



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Eagle Lake Field Office
2950 Riverside Drive
Susanville, CA 96130
www.ca.blm.gov/eaglelake
530-257-0456

August 15, 2003

208752

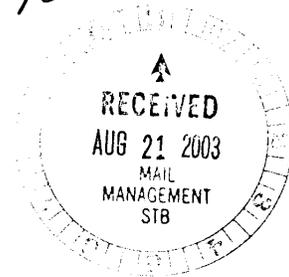
File code:
8300(P)
CA-350

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

ENTERED
Office of Proceedings

AUG 21 2003

Part of
Public Record



Subject: 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 requests extension of the negotiation period for rail banking the Wendel-Alturas segment of the Modoc 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 from MP 360.1 near Wendel to MP 445.6 (McArthur siding) near Alturas.

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 continue our negotiations begun this spring for rail banking of the Modoc Line referenced above in Docket No. AB-12 (Sub-No.184X). This additional time is needed for BLM to secure an appraisal, 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 on September 3, 2003.

Our request for the one-year extension is based on the following:

- BLM has taken the lead in past rail banking filings and needs to extend the rail banking negotiation period so that the opportunity to rail bank the line is not lost when the current STB authorized negotiation period expires on September 3, 2003;
- Lassen and Modoc Counties are active supporters of rail banking the line, having passed recent resolutions supporting rail banking the line;
- BLM, Lassen and Modoc Counties, working together, are the public entities best suited to take on management of the railroad right-of-way corridor under the NITU process

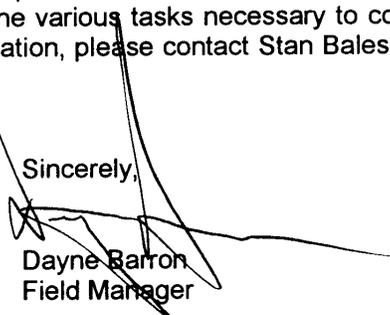
because of our on going management responsibilities of lands adjacent to the line and available staff and equipment in the local area (BLM manages approximately 50% of lands adjacent to the line and the counties are responsible for the private lands issues in the area).

- Lassen and Modoc Counties may later take on rail banking responsibilities with BLM because they are the public entities best situated to benefit from rail banking the line so that the right-of-way remains in place to preserve options for future rail reactivation and for interim trail use by local residents and area visitors;
- Prior to purchase of the Modoc Line a professional appraisal completed to our standards is required before BLM could expend public funds to acquire the right-of-way corridor under rail banking;
- Completion of an appraisal to meet BLM standards is not likely until later this year due to prior BLM appraisal staff commitments throughout California;
- Following an appraisal there will need to be sufficient time to negotiate the sale price and secure necessary authorizations within the agencies and UPRR;
- None of the three public agencies involved have funds in our current budgets to purchase the Modoc Line;
- Securing funds will require special appropriations or other creative funding methods not likely to be completed within the next six months.

We have begun active rail banking negotiations with Mike Sattler of Union Pacific Railroad's Omaha Real Estate Division, Special Projects branch. Mr. Sattler has talked with us on numerous occasions and we jointly field checked the abandoned segment of the Modoc Line with Mr. Sattler on June 23, 2003. We have explained our appraisal needs and funding constraints to Mr. Sattler and believe that he is in agreement that an extension is in order.

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 year. We believe a one-year extension will provide much needed time for appraisal, negotiation, funding and acquisition and that a six-month extension is unlikely to provide sufficient time to accomplish the various tasks necessary to complete rail banking the line. If you need any additional information, please contact Stan Bales of my staff at 530-252-5311.

Sincerely,


Dayne Barron
Field Manager

encl: lassen county resolution, 3-18-03
city of alturas resolution, 7-8-03
modoc county resolution, 7-15-03

cc: mike sattler, uprr -omaha
congressman doolittle, roseville
lee chauvet, ne cal rac
scott kessler, modoc county
bob sorvaag, lassen county
laura cohen, rtc - sf

RESOLUTION NO. 03-020

A RESOLUTION OF THE LASSEN COUNTY BOARD OF SUPERVISORS FOR USE OF THE WENDEL TO ALTURAS SEGMENT OF THE MODOC LINE OF UNION PACIFIC RAILROAD FOR CONTINUED LOCAL AND REGIONAL RAIL FREIGHT SHIPPING, FOR ALTERNATIVE RAIL USE FOR TOURIST AND RECREATIONAL RAIL USES AND IF NONE OF THE ABOVE ACTIONS ARE ABLE TO CONTINUE ON THE LINE, FOR PROTECTION OF THE ENTIRE RAILROAD CORRIDOR THROUGH RAIL BANKING WITH INTERIM TRAIL USE OF THE RAILROAD GRADE AND RIGHT-OF-WAY.

Whereas, on March 19, 1996 Lassen County passed Resolution 96-021 supporting efforts to retain rail service on the Wendel to Alturas segment of the Modoc Line; and

Whereas, through the same Resolution, No. 96-021, Lassen County supported rail banking of the Wendel to Alturas segment of the Modoc Line by the Bureau of Land Management if rail use of the line does not continue; and

Whereas, on March 20, 1996 the City of Susanville passed Resolution No. 96-2774 supporting efforts to retain rail service on the Wendel to Alturas segment of the Modoc Line; and

Whereas, through the same Resolution, No. 96-2774, the City of Susanville supporting rail banking of the Wendel to Alturas segment of the Modoc Line by the Bureau of Land Management if rail use of the line does not continue; and

Whereas, on August 6, 1996 the Surface Transportation Board (STB) decided to authorize legal abandonment of the Wendel to McArthur segment of the Modoc Line (an 85.5 mile segment extending from directly north of Lassen County Road 320 where it crosses the railroad tracks 1.5 miles north of Wendel to a station called McArthur approximately 10 miles south of Alturas as part of the merger between Southern Pacific Railroad Corporation and Union Pacific Railroad Corporation authorized in STB Finance Docket No. 32760, and

Whereas, during the past seven years since the legal abandonment decision by the Surface Transportation Board, Union Pacific Railroad has not pulled up the tracks and Modoc County has worked to save the Modoc Line from being removed by pursuing various initiatives to keep the rails in place and find ways to maintain an operating railroad on the Wendel to Alturas segment of the Modoc Line; and

Whereas, during the past seven years the Modoc Line has, at times, carried up to 12 trains a day of through freight providing a viable alternative route when other segments of the regional rail system closed due to the effects of severe weather conditions such as flooding in the Sacramento Valley, snow on Donner Pass and rock falls and slides in Feather River Canyon; and

Whether, since September 11, 2001, threats to national security have become a reality we all must face and consider; and

Whereas, the Wendel to McArthur segment of the Modoc Line is an essential link in an alternative north south route that has and should continue to provide an alternative link in a regional system in the event that future natural or man caused disasters shut down rail service on the more vulnerable Sierra Cascade and Sacramento Valley routes; and

Whereas, the Wendel to McArthur segment of the Modoc Line provides a large link in an existing regional railroad network that could in the future afford rail based tourism along a "Great Loop" that this network serves throughout Northeastern California including Susanville, Doyle, Portola, Quincy, Westwood, Chester, Burney and Alturas; and

Whereas, Union Pacific Railroad has satisfied the Surface Transportation Board requirements for legal abandonment and is about to execute a salvage contract to have the rails and ties removed on the Wendel to McArthur segment of the Modoc Line;

NOW, THEREFORE, BE IT RESOLVED by the Lassen County Board of Supervisors as follows:

Section 1.

The Lassen County Board of Supervisors supports the efforts of Modoc County to retain rail use of the Wendel to Alturas segment of the Modoc Line for use as a shipping route for both local and regional traffic; and

Section 2.

The Lassen County Board of Supervisors supports retaining the rail for continued freight and other rail uses including excursions and other recreational uses of the line;

Section 3.

If efforts to retain the line do not succeed and the rails and ties are removed, the Lassen County Board of Supervisors supports retaining the railroad right-of-way for possible future rail use through rail banking and development of a management plan for interim trail use of the railroad grade.

PASSED AND ADOPTED at the regular meeting of the Lassen County Board of Supervisors held, March 18, 2003 by the following vote:

AYES: _____ Supervisors Chapman, Pyle, Dahle, Hanson _____

NOES: _____ None _____

ABSENT: _____ Supervisor Keefer _____

ATTEST:

Lassen County Clerk

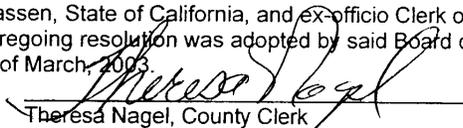


Lassen County Clerk



Chairman of the Board of Supervisors

I, THERESA NAGEL, County Clerk of the County of Lassen, State of California, and ex-officio Clerk of the Board of Supervisors thereof, hereby certify that the foregoing resolution was adopted by said Board of Supervisors at a regular meeting held on the 18th day of March, 2003.



Theresa Nagel, County Clerk

RESOLUTION NO #2003-19

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALTURAS

WHEREAS, on August 6, 1996 the Surface Transportation Board of the United States of America authorized abandonment of a segment of the Modoc Line from Wendell, CA to the MacArthur siding near Alturas (an approximate distance of 85 miles); and

WHEREAS, attempts on the part of the City of Alturas to purchase the line for operation of a short line railroad have failed; and

WHEREAS, the Union Pacific Railroad has recently exercised its option to consummate the abandonment with the removal of the track, ties and sell the right-of-way; and

WHEREAS, the Modoc Rail Line has played an important part in the nations transportation infrastructure by providing an alternate and direct route from the central rail corridor to pacific northwest cities and harbors; and

WHEREAS, the Modoc Rail Line has played an important role in the development of the City of Alturas by providing transportation of heavy base resources; and

WHEREAS, due to the strategic location of the corridor for the City of Alturas and the national transportation system, there remains a need for rail; and

WHEREAS, Rail Banking the right-of-way will protect it for possible future use and provide interim recreational opportunities.

NOW, THEREFORE, BE IT RESOLVED, that the Alturas City Council supports rail banking for the preservation of the right-of-way and in conjunction with the County of Modoc desires to negotiate with Union Pacific Railroad for the purchase of said right-of-way.

PASSED AND ADOPTED by the City Council of the City of Alturas at a regular meeting held on the 8th day of July, 2003, by the following vote:

AYES: Councilmembers: George W. Andreasen, Joe Coffin, Jerry Smith

NOES: None

ABSENT: Councilmembers: John Vass, Jack Ochs

ABSTAIN: None

CITY OF ALTURAS
RESOLUTION #2003-19
Page Two



GEORGE W. ANDREASEN, Mayor

ATTEST:



CARY L. BAKER, City Clerk

STATE OF CALIFORNIA
COUNTY OF MODOC...
CITY OF ALTURAS
I, CARY L. BAKER, CITY CLERK DO HEREBY CERTIFY
THAT THIS IS A FULL, TRUE AND CORRECT COPY OF
THE ORIGINAL DOCUMENT ON FILE IN MY OFFICE.
WITNESS MY HAND AND OFFICIAL SEAL THIS
14th DAY OF July 2003
CARY L. BAKER, CITY CLERK
BY Cary L. Baker

**RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF MODOC
RESOLUTION NUMBER 03-24**

WHEREAS, on August 6, 1996 the Surface Transportation Board of the United States of America authorized abandonment a segment of the Modoc Line from Wendell, Ca to the MacArthur siding near Alturas (an approximate distance of 85 miles); and

WHEREAS, attempts on the part of the City to purchase the line for operation of a short line railroad have failed; and

WHEREAS, the Union Pacific Railroad has recently exercised it's option to consummate the abandonment with the removal of the track, ties and sell right-of-way; and

WHEREAS, the Modoc Rail Line has played an important part in the nations transportation infrastructure by providing an alternate and direct route from the central rail corridor to pacific northwest cities and harbors; and

WHEREAS, the Modoc Rail Line has played an important role in the development of Modoc County by providing transportation of heavy base resources; and

WHEREAS, due to the strategic location of the corridor for the Count of Modoc and the national transportation system, there remains a need for rail; and

WHEREAS, Rail Banking the right-of-way will protect it for possible future use and provide interim recreational opportunities.

NOW, THEREFORE BE IT RESOLVED, that the Modoc County Board of Supervisors supports rail banking for the preservation of the right-of-way and in conjunction with the City of Alturas desires to negotiate with Union Pacific Railroad for the purchase of said right-of-way.

PASSED AND ADOPT by the Board of Supervisors of the County of Modoc, State of California, on the 15th day of July, 2003, by the following vote:

YES: Supervisors Cantrall, Macsay, Dunn, Hagge, Bradshaw

NOES: None.

ABSTAIN: None.

ABSENT: None.



By: Mike Dunn
Mike Dunn, Chairman, Board of Supervisors

ATTEST:

Melanie Madison
County Clerk and Ex-Officio Clerk of the
Board of Supervisors

BOARD OF SUPERVISORS OF THE COUNTY OF MODOC



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August 15, 2003

File code:
8300 (P)
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Mr. Mike Sattler
Union Pacific Railroad Company
Real Estate Department
Special Projects Division
1800 Farnam Street
Omaha, NE 689702

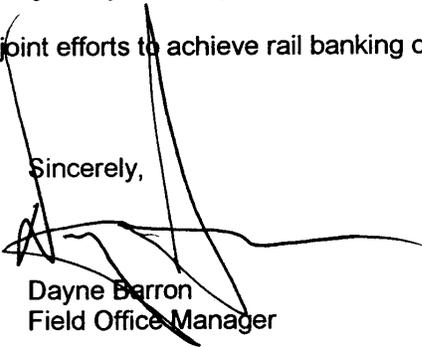
RE: Docket No. AB-12 (Sub-No. 184X) Abandonment Exemption - Wendel-Alturas
Line, California (Related to FD 32706); Request for Extension of Negotiations
For Trail Use

Dear Mr. Sattler:

Thank you for your time in meeting with my staff and field reviewing the Modoc Line on June 23, 2003. Enclosed for your reference is the Eagle Lake Field Office's 8-15-03 letter to the Surface Transportation Board requesting an extension of the time for BLM to negotiate with Union Pacific Railroad for rail banking the abandoned segment of the Modoc Line from Wendel to McArthur near Alturas. Please contact Stan Bales of my staff at 530-252-5311 if you have questions regarding this filing.

I look forward to continuing our joint efforts to achieve rail banking of the Modoc Line.

Sincerely,


Dayne Barron
Field Office Manager

Encl: stb filing, 8-15-03