁷ According to the Association of American Railroads,⁸ in 2004, diesel freight trains averaged 410 ton-miles per gallon of fuel. This compares with an average diesel truck efficiency of 55 ton-miles per gallon of fuel. Thus railroads are approximately 7.5 times as fuel efficient as trucks. However, while trucks would require additional fuel to transport the diverted shipments, SEA has determined that this would not be a significant increase when compared to statewide annual fuel consumption which is estimated to total 3 billion gallons in 2005.⁹

Air Quality

The Board has established air quality threshold levels set forth at 49 CFR 1105.7(e)(5). These thresholds are guidelines that are considered, along with other supporting information, to determine whether the air pollution levels generated by rail traffic diverted to alternative modes warrant detailed analysis. The threshold level when assessing air pollution is an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on any affected road segment. Although diversion of traffic from Sierra Pacific would cause a slight increase over the Board's threshold of 50 vehicles a day along Route 299 and Interstate 5 (see Table 2), data provided by the California Air Resources Board at <http://www.arb.ca.gov/desig/adm/adm.htm> indicates that the area of the proposed abandonment is currently listed in a national attainment area for all priority pollutants. In addition, according to MCR, the trucks would be operating on the roadways throughout the year at various times a day, thus any impact of the extra trucks to local areas would be momentary. The corresponding impacts to air quality would therefore likely not be significant.

Other Environmental Issues

The National Geodetic Survey (NGS) has submitted comments stating that 22 geodetic station markers have been identified that may be affected by the proposed abandonment and requests 90 days notification in advance of any activities that would disturb or destroy these markers in order to plan for their relocation.

The United States Army Corps of Engineers (Corps) had not commented on the railroad's environmental report at the time this Environmental Assessment (EA) was prepared. Six of the

7 Annual vehicle miles were determined by multiplying the number of new trucks per work day (60.6) with the number of workdays (240) and then multiplying that number with 160 miles or the round-trip on the line proposed for abandonment.

8 See ACR web site at http://www.aar.org/getFile.asp?File_id=466.

9 California Department of Transportation.

seven bridges located along the line span water bodies, and permits may be required from the Corps. Therefore, SEA will recommend a condition that MCR consult with the Corps to determine the applicability and need for permits.

SEA has not yet received comments from the U.S Fish and Wildlife Service (USFWS) regarding the project's potential effects on Federally threatened and endangered species. However, a search of a USFWS web site indicates that the area proposed for abandonment may contain bald eagles and other Federally listed species. Accordingly, SEA will recommend that, prior to commencement of any salvage activities, MCR shall consult with USFWS, Pacific Region, regarding potential impacts from salvaging activities to Federally-listed threatened and endangered species that may occur in the vicinity of the line.

Because much of the rail line borders the Shasta-Trinity National Forest, SEA has requested that MCR provide the U.S. Forest Service and Shasta-Trinity National Forest with a copy of its environmental and historic report. SEA has added these parties to the service list to ensure that they receive a copy of this EA.

HISTORIC REVIEW

MCR submitted an historic report as required by the Board's environmental rules [49 CFR 1105.8(a)] and served the report on the California Office of Historic Preservation (SHPO), pursuant to 49 CFR 1105.8(c). The SHPO provide its views to MCR in an April 7, 2005 letter in which it indicated that there may be properties located along the line that are eligible for listing in the National Register of Historic Places (National Register).

As requested by the SHPO, SEA contacted the California Native American Heritage Commission (Commission) regarding tribes that may have an interest in the project. SEA is required to consult with tribes pursuant to 36 CFR 800.3(f)(2) to seek their input regarding any National Register eligible properties of traditional religious and cultural significance that may be affected by the proposed abandonment. The Commission provided SEA with a list of Federally recognized tribes that may have ancestral connections to the project area and may therefore have an interest in the project's potential impacts on any areas of tribal interest. The tribes include the Pit River Tribe; the Ajumawi Band, Pit River Indians; the Aporige Band, Pit River Indians; the Astarawi Band, Pit River Indians; the Atsugewi Band, Pit River Indians; the Atwamsini Band, Pit River Indians; the Illmawi Band, Pit River Indian Tribe; Itsatawi Band, Pit River Indians; the Kosealekte Band, Pit River Indians; the Madesi Band, Pit River Indians; the Alturas Rancheria, Pit River Indians; the Susanville Indian Rancheria; the Winnemem Wintu Tribe; and the United Tribe of Northern California. Earlier, SEA requested that MCR send copies of its environmental and historic report to these tribes. SEA has added the tribes to the service list for this proceeding to ensure that they receive a copy of this EA for their comment.

Pending completion of the SHPO and SEA reviews, SEA will recommend a condition that MCR retain its interest in and take no steps to alter the historic integrity of all sites and structures on the right-of-way that are 50 years old or older, or otherwise eligible for listing in the National

Register, until completion of the Section 106 process of the National Historic Preservation Act, 16 U.S.C. 470f.

CONDITIONS

SEA recommends that the following environmental conditions be placed on any decision granting abandonment authority:

1. McCloud Railway Company (MCR) shall notify the National Geodetic Survey (NGS) 90 days prior to beginning salvage activities to plan for the possible relocation of 22 geodetic station markers by NGS.
2. Six of the seven bridges that may be removed during salvaging operations are located at water bodies, and permits may be required from the United States Army Corps of Engineers (Corps). Therefore, prior to commencement of any salvage activities, MCR shall consult with the Corps, Sacramento District, to determine the applicability and need for permits.
3. Prior to commencement of any salvage activities, MCR shall consult with the U.S. Fish and Wildlife Service, Pacific Region, regarding potential impacts from salvaging activities to Federally-listed threatened and endangered species that may occur in the vicinity of the line. MCR shall report the results of these consultations to the Board's Section of Environmental Analysis prior to the onset of salvage operations.
4. MCR shall retain its interest in and take no steps to alter the historic integrity of all sites and structures on the right-of-way that are 50 years old or older, or otherwise eligible for listing in the National Register of Historic Places, until completion of the Section 106 process of the National Historic Preservation Act, 16 U.S.C. 470f. MCR shall report the results of these consultations 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 conditions are imposed, abandonment of the line will 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.

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 the petition for 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).

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) 565-1592, 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 Catherine Glidden 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-914X in all correspondence, including e-filings, addressed to the Board.** If you have any questions regarding this environmental assessment, please contact Catherine Glidden, the environmental contact for this case, by phone at (202) 565-1542, fax at (202) 565-9000, or e-mail at gliddenc@stb.dot.gov.

Date made available to the public: August 26, 2005.

Comment due date: September 26, 2005.

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

Vernon A. Williams
Secretary

Attachment