

**SURFACE TRANSPORTATION BOARD ISSUES FINAL DECISION AUTHORIZING
SOUTHWEST GULF RAILROAD CO. TO CONSTRUCT & OPERATE 7-MILE RAIL LINE IN
MEDINA COUNTY, TX**

The Surface Transportation Board (Board) announced today that it has issued a decision granting final approval for Southwest Gulf Railroad Company (SGR) to construct and operate a rail line in Medina County, Texas, subject to environmental mitigation conditions. The Board identified three environmentally acceptable routing alternatives, any one of which SGR may now build.

The new rail line will extend from Vulcan Construction Material's planned limestone quarry in the north central part of Medina County to a connection with the Del Rio Subdivision of the Union Pacific Railroad Company near Dunlay, Texas. Limestone aggregate from the quarry will be transported to the eastern part of Texas, including the Houston area. SGR expects to ship roughly 5 million tons of limestone per year.

The decision follows an extensive environmental review and analysis of public concerns by the Board's Section of Environmental Analysis (SEA) that started in November 2004. After a thorough look at various proposals for the rail line, the Final EIS was issued in May 2008, with SEA concluding that three alternative rail routes would be the environmentally preferred routes for the rail line, because they largely avoid affecting the rural historic landscape discovered during the environmental review. These rail routes are called the Eastern Bypass Route, the MCEAA Medina Dam Alternative, and the Modified Eastern Bypass Route.

Following issuance of the Final EIS, SEA consulted further with the U.S. Fish and Wildlife Service regarding potential impacts to the golden-cheeked warbler, a Federally-listed threatened and endangered species. Shortly after the Service concurred with SEA's determination that this rail construction project would not adversely affect the warbler, the Board issued its final decision.

The Board's decision approving the construction and operation project was issued today in the case entitled [Southwest Gulf Railroad Company—Construction and Operation Exemption—Medina County, TX, STB Finance Docket No. 34284](#). It is available for viewing and downloading via the Board's Web site at <http://www.stb.dot.gov> under "E-LIBRARY" on the home page, then under "Decisions and Notices," beneath the date "12/18/08." The Final EIS also is available under "ENVIRONMENTAL MATTERS" on the home page.

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