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# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

2950 Riverside Drive  
Susanville, California 96130

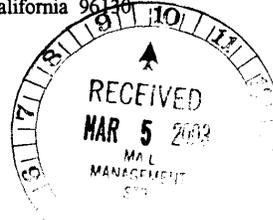


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MAR - 5 2003

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Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001



In Reply  
Refer to:

8300; (CA-350)

MAR 3 - 2003

RE: Docket No. AB-12 (Sub-No. 184X) Abandonment Exemption - Wendel-Alturas Line, California (Related to FD 32706); Request for Extension of Negotiations For Trail Use

Dear Mr. Williams:

The Bureau of Land Management (BLM) Eagle Lake Field Office, with the concurrence of the BLM Alturas Field Office, remains very interested in pursuing negotiations for railbanking of the Wendel-Alturas Line referenced above, under the Surface Transportation Board's (STB) rules for Interim Trail Use and Rail Banking, 49 CFR 1152.29. This includes the entire Wendel to Alturas Line.

Through this letter we request that you extend the negotiating period under the Notice of Interim Trail Use (NITU) one year to enable the Bureau of Land Management and Union Pacific Railroad to negotiate rail banking of the Modoc Line referenced above in Docket No. AB-12 (Sub-No. 184X). This additional time is needed for BLM to negotiate with UPRR regarding the value of the lands to be rail banked and for BLM to secure funding to carry out rail banking arrangements negotiated with UPRR. The NITU negotiating period regarding this line will expire in four days on March 7, 2003.

Since the extension of the NITU last year, no negotiations have occurred between BLM and UPRR. Following UPRR's 1-24-02 letter to BLM (copy enclosed) notifying us that salvage would soon occur, we contacted UPRR's real estate division in Omaha but have not received any information regarding what values UPRR claims to hold on the subject segment of the Modoc Line approved for abandonment. Absent this information, BLM has not been able to proceed with negotiations under the NITU.

Lack of information from UPRR appeared to be a continuation of a prolonged holding period of the Modoc Line by UPRR following STB's approval for abandonment under the UPRR/SPRR merger approved on August, 6, 1996. During this time we have supported and continue to support Modoc and Lassen Counties' positions and efforts to save the line. Modoc County has been the primary proponent of saving the line and we have deferred to their efforts to keep the track in place prior to exercising rail banking as a last option to preserve the railroad right-of-way.

If the rails are removed, BLM would become the reversionary owner of approximately 50% of the line. By retaining linear continuity of the line through rail banking, the right-of-way could be preserved for possible future rail use and in the interim, trail use would be appropriate, with some segments having more utility for trail use than others. If rail banking can be negotiated, trail planning would follow with public involvement a key part of developing a management plan for the trail.

WA-RR/STBLtr\_RlBnkExten\_3-3-03

Recently we became informed through a local newspaper article that UPRR has taken steps through a signed salvage contract to consummate the abandonment. Following the salvage article, we spoke with Mack Shumate, UPRR Law Department, Chicago, IL who confirmed that a salvage contract has been signed and salvage is about to occur. Based on this information, it is now imperative that UPRR and BLM begin active negotiations for rail banking the Modoc Line. Providing opportunity to negotiate rail banking is required in the conditions of the UPRR/SPRR merger, Finance Docket 32760, August 6, 1996, pages page 234, item 41 and Page 235 Item 51 item (d).

To date there has been no rail banking negotiations because UPRR has not provided sufficient information from which to discuss right-of-way acquisition costs and options. We need to know what lands UPRR claims to own, what type of title they hold and what value they place on the lands and structures they claim title to. This information is essential in order for BLM to begin the negotiation process and seek necessary funds to carry out a rail banking agreement. Based on this lack of information, we have not been able to begin negotiations and request that the NITU be extended for another year.

With salvage about to occur, we are particularly concerned that the salvage operation does not remove bridges, culverts and other structures underlying the track that would be needed for future trail use of the line if rail banking occurs. We are also very concerned that salvage operations may begin without consultation with our office and the Alturas office of BLM regarding our long term needs under possible rail banking as well as our federal responsibilities for managing the lands that will revert to BLM management with or without rail banking. As managers of approximately 50% of the land base crossed by the abandoned segment of the Modoc Line and as potential managers of the entire abandonment through rail banking it is essential that we be informed of when and where the salvage will occur, who in UPRR is responsible for the salvage contract, and who in UPRR is on the ground administering the salvage work. By working together with UPRR and the salvage operator we should be in a better position to insure that structures necessary for trail use remain and that surface disturbing work and salvage related access to the right-of-way across BLM land does not create drainage problems or other salvage related problems on adjacent lands managed by BLM.

We appreciate your consideration of this request for an extension. We request that you reaffirm the conditions of rail banking specified in the merger and extend the negotiating period for rail banking one more year. A copy of our 3-3-03 letter to UPRR is enclosed. If you need any additional information, please contact Stan Bales, BLM Recreation Planner at (530) 257-0456.

Sincerely,

  
Dayne Barron  
Field Manager  
Eagle Lake Field Office

cc: mack shumate, uprr -chicago  
congressman doolitte, sacramento  
lee chauvet, ne cal rac  
scott kessler, modoc county  
lassen cnty trans com  
kate bickert, rtc - sf

encl: uprr ltr, 1-24-02  
blm ltr to uprr, 3-3-03

WA-RR/STBLtr\_RlBnkExten\_3-3-03

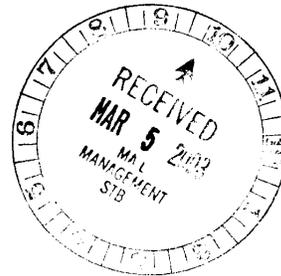
Law Department

UNION PACIFIC RAILROAD COMPANY



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FAX (402) 271-5610

January 24, 2002



Via UPS Next Day Air

Ms. Linda D. Hansen  
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United States Department of the Interior  
Bureau of Land Management  
Eagle Lake Resource Area  
2950 Riverside Drive  
Susanville, CA 96130

Rails-to-Trails Conservancy  
1100 Seventeenth Street, N.W., 10<sup>th</sup> Floor  
Washington, D.C. 20036

Mr. Charles Montange  
426 N.W. 162<sup>nd</sup> Street  
Seattle, WA 98177

RE: STB Docket No. AB-12 (Sub-No. 184X) -- Abandonment of Rail Line Between  
Wendel and McArthur, CA

Ladies and Gentlemen:

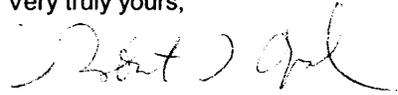
As you may recall, the Surface Transportation Board exempted the above abandonment/discontinuance in September 1996 as part of its decision approving the UP/SP merger. The exemption was subject to a negotiating period for trail use. UP has not exercised its abandonment/discontinuance authority for this line. However, we expect to do so in the very near future and begin salvage of the track structure.

According to our files, each of you or your organizations filed trail use negotiating requests during the abandonment proceeding, to which UP agreed. I am attaching copies of the requests to this letter for your ready reference. Because of UP's uncertainty as to when the line would be available for disposition, no negotiations occurred following the 1996 STB decision, and STB extended the trail use negotiating period several times at UP's request. The most recent extension expired on August 8, 2001. However, since we have not yet exercised our abandonment authority, the STB retains jurisdiction to authorize a new trail use negotiating period.

The purpose of this letter is to inquire whether you remain interested in negotiating trail use for all or part of this line. If so, we will request a new 6-month negotiating period from the STB. We would appreciate if you could respond in writing within the next two weeks. An affirmative response would not, of course, obligate you to actually enter into any transaction. We simply want a written expression of interest to attach to our STB request.

Please feel free to contact the undersigned should you have any questions on the above. As information, UP's contact for actual trail use negotiations is Ernestine Burtley, Manager-Real Estate, 1800 Farnam Street, Omaha, NE 68102, phone: (402) 997-3645, fax: (402) 992-3601.

Very truly yours,



Robert T. Opal  
General Commerce Counsel  
Phone: (402) 271-3072  
Fax: (402) 271-5610

cc: The Honorable Dick Steyer  
Mayor  
City of Alturas  
200 North Street  
Alturas, CA 96101

Mr. Scott Kesler  
City Planning Director  
City of Alturas  
200 North Street  
Alturas, CA 96101

Mr. Willie Hagge  
Chair, Board of Supervisors  
Modoc County  
204 South Court Street  
Alturas, CA 96101

Atts.



United States Department of the Interior  
2950 Riverside Drive  
Susanville, California 96130  
BUREAU OF LAND MANAGEMENT



Mr. Mack Shumate  
Union Pacific Railroad Company  
Law Department  
101 North Wacker Drive, Suite 1920  
Chicago, IL 60606



In Reply  
Refer to:  
8300; (CA-350)

MAR 3 - 2003

RE: Docket No. AB-12 (Sub-No. 184X) Abandonment Exemption - Wendel-Alturas Line, California (Related to FD 32706); Request for Extension of Negotiations For Trail Use

Dear Mr. Shumate:

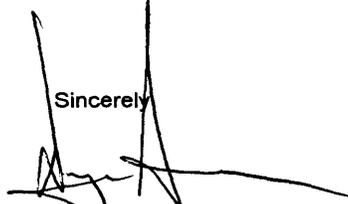
Regarding your conversation with Stan Bales of my staff on February 27, 2003 concerning the Modoc Line, the Bureau of Land Management (BLM) Eagle Lake Field Office with the concurrence of the BLM Alturas Field Office, remains actively interested in pursuing negotiations for rail banking of the Wendel-Alturas Line referenced above, under the Surface Transportation Board's (STB) rules for Interim Trail Use and Rail Banking, 49 CFR 1152.29. This includes the entire Wendel to Alturas segment of the Modoc Line approved for abandonment by the Surface Transportation Board in their August 6, 1996 decision, Finance Docket No. 32760. We enclose a copy of our 3-3-03 letter to the Surface Transportation Board requesting a one year extension for such negotiations.

With Union Pacific Railroad about to begin salvage of rails and ties on the abandoned segment of the Modoc Line through a signed contract with A + K Salvage, it is crucial that we work closely together to insure that all structures needed for possible future trail use of the line under rail banking remain in place (bridges, culverts, etc) while rail banking negotiations occur as required in the abandonment decision (Finance Docket 32706, p 235, 51 (d)). Please inform me who in UPRR is administering the salvage contract and who is the on-the-ground contact that we need to work with. In addition to retaining the rail grade structures, we want to make sure that the salvage work does not create long term drainage problems and other land management issues. Approximately 50% of the 85.5 mile railroad grade will revert to BLM management upon consummation of the abandonment and possibly the entire line if BLM ends up rail banking it.

We also want to begin negotiations for rail banking as soon as possible in order to most effectively use the time we are requesting for continuation of negotiations under the Notice of Interim Trail Use (see enclosed 3-3-03 letter to the Surface Transportation Board). We have received maps of the line from Don Lightwine of UPRR in Omaha but we have not received any letter from UPRR regarding types and location of title held by UPRR along the Modoc Line and what value UPRR claims on the subject ownerships. Please provide us with this information as soon as possible so that we may evaluate it prior to beginning rail banking negotiations.

We look forward to working with Union Pacific during the salvage operation and in negotiating a mutually satisfactory rail banking agreement. If you need any additional information, please contact Stan Bales, BLM Recreation Planner at (530) 257-0456 or Pete Humm, Realty Specialist at (530)-233-4666.

Sincerely



Dayne Barron  
Field Manager

cc: vernon williams, stb  
scott kessler, modoc cnty  
lassen cnty trans com  
congressman doolittle  
lee chauvet, ne cal rac  
kate bickert, rtc - sf

encl: blm ltr to stb, 3-3-03