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SERVICE DATE - MAY 27, 1999

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-33 (Sub-No. 131X)

UNION PACIFIC RAILROAD COMPANY--ABANDONMENT EXEMPTION--  
IN CAMERON COUNTY, TX

IN THE MATTER OF AN OFFER OF FINANCIAL ASSISTANCE

Decided: May 26, 1999

By decision served on April 15, 1999, the effective date of the exemption authorizing abandonment of a 2.06-mile portion<sup>1</sup> of Union Pacific Railroad Company's (UP) 7.14-mile Brownsville Branch was postponed in order to permit the offer of financial assistance (OFA) process under 49 U.S.C. 10904 and 49 CFR 1152.27 to proceed.<sup>2</sup> The April 15 decision stated that, if UP and the offeror could not agree on the purchase price, either party may request the Board to establish the terms and conditions of the purchase on or before May 10, 1999. If no agreement is reached and no request is submitted by that date, the Board will serve a decision vacating the decision and allowing the abandonment exemption to become effective. At the offeror's request, and with UP's agreement, the time period for filing requests for the establishment of terms and conditions of the purchase was extended through May 31, 1999, by decision served May 6, 1999.

By letter filed May 25, 1999, the offeror requests a 30-day extension until June 30, 1999, for the filing of requests for the establishment of terms and conditions of the purchase. The offeror states that more time is needed because there is a substantial chance that continuing negotiations will result in an agreement for an alternative to the offeror's acquisition of a portion of the involved rail line, in which case the OFA would be withdrawn. According to the offeror, UP agrees with the extension request.

Because this request is reasonable and UP is in apparent agreement, the deadline for the parties to request the Board to establish terms and conditions of the purchase is extended to June 30, 1999.

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<sup>1</sup> The portion of the line is located between the north right-of-way of Farm-to-Market Road No. 3248, also known as Alton Gloor Boulevard, at approximately milepost 199.96, and the northern terminus of the rail line at the point of connection to UP's rail line that extends east-southeast to the Port of Brownsville, TX, at milepost 197.90.

<sup>2</sup> On April 9, 1999, Rio Valley Railroad, Inc. (the offeror), timely filed an OFA in this proceeding.

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

It is ordered:

1. The offeror's request to extend the time period for either party to request the Board to establish the terms and conditions of the purchase is granted.
2. If UP and the offeror cannot agree on the purchase price, either party may request the Board to establish the terms and conditions of the purchase on or before June 30, 1999.
3. This decision is effective on its service date.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams  
Secretary