



BUILDING AMERICA®

243890

June 30, 2017

ENTERED
Office of Proceedings
June 30, 2017
Part of
Public Record

VIA E-FILING

The Honorable Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
395 E. Street, S.W., Room #100
Washington, DC 20423-0001

RE: Proposed Discontinuance of the Pequot Subdivison from Pequot, IL, at MP 56.85, along BNSF's Transcon Line, to Reed Road at MP 59.70, a total distance of 2.85 miles in Grundy County, Illinois; STB Docket Nos. AB-33 (Sub-No. 333X)

Dear Ms. Brown:

Pursuant to the Board's exemption procedures for discontinuance of service of rail lines with no local business for at least two (2) years, (49 C.F.R. § 1152.50), I am hereby e-filing the Verified Notice of Exemption, including a Certificate of Service and Publication.

Please file the Notice of Exemption in Docket No. AB-33 (Sub-No. 333X). Enclosed is a credit authorization voucher in the amount of \$4,000.00 for the filing fee.

Sincerely,

Mack H. Shumate, Jr.
Senior General Attorney

Attachments

FILED
June 30, 2017
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
June 30, 2017
SURFACE
TRANSPORTATION BOARD

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

DOCKET NO. AB-33 (Sub-No. 333X)

**UNION PACIFIC RAILROAD COMPANY
-- DISCONTINUANCE OF SERVICE EXEMPTION --
IN GRUNDY COUNTY, ILLINOIS**

**VERIFIED NOTICE OF EXEMPTION
FOR DISCONTINUANCE OF SERVICE**

UNION PACIFIC RAILROAD COMPANY

Mack H. Shumate, Jr.
Senior General Attorney
101 North Wacker Drive, Room 1920
Chicago, Illinois 60606
Tel: 312-777-2055
Fax: 877-213-4433

Dated and Filed: June 30, 2017

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

DOCKET NO. AB-33 (Sub-No. 333X)

**UNION PACIFIC RAILROAD COMPANY
-- DISCONTINUANCE OF SERVICE EXEMPTION --
IN GRUNDY COUNTY, ILLINOIS**

VERIFIED NOTICE OF EXEMPTION

Union Pacific Railroad Company ("UP") submits this verified Notice of Exemption for Discontinuance of Service ("Notice of Exemption") pursuant to 49 § C.F.R. 1152, Subpart F - Exempt Abandonments and Discontinuances of Service, for an exempt Discontinuance of that Service over that portion of the Pequot Subdivision from Milepost 56.85, along BNSF's Transcon Line, to Reed Road at Milepost 59.70 a total distance of 2.85 miles in Grundy County, Illinois (the "Line").

In accordance with the requirements of 49 C.F.R. § 1152.50(d)(2), UP submits the following information:

Proposed Consummation Date: 49 C.F.R. § 1152.50(d)(2)

The Discontinuance of Service is proposed to be consummated or effective on or after August 19, 2017 at least 50 days after filing this Notice of Exemption.

Certification: 49 C.F.R. 1152.50(b)

UP certifies that no local or overhead traffic has moved over the Line for at least two years. Therefore, there is no need to reroute any traffic. UP further certifies that no formal complaint filed by a user of rail service on the Line (or filed by a state or local governmental entity acting on behalf of such user) regarding cessation of service over the Line is pending either with the Board or any U.S. District Court, or has been decided in favor of the complainant within the two-year period.

Additional Information Required: 49 C.F.R. 1152.22(a)(1)-(4), (7)-(8) and (e)(4)

(a) General.

(a)(1) The railroad's exact name is Union Pacific Railroad Company.

(a)(2) UP is a common carrier by railroad subject to 49 U.S.C. Subtitle IV,

Chapter 105.

(a)(3) UP intends to discontinue service over that portion of the Pequot Subdivision from Milepost 56.85, along BNSF's Transcon Line, to Reed Road at Milepost 59.70 a total distance of 2.85 miles in Grundy County, Illinois. UP intends to "rail bank" the Line, leaving the track in place and to retain its interest in the underlying right-of-way. The only temporary salvage activity contemplated is temporary removal or exemption of two (2) public grade crossings on the Line the first at Milepost 57.16 Crossing ID 290470F and the second at Milepost 57.56 Crossing ID 290471M provided, the Illinois Commerce Commission ("ICC") grants such temporary removal or exemption of the grade crossing warning devices at the crossings due to discontinuance of railroad operations over said crossings. UP will reinstall the said crossing panels and

grade crossing warning devices if and when rail service is reinstated on the portion of the Line where said crossings are located. UP acknowledges that all grade crossing warning devices ordered to be reinstalled by the ICC if and when service on the Line over the subject crossing is reestablished, shall be the responsibility of the UP or railroad reestablishing such rail service on the Line. UP respectfully requests authority from the Board to remove the two (2) public grade crossings and grade crossing warning devices at Milepost 57.16 and at 57.56 upon receipt by the Board of temporary authority to remove or exemption of said crossings the by ICC.

(a)(4) A map showing the location of the Line in relation to other rail lines, highways, and major roads in the area is attached as **Exhibit A**.

(a)(7) The representative to whom correspondence regarding this abandonment and discontinuance should be sent is:

Mack H. Shumate, Jr.
Senior General Attorney
101 North Wacker Drive, Room 1920
Chicago, Illinois 60606
Tel: 312-777-2055
Fax: 877-213-4433

(a)(8) ZIP Codes. The Line traverses U.S. Postal Service Zip Codes 60416 and 60407.

(e)(4) Rural and Community Impact.

The Line was constructed in 1880 by the Chicago and Alton Railroad which was acquired by the Gulf Mobile and Ohio Railroad in 1947, then merged into the Illinois Central Gulf Railway in 1972. The Line was then sold to the Chicago, Missouri and Western Railroad in 1987 and purchased by the SPCSL Corporation

in 1989. The track structure is laid with 112lb rail.

The intent of the Discontinuance is to support the construction of a plastics unloading and packaging facility for Hoffman Transportation that will allow them to bring their business to UP right away by utilizing idle assets so that the customer may postpone construction of lead and set out tracks.

There has been no traffic on the discontinuance portion of line for several years. The wayside signals and commercial power to the signal and grade crossing systems have suffered substantial storm damage and vandalism and are out of service.

The plan envisions that the portion of the Line from MP 56.85 to MP 59.70 will be discontinued. The portion of the Line from MP 58.69 to MP 59.7 will be leased to the customer, Hoffman Transportation, for non common carrier switching. The balance of the Line from MP 59.70 to the Joliet Subdivision connection at Mazonia at MP 63.28 will be reclassified in the UP Time Table as an UP Industrial Lead. The Discontinuance, along with appropriate grade crossing exemption authorization from the ICC, preserves the Line and the public crossing and the grade crossing warnings device authority in case UP decides to reactivate the Line and bring it back to mainline or branch mainline status as a through route in the future. It also reduces the likelihood of a conflict with the lease to Hoffman Transportation, and discontinues the unused segment of the Line to the BNSF connection where the switch has been removed. The plan also supports the UP's application to the Federal Railroad Administration (FRA) to deactivate the CTC railroad signals and limits use of the Line for switching as an industrial lead. The Line will not be physically available as a through route because of the removal of

said BNSF connection at the Northern end of the Line.

Discontinuance not only preserves the Line for potential future uses, and along with appropriate crossing exemption decisions from the ICC, allows the tracks in the two (2) railroad grade crossings to be removed or exempted and the crossing surface to be paved over during the period of inactivity. This not only permits school buses and fuel trucks to travel over the former crossings in an economical and safer manner but such discontinuance land banks preserves the right of way, remaining track structure and railroad operating authority for future service if rail shippers choose to locate on the Line in future years.

The Line traverses ZIP codes 60416 and 60407, with the Discontinuance contained entirely within zip code 60416. The Line is located wholly within Grundy County, Illinois and passes by real property open space suitable for industrial development, some of which is being utilized by Hoffman Transportation for the current project. An industrial park has been under discussion at a location to the South of Hoffman Transportation's proposed facility but is currently on hold.

Based on information in UP's possession the Line does not contain federally granted right of way. Any documentation in UP's possession with regard to the real property interests of the Line will be made available promptly to those requesting it.

Labor Protection

The interests of railroad employees will be protected by the conditions discussed in Oregon Short Line Railroad Co. – Abandonment – Goshen, 360 I.C.C. 91 (1979).

Certifications

Attached as **Exhibit B** is a Certificate of Service and Publication, pursuant to the notice requirements of 49 C.F.R §§ 1152.50(d)(1), 1105.11 and 1105.12.

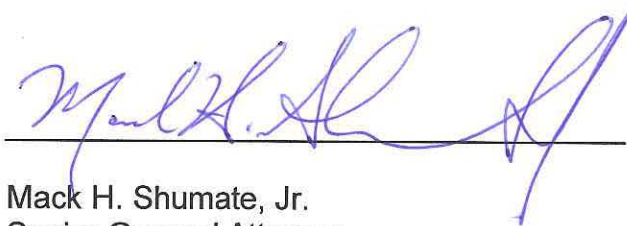
Environmental and Historic Report

Not applicable in that UP is merely discontinuing service on the Line.

UP received a response from the National Geodetic Survey dated June 22, 2017 indicating that there were no geodetic survey station marks located in the area of the Discontinuance. Since the authority requested is for Discontinuance and not Abandonment of the Line the only potential for disturbance of a geodetic station mark would occur if any of the railroad crossings on the Line are removed pursuant to ICC order. UP will take the necessary steps to preserve geodetic station marks if any grade crossings are removed. (See **Exhibit C**)

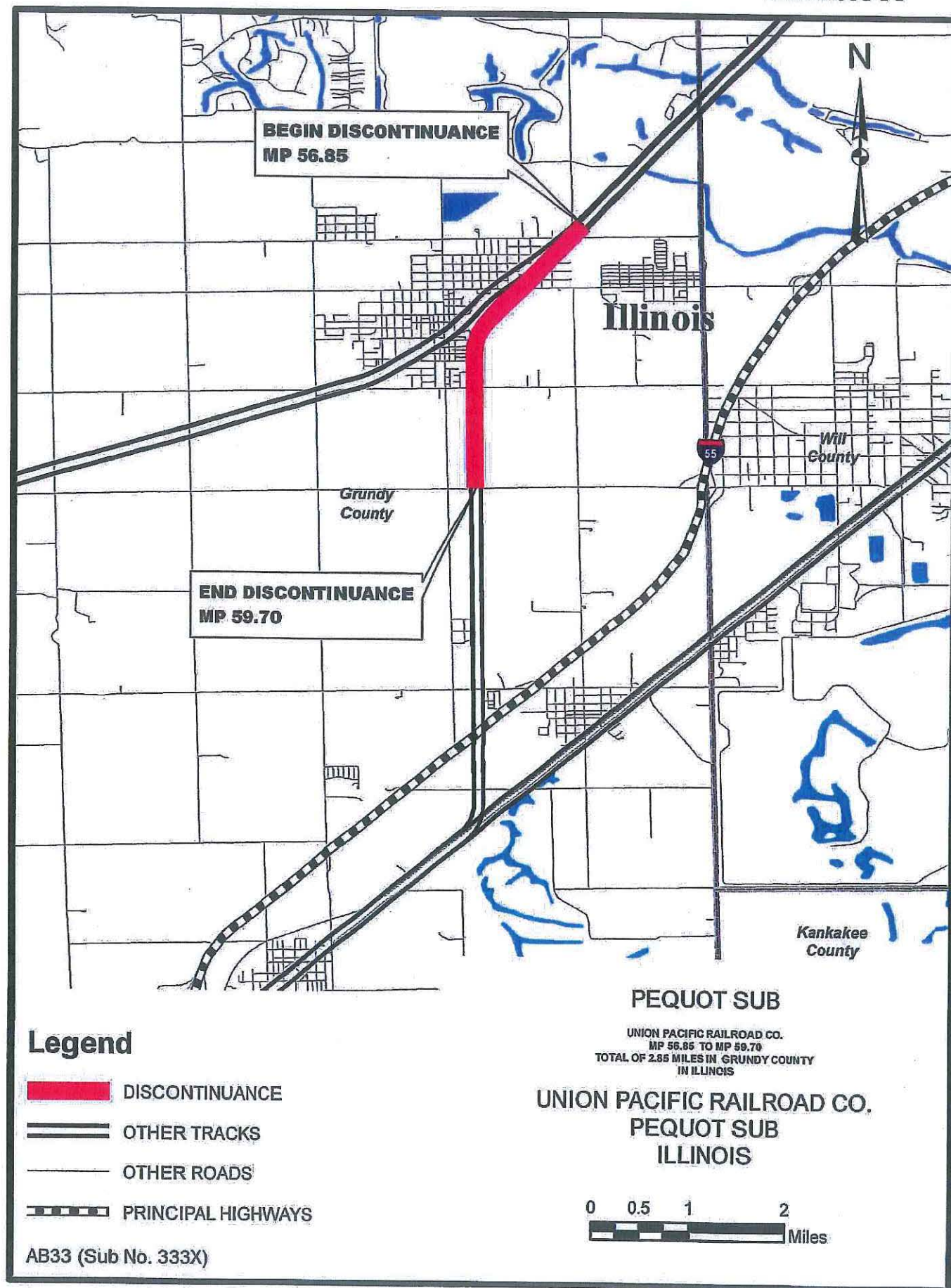
Respectfully submitted,

UNION PACIFIC RAILROAD COMPANY



Mack H. Shumate, Jr.
Senior General Attorney
101 North Wacker Drive, Room 1920
Chicago, Illinois 60606
Tel: 312-777-2055
Fax: 877-213-4433
mackshumate@up.com

Exhibit A



DOCKET NO. AB – 33 (SUB-NO. 333X)

UNION PACIFIC RAILROAD COMPANY
-- DISCONTINUANCE OF SERVICE EXEMPTION --
IN GRUNDY COUNTY, ILLINOIS

CERTIFICATE OF SERVICE AND PUBLICATION

49 C.F.R. § 1152.50(d)(1) – Notice

The undersigned certifies that on June 13, 2017 (at least 10 days before a Notice of Exemption is filed), written notice was given by Union Pacific Railroad Company ("Union Pacific") stating Union Pacific's intent to use the Notice of Exemption procedure to discontinue service on a portion of the Pequot Subdivision from Milepost 56.85 to Milepost 59.70, a total distance of 2.85 miles in Grundy County, Illinois in Docket No. AB-33 (Sub-No. 333X).

Said written notice (a copy of which is attached hereto as **Attachment No. 1**) was served on the following:

U.S. Dept. of Agriculture
Chief of the Forest Service
4th Floor, N.W. Auditors Bldg.
U.S. Department of Agriculture
14th St. & Independence Ave., SW
Washington, DC 20250

National Park Service
Midwest Region
601 Riverfront Drive
Omaha, NE 68102-4226

Headquarters
Military Surface Deployment & Distribution
Command
Transportation Engineering Agency
ATTN: ADTE - SA
Railroads for National Defense Program
709 Ward Drive, Building 1990
Scott AFB, IL 62225-5357

Officer of the Governor State
Single Point of Contact
Mr. Steven Klokkenga
State of Illinois
107 Stratton
Springfield, IL. 62706

49 C.F.R. § 1105.12 – Newspaper Notice

The undersigned further certifies that a "Notice of Intent to Discontinue Service" was published in the form prescribed by the Board for a Notice of Exemption (Copy Attached as **Attachment No. 2**). The Notice was published one time in a major newspaper in the county in which the Line is located as follows:

County

Grundy

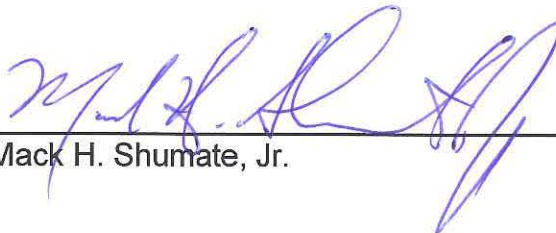
Newspaper

Morris Herald News

Date

June 22, 2017

Dated this 30th day of June, 2017.



Mack H. Shumate, Jr.



BUILDING AMERICA®

ATTACHMENT 1

June 13, 2017

U.S. Department of Agriculture
Chief of the Forest Service
4th Floor, N.W. Auditors Bldg.
U.S. Dept of Agriculture
14th St. & Independence Avenue, SW
Washington, DC 20250

National Park Service
Midwest Region
601 Riverfront Drive
Omaha, NE 68102-4226

Headquarters
Military Surface Deployment & Distribution
Command
Transportation Engineering Agency
ATTN: ADTE – SA
Railroad for National Defense Program
709 Ward Drive, Building 1990
Scott AFB, IL 62225-5357

Officer of the Governor
State Single Point of Contact
Mr. Steven Klockenga
State of Illinois
107 Stratton
Springfield, IL. 62706

RE: Proposed Discontinuance of the Pequot Subdivision from Pequot, IL, at MP 56.85, along BNSF's Transcon Line, to Reed Road at MP 59.70, a total distance of 2.85 miles in Grundy County, Illinois; STB Docket Nos. AB-33 (Sub-No. 333X)

Dear Sir or Madam:

Please be advised that Union Pacific Railroad Company ("UP") expects to file with the United States Surface Transportation Board ("STB"), on or after June 23, 2017, a notice of an exempt discontinuance of a portion of a line of railroad known as the Pequot Subdivision, extending from Milepost 56.85 along BNSF's Transcon Line to Milepost 59.70 at Reed Road, a total distance of 2.85 miles in Grundy County, Illinois (the "Line"). The Line traverses U.S. Postal Service zip code 60416 and 60407.

The "no business" exemption procedure will be used to discontinue the Line, pursuant to the STB's abandonment and discontinuance regulations at 49 C.F.R. §1152.50. No local traffic has moved over the Line for at least two years and there is no overhead traffic on the Line. A Notice of Exemption to discontinue service on the Line pursuant to 49 C.F.R. § 1152.50 (no local traffic for at least two years) will be filed with the STB on or after June 23, 2017.

Based on information in UP's possession, the Line does not contain federally granted right-of-way. All relevant Documentation in UP's possession concerning the real property interests on the Line will be made available promptly to those entitled to



BUILDING AMERICA®

ATTACHMENT 1

view such information under the applicable federal laws and regulations.

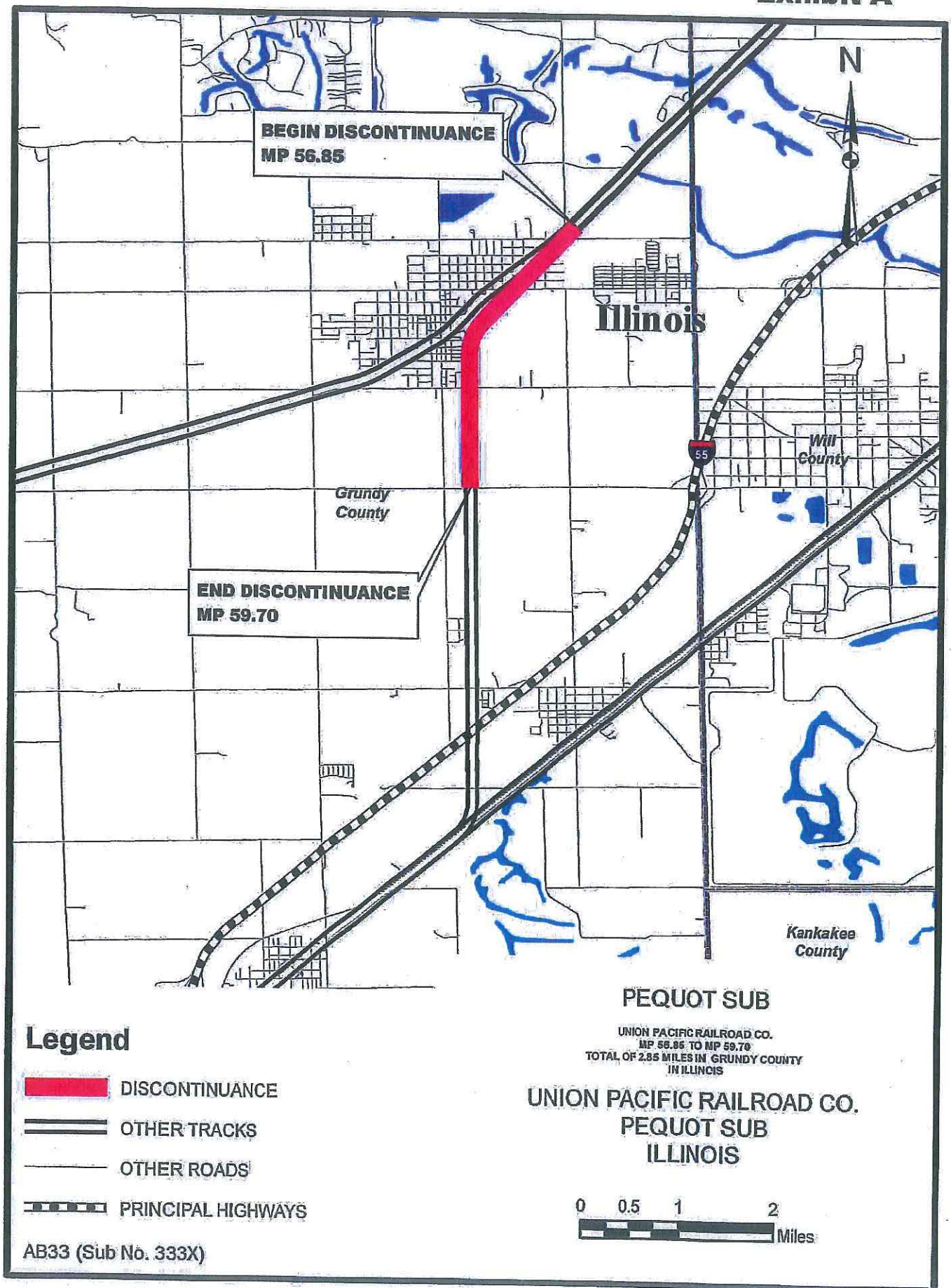
A map showing the segment of Line to be discontinued marked as Exhibit A is attached for your information.

Sincerely,

A handwritten signature in black ink, reading "Mack H. Shumate, Jr." in a cursive script.

Mack H. Shumate, Jr.
Senior General Attorney

Exhibit A



Certificate of the Publisher

Morris Herald-News

Description: NOTICE INTENT TO DISCONTI
1425669

UNION PACIFIC RAILROAD - LAW DEPT.
1400 DOUGLAS STREET - STOP 158
OMAHA NE 68179

Shaw Media certifies that it is the publisher of the Morris Herald-News. The Morris Herald-News is a secular newspaper, has been continuously published daily for more than fifty (50) weeks prior to the first publication of the attached notice, is published in the City of Morris, County of Grundy, State of Illinois, is of general circulation throughout that county and surrounding area, and is a newspaper as defined by 715 ILCS 5/5.

A notice, a true copy of which is attached, was published 1 time(s) in the Morris Herald-News, namely one time per week for one successive week(s). Publication of the notice was made in the newspaper, dated and published on
06/22/2017

This notice was also placed on a statewide public notice website as required by 5 ILCS 5/2.1.

In witness, Shaw Media has signed this certificate by J. Tom Shaw, its publisher, at Morris, Illinois, on
22nd day of June, A.D. 2017

Shaw Media By:



J. Tom Shaw, Publisher

Account Number 10175372

Amount \$538.20

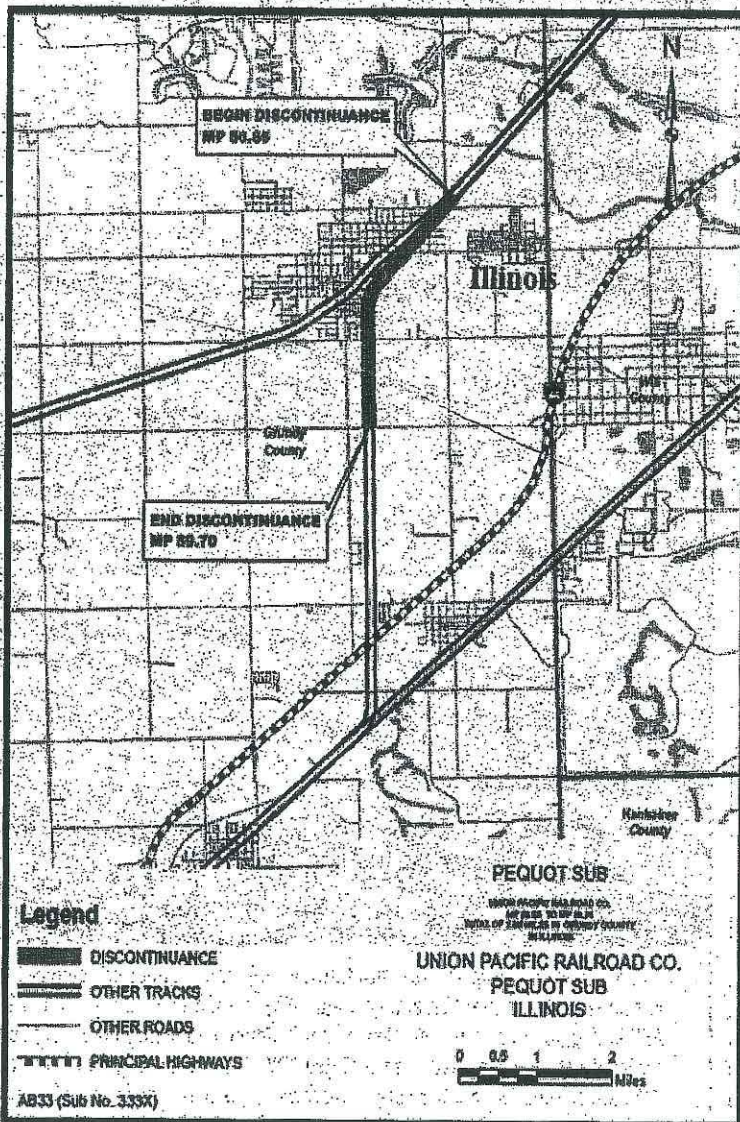
PUBLIC NOTICE

UNION PACIFIC RAILROAD COMPANY (UP) GIVES NOTICE THAT ON OR AFTER June 23, 2017, it intends to file with the Surface Transportation Board, Washington, D.C. 20423, a Notice of Exemption under 49 C.F.R. Part 1152, Subpart F - Exempt Abandonments and Discontinuances, for an exempt Discontinuance of Service on that portion of a line of railroad known as the Pequot Subdivision at MP 56.85, along BNSF's Transcon line, to Reed Road at MP 59.70, a total distance of 2.85 miles in Grundy County, Illinois (The Line). The Line traverses U.S. Postal Service zip code 60416. The proceeding has been docketed as No. AB-33 (Sub-No. 333X).

The Board's Section of Environmental Analysis ("SEA") will generally prepare an Environmental Assessment ("EA"), which will normally be available twenty-five (25) days after the filing of the Notice of Exemption. Comments on environmental and energy matters should be filed no later than 15 days after the EA becomes available to the public and will be addressed in a Board decision. Interested persons may obtain a copy of the EA or make inquiries regarding environmental matters by writing to the Section of Environmental Analysis (SEA), Surface Transportation Board, Washington, DC 20423 or by calling that office at (202) 245-0295. The Notice of Exemption will provide that the proceeding is exempt from environmental reporting requirements under 49 CFR 1105.6(c) and from historic reporting requirements under 49 CFR 1105.8(b).

Appropriate offers of financial assistance to continue rail service can be filed with the Board. Requests for environmental conditions, public use conditions, or rail banking/trails use also can be filed with the Board. An original and 10 copies of any pleading that raises matters other than environmental issues (such as trails use, public use, and offers of financial assistance) must be filed directly with the Board's Office of the Secretary, 395 E Street, SW, Washington, DC 20423 [See 49 CFR 11.04.1(a) and 11.04.3(a)], and one copy must be served on the applicant's representative. [See 49 CFR 11.04.12(a)] Questions regarding offers of financial assistance, public use or trails use may be directed to the Board's Office of Public Assistance, Governmental Affairs, and Compliance at (866) 254-1792. Copies of any comments or requests for conditions should be served on UP's: Mack Shumate, Jr., Senior General Attorney, 101 North Wacker Drive, #1920, Chicago, Illinois 60606 (312) 777-2055.

UNION PACIFIC RAILROAD COMPANY



**Fw: NGS Response, STB Docket AB-33 (SUB NO. 333X)**

Sarah J. Rief to: Mack H. Shumate, Olin H. Dirks, Penny L.
Menchey, Ida R. Finnegan

06/30/2017 11:13 AM

See response from the National Geodetic Survey Office. I will upload this to the e-file.

Sarah J. Rief

Legal Assistant - Law Department
Union Pacific Railroad Company
1400 Douglas Street - Stop 1580
Omaha, NE 68179
Office: 402-544-0438 Email: sjrief@up.com

----- Forwarded by Sarah J. Rief/UPC on 06/30/2017 11:11 AM -----

From: Simon Monroe <simon.monroe@noaa.gov>
To: sjrief@up.com
Cc: SURFACE TRANSPORTATION BOARD <sea@stb.dot.gov>, Christine Gallagher
<Christine.Gallagher@noaa.gov>, Simon Monroe <simon.monroe@noaa.gov>
Date: 06/22/2017 03:18 PM
Subject: NGS Response, STB Docket AB-33 (SUB NO. 333X)

This email originated from outside of the company. Please use discretion if opening attachments or clicking on links.

> -----
> Thank you for sharing your railroad abandonment environmental report for
> PEQUOT, Grundy County, ILLINOIS.
>
> Approximately 00 geodetic survey marks may be located in the area
> described. If marks will be disturbed by the abandonment, [THE RAILROAD]
prior shall consult with the National Geodetic Survey (NGS) at least 90 days
prior to beginning salvage activities that will disturb, or destroy any geodetic
station marks. These marks are described on the attached file. Additional
advice is provided at <http://geodesy.noaa.gov/marks/railroads/>
> -----
>
> |Dist|PID...|H V|Vert_Source|Approx.|Approx..|Stab|Designation
>
> |----|-----|---|-----|-----|-----|----|-----

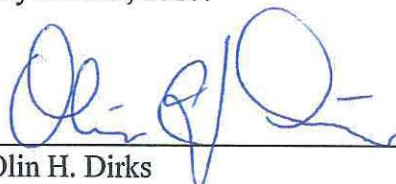
No Stations Found.

VERIFICATION

STATE OF NEBRASKA)
)SS:
COUNTY OF DOUGLAS)

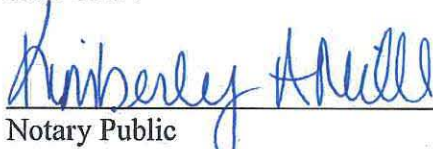
I, OLIN H. DIRKS, Senior Manager Rail Line Planning of Union Pacific Railroad Company, declare under penalty of perjury, under the law of the United States of America, that I have read the foregoing document and that its assertions are true and correct to the best of my knowledge, information and belief. I further declare that I am qualified and authorized to submit this verification on behalf of Union Pacific Railroad Company.

Dated at Omaha, Nebraska, this 30th day of June, 2017.



Olin H. Dirks

SUBSCRIBED AND SWORN TO
before me this 30th day of
June 2017.



Notary Public

My Commission expires: 7-21-2020

