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SERVICE DATE – JULY 3, 2013

SURFACE TRANSPORTATION BOARD

DECISION AND NOTICE OF INTERIM TRAIL USE OR ABANDONMENT

Docket No. AB 33 (Sub-No. 292X)

UNION PACIFIC RAILROAD COMPANY—ABANDONMENT EXEMPTION—
IN WRIGHT COUNTY, IOWA

Decided: July 3, 2013

Union Pacific Railroad Company (UP) filed a verified notice of exemption under 49 C.F.R. pt. 1152 subpart F—Exempt Abandonments to abandon a 0.5-mile line of railroad on its Thornton Industrial Lead from milepost 29.52 to milepost 30.02 near Belmond, in Wright County, Iowa (the Line). Notice of the exemption was served and published in the Federal Register on June 4, 2013 (78 Fed. Reg. 33,468). The exemption is scheduled to become effective on July 4, 2013.

The Board's Office of Environmental Analysis (OEA) served an environmental assessment (EA) in this proceeding on June 7, 2013, requesting comments by June 24, 2013. In the EA, OEA recommended that the Board not impose environmental conditions on any decision granting abandonment authority. No comments to the EA were filed by the June 24, 2013 due date. Therefore, no conditions will be imposed. Because no environmental or historic preservation issues have been raised by any party or identified by OEA, a Finding of No Significant Impact under 49 C.F.R. §1105.10(g) will be made pursuant to 49 C.F.R. § 1011.7(a)(2)(ix).

In the EA, OEA also stated that the right-of-way may be suitable for other public use following abandonment and salvage of the Line. On June 12, 2013, the City of Belmond, the Wright County Conservation Board, and Iowa Natural Heritage Foundation (collectively, Commenter) jointly filed a request for the issuance of a notice of interim trail use (NITU) to negotiate with UP for acquisition of the Line for use as a trail under the National Trails System Act (Trails Act), 16 U.S.C. § 1247(d), and 49 C.F.R. § 1152.29. Pursuant to 49 C.F.R. § 1152.29, the Commenter has submitted a statement of its willingness to assume financial responsibility for the right-of-way and has acknowledged that the use of the right-of-way for trail purposes is subject to possible future reconstruction and reactivation of the right-of-way for rail service. In a letter filed on June 5, 2013, UP has indicated its willingness to negotiate with the Commenter for interim trail use and supports the Commenter's request.

Because the Commenter's request complies with the requirements of 49 C.F.R. § 1152.29 and UP is willing to negotiate for trail use, a NITU will be issued. The parties may negotiate an agreement for the right-of-way during the 180-day period prescribed below. If an interim trail use agreement is reached (and thus, interim trail use is established), the parties shall jointly

notify the Board within 10 days that an agreement has been reached. 49 C.F.R. § 1152.29(d)(2) and (h); Nat'l Trails Sys. Act & R.R. Rights-of-Way, EP 702 (STB served Apr. 30, 2012). If no agreement is reached within 180 days, UP may fully abandon the Line. 49 C.F.R. § 1152.29(d)(1). Use of the right-of-way for trail purposes is subject to possible future reconstruction and reactivation of the right-of-way for rail service.

The Commenter also has requested imposition of a public use condition under 49 U.S.C. § 10905 for the right-of-way. The Commenter asks that UP be prohibited from disposing of the corridor, other than tracks, ties, and signal equipment, except for public use on reasonable terms. The Commenter's justification is that the corridor will connect two existing trails which extend from the proposed abandonment to the town of Thornton. The corridor also will allow the Commenter to partner in the development of an interconnected trail system. The Commenter also asks that UP be barred from the removal or destruction of potential trail-related structures, such as bridges, trestles, culverts, and tunnels, for a 180-day period from the effective date of the abandonment authorization. The Commenter's justification for its request is that these structures have considerable value for trail purposes. The Commenter states that the 180-day period is needed to complete negotiations with UP.

As an alternative to interim trail use under the Trails Act, the right-of-way may be acquired for public use as a trail under 49 U.S.C. § 10905. See Rail Abans.—Use of Rights-of-Way as Trails, 2 I.C.C.2d 591, 609 (1986). Under § 10905, the Board may prohibit the disposal of rail properties that are proposed to be abandoned and are appropriate for public purposes for a period of not more than 180 days after the effective date of the decision approving or exempting the abandonment.

To justify a public use condition, a party must set forth: (i) the condition sought; (ii) the public importance of the condition; (iii) the period of time for which the condition would be effective; and (iv) justification for the imposition of the period of time requested. 49 C.F.R. § 1152.28(a)(2). Because the Commenter has satisfied these requirements, a 180-day public use condition will be imposed, requiring UP to keep intact the right-of-way (including trail-related structures such as bridges, trestles, culverts, and tunnels) and to refrain from disposing of the corridor (other than tracks, ties, and signal equipment), commencing from the July 4, 2013 effective date of the exemption.

When the need for interim trail use/rail banking and public use is shown, it is the Board's policy to impose both conditions concurrently, subject to the execution of a trail use agreement. Here, however, while both conditions will be imposed at this time, the public use condition will expire on December 31, 2013, while the trail use negotiating period will run 180 days from the service date of this decision and notice, until December 30, 2013. If a trail use agreement is reached on a portion of the right-of-way prior to December 30, 2013, UP must keep the remaining right-of-way intact for the remainder of the 180-day public use condition period to permit public use negotiations. Also, a public use condition is not imposed for the benefit of any one potential purchaser, but rather to provide an opportunity for any interested person to acquire

the right-of-way that has been found suitable for public purposes, including trail use. Therefore, with respect to the public use condition, UP is not required to deal exclusively with the Commenter, but may engage in negotiations with other interested persons.

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

It is ordered:

1. This proceeding is reopened.
2. Abandonment of the Line will have no significant effect on the quality of the human environment and conservation of energy resources or on historic resources.
3. Upon reconsideration, the notice served and published in the Federal Register on June 4, 2013, exempting the abandonment of the Line described above is modified to the extent necessary to implement interim trail use/rail banking as set forth below to permit the Commenter to negotiate with UP for trail use for the Line, for a period of 180 days from the service date of this decision and notice, until December 30, 2013, and to permit public use negotiations as set forth below, for a period of 180 days commencing from the July 4, 2013 effective date of the exemption, until December 31, 2013.
4. Consistent with the public use and interim trail/rail banking conditions imposed in this decision and notice, UP may discontinue service and salvage track and related materials. UP shall otherwise keep intact the right-of-way, including potential trail-related structures such as bridges, trestles, culverts, and tunnels, for a period of 180 days (until December 31, 2013) to enable any state or local government agency, or other interested person, to negotiate the acquisition of the right-of-way for public use. If an interim trail use/rail banking agreement is executed before expiration of the 180-day public use condition period, the public use condition will expire to the extent the trail use/rail banking agreement covers the same portion of the right-of-way.
5. If an interim trail use/rail banking agreement is reached, it must require the trail sponsor to assume, for the term of the agreement, full responsibility for: (i) managing the right-of-way; (ii) any legal liability arising out of the transfer or use of the right-of-way (unless the sponsor is immune from liability, in which case it need only indemnify the railroad against any potential liability); and (iii) the payment of any and all taxes that may be levied or assessed against the right-of-way.
6. Interim trail use/rail banking is subject to possible future reconstruction and reactivation of the right-of-way for rail service and to the trail sponsor's continuing to meet its responsibilities for the right-of-way described in ordering paragraph 4 above.

7. If an interim trail use agreement is reached (and thus, interim trail use is established), the parties shall jointly notify the Board within 10 days that an agreement has been reached. 49 C.F.R. § 1152.29(d)(2) and (h).

8. If interim trail use is implemented, and subsequently the trail sponsor intends to terminate trail use on all or any portion of the right-of-way covered by the interim trail use agreement, it must send the Board a copy of this decision and notice and request that it be vacated on a specified date.

9. If an agreement for interim trail use/rail banking is reached by December 30, 2013, for the right-of-way, interim trail use may be implemented. If no agreement is reached, UP may fully abandon the Line.

10. This decision and notice is effective on its service date.

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