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December 10, 2024

VIA E-FILING

308988

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street SW
Washington, DC 20024

ENTERED
Office of Proceedings
December 10, 2024
Part of
Public Record

Re: STB Docket No. FD 36818
Central Oregon & Pacific Railroad, Inc.
-Lease and Operation Exemption Including Interchange Commitment-
Union Pacific Railroad Company

Dear Ms. Brown:

Enclosed for filing on behalf of the Central Oregon & Pacific Railroad, Inc. in the above referenced docket is a verified notice of exemption pursuant to 49 U.S.C. § 10902. The filing fee has been paid via pay.gov.

If you have any questions related to this filing, please let me know.

Respectfully,

A handwritten signature in blue ink that reads 'Justin J. Marks'.

Justin J. Marks
Counsel for Central Oregon & Pacific
Railroad, Inc.

Enclosure

FILED
December 10, 2024
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
December 10, 2024
SURFACE
TRANSPORTATION BOARD
clarkhill.com

Before the
SURFACE TRANSPORTATION BOARD

STB Docket No. FD 36818

CENTRAL OREGON & PACIFIC RAILROAD, INC.
– LEASE AND OPERATION EXEMPTION
INCLUDING INTERCHANGE COMMITMENT –
UNION PACIFIC RAILROAD COMPANY

VERIFIED NOTICE OF EXEMPTION
UNDER 49 U.S.C. §10902

(includes color images)

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*Attorneys for Central Oregon & Pacific
Railroad, Inc.*

Dated: December 10, 2024

Before the
SURFACE TRANSPORTATION BOARD

STB Docket No. FD 36818

CENTRAL OREGON & PACIFIC RAILROAD, INC.
– LEASE AND OPERATION EXEMPTION
INCLUDING INTERCHANGE COMMITMENT –
UNION PACIFIC RAILROAD COMPANY

VERIFIED NOTICE OF EXEMPTION
UNDER 49 U.S.C. §10902

Central Oregon & Pacific Railroad, Inc. (“CORP”), a Class III railroad, files this Notice of Exemption under 49 U.S.C. § 10902 to exempt from regulation CORP’s lease from Union Pacific Railroad Company (“UPRR”), and operation of, the following lines of railroad (together referred to herein as the “Rail Line”) totaling 27.58 miles: (a) the Brooklyn Subdivision extending between MP 616 and MP 660.58; (b) the Springfield and Marcola Industrial Leads between MP 646.58 and MP 648.39 in Springfield, OR; and (c) the Coos Bay Industrial Lead between MP 648.2 and MP 652.11 in Eugene, OR. Although not subject to Board jurisdiction, CORP will also be leasing certain related excepted track under 49 U.S.C. §10906 and the Eugene yard, at Eugene, OR.

Notice

In accordance with 49 C.F.R. §1150.43, CORP hereby provides the following information:

- (a) The full name and address of Applicant: Central Oregon & Pacific Railroad, Inc.,
1855 W. Baseline Road, Suite 200, Mesa, AZ 85202.
- (b) Applicant’s Representatives:

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- (c) CORP has entered into a Lease Agreement with UPRR.
- (d) UPRR is the current operator of the Rail Line.
- (e) Brief Summary of the Proposed Transaction: CORP has entered into a Lease Agreement to lease from UPRR and operate the Rail Line.
 - i. The name and address of the entity transferring the subject property and Rail Line is Union Pacific Railroad Company, 1400 Douglas Street, Mailstop 1350, Omaha, Nebraska 68179.
 - ii. The lease will be effective upon the effective date of this Notice of Exemption, sixty days after posting of the labor notice.
 - iii. The Rail Line CORP is leasing from UPRR includes the following segments: (a) the Brooklyn Subdivision extending between MP 616 and MP 660.58¹; (b) the Springfield and Marcola Industrial Leads between MP 646.58 and MP 648.39 in Springfield, OR; and (c) the Coos Bay Industrial Lead between MP 648.2 and MP 652.11 in Eugene, OR. Although not subject to Board jurisdiction,

¹ UPRR is retaining trackage rights between MP 616 and MP 660.58.

CORP will also be leasing certain related excepted track under 49 U.S.C. §10906 and the Eugene yard, at Eugene, OR.

- iv. The total distance of the Rail Line to be leased and operated is approximately 27.58 miles.
- (f) Attached as Exhibit A to this Notice of Exemption is a map of the Rail Line.
- (g) CORP certifies that its projected revenues as a result of the transaction will not exceed those that would qualify it as a Class III carrier.
- (h) CORP certifies that the Lease Agreement includes an existing interchange commitment.
 - i. As noted above, the Lease Agreement contains an interchange commitment that affects interchange with carriers other than UPRR and the affected interchange points are shown on the map attached as Exhibit A.
 - ii. A confidential version of the Lease Agreement is being submitted under separate cover as part of a Confidential Appendix governed by 49 CFR 1104.14(a).
 - iii. A list of the shippers who currently use or who have used the Rail Line in the last two calendar years, and whose traffic is subject to the interchange commitment is attached hereto as Exhibit B.
 - iv. The aggregate number of carloads originated or terminated within the last two calendar years by the shippers identified in subparagraph iii. above is included as part of the Confidential Appendix.
 - v. CORP hereby certifies that, as set forth in the certificate of service, it has

provided notice of the proposed transaction and the interchange commitment by serving a copy of this Notice of Exemption on the shippers identified in subparagraph iii. above.

- vi. Third party railroads that can physically interchange with the Rail Line is Portland and Western Railroad, Inc. and Coos Bay Rail Line, Inc.
- vii. CORP does not have the information to estimate the difference between the rent with and without the interchange agreement. Moreover, in connection with the Lease Agreement, there was no discussion or negotiation of the lease with and without the commitment. Accordingly, CORP requested an estimate of the difference from UPRR as permitted by the Board. Information Required in Notices and Petitions Containing Interchange Commitments, STB Docket No. EP 714 (served September 5, 2013), slip op. at 5-6. UPRR's response is included in the Confidential Appendix.
- viii. The caption of this proceeding reflects the existence of the interchange commitment.

Labor Notice Certification

In addition to the information set forth above, CORP certifies that its revenues currently exceed \$5,000,000. In accordance with the requirements of 49 C.F.R. 1150.42(e), CORP posted a notice to the employees of UPRR, and filed a letter with the Board on December 10, 2024, certifying that the posting was complete. A copy of the certification to the Board is attached hereto as Exhibit C.

Labor Protection

CORP is a Class III carrier and, pursuant to 49 U.S.C. §10902(d), approval of this transaction may not be subjected to labor protection conditions.

Environmental and Historic Reports

These agreements are for continued rail operations that will not result in changes in carrier operations that will exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (5). Further Board approval is required for CORP to discontinue or UPRR to abandon service on the Rail Line or to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older. Accordingly, no environmental or historic documentation is required. *See* 49 C.F.R. §1105.6(c)(2); 49 C.F.R. §1105.8(b)(1).

Caption Summary

Attached hereto as Exhibit D is the caption summary required by 49 C.F.R. §1150.44.

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Conclusion

Accordingly, CORP requests that the Board issue a notice allowing the Lease Agreement of the Rail Line to become effective 60 days from the posting of the Labor Notice.

Respectfully submitted,



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*Attorneys for Central Oregon & Pacific
Railroad, Inc.*

Dated: December 10, 2024

VERIFICATION

I hereby verify on behalf of Central Oregon & Pacific Railroad, Inc., under penalty of perjury, that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this Verification.

Executed on December 10, 2024.

A handwritten signature in black ink, appearing to read 'David Franklin', is written over a horizontal line.

David Franklin, President

EXHIBIT A

MAP

STB Finance Docket
No. 36818



EXHIBIT B

SHIPPERS

Lane Forest Products 2111 Prairie Rd Eugene, OR 97440 JUA rack 799 Swain, OR 97448	The Willimette Valley Co 586 McKinley St Eugene, OR 97402
Cascade Warehouse 283 W 1st St Junction City, OR 97448	Rosboro Company LLC 2509 Main St Springfield, OR 97477
Grain Millers 315 Madison Eugene, OR 97402	Swanson Group MFG LLC 1651 S F St Springfield, OR 97477
Baxter JH 85 Baxter Rd Eugene, OR 97402	Arclin USA 475 28 St Springfield, OR 97477
Emerald Forest Products 118 Hwy 99 N Eugene, OR 97402	Hexion 470 S 2nd St Springfield, OR 97477
Greenhill Reload 100 Premier St. Eugene, OR 97402	Kingsford Products 3315 Marcola Rd Springfield, OR 97477
MP Reload Warehousing 15 N Garfield Rd Eugene, OR 97402	Amerigas Propane 2843 Main St Springfield, OR 97478
Pacific Recycling 3300 Cross St Eugene, OR 97402	Northwest Hardwoods 90189 Prairie Rd Eugene, OR 97402
Pennington Crossarm 2701 W 1st Ave Eugene, OR 97402	Sundance Lumber 1001 N 35th Springfield, OR 97478
Speciality Panel Products USA 77 N Garfield St Eugene, OR 97402	International Paper 3425 E 17th St Eugene, OR 97403
Weyerhaeuser NR 195 N Bertelsen Rd Eugene, OR 97402	Paktech Irving 70 S Bertelsen Rd Eugene, OR 97402

EXHIBIT C

CERTIFICATION OF LABOR NOTICE POSTING



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December 10, 2024

VIA E-FILING

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street SW
Washington, DC 20024

Re: STB Docket No. FD 36818
Central Oregon & Pacific Railroad, Inc.
-Lease and Operation Exemption Including Interchange Commitment-
Union Pacific Railroad Company

Dear Ms. Brown:

Pursuant to 49 C.F.R. § 1150.42(e), Central Oregon & Pacific Railroad, Inc. ("CORP") certifies that on December 10, 2024 the attached Notice was posted by Union Pacific Railroad Company ("UPRR") at the UPRR Eugene Yard Office, Maintenance of Way Building, and Switchmen Shanty, at 1035 Bethel Dr., Eugene, OR 97404 as shown on the enclosed certificate.

CORP further certifies that it is serving a copy of this letter and the enclosed Notice via first class mail and/or email on the national offices of the labor unions shown on the following page.

Respectfully,

A handwritten signature in blue ink that reads 'Justin J. Marks'.

Justin J. Marks
Counsel for Central Oregon & Pacific
Railroad, Inc.

Enclosure

December 10, 2024

Page 2

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Tony Cardwell, President
BMWED
41475 Gardenbrook Road
Novi, MI 48375

Reece Murtagh, President Directing General Chairman
IAM – District 19
3204 Cutshaw Ave
Richmond, VA 23230

SURFACE TRANSPORTATION BOARD

STB Docket No. FD 36818

CENTRAL OREGON & PACIFIC RAILROAD, INC.
– LEASE AND OPERATION EXEMPTION
INCLUDING INTERCHANGE COMMITMENT –
UNION PACIFIC RAILROAD COMPANY

**NOTICE OF INTENT DIRECTED TO EMPLOYEES OF
UNION PACIFIC RAILROAD COMPANY**

Pursuant to the regulations of the Surface Transportation Board (the “Board”) at 49 C.F.R. §1150.42(e), Central Oregon & Pacific Railroad, Inc. (“CORP”), hereby gives notice of its intent to lease from Union Pacific Railroad Company (“UPRR”), the following lines of railroad totaling approximately 27.58 miles: (a) the Brooklyn Subdivision extending between MP 616 and MP 660.58; (b) the Springfield and Marcola Industrial Leads between MP 646.58 and MP 648.39 in Springfield, OR; and the Coos Bay Industrial Lead between MP 648.2 and MP 652.11 in Eugene, OR. Although not subject to Board jurisdiction, CORP will also be leasing certain related excepted track under 49 U.S.C. §10906; and the Eugene yard, at Eugene, OR.

The lease is intended to be effective as of February 8, 2025, or as soon thereafter as the Board gives its approval.

As a result of the transaction, CORP preliminarily estimates that the following jobs will be available at the starting hourly rates of pay indicated:

<u>Jobs</u>	<u>Starting Rates of Pay</u>
15 Transportation (mix of Engineers and Conductors)	\$29.00 - \$33.00 per hour based on experience
2 Mechanical	\$23.00 - \$29.00 per hour based on experience
3 Maintenance-of-Way	\$23.00 - \$30.00 per hour based on experience

Employees will be provided with railroad retirement, medical insurance, holidays, vacation and other benefits consistent with the benefits currently provided of employees of CORP and other railroad subsidiaries of Genesee & Wyoming Inc.

CORP is an equal opportunity employer. CORP employees will be selected based upon their experience and suitability of the jobs that may be offered. Successful applicants will be required to pass a standard background check, pre-employment drug and alcohol screen, complete medical questionnaire, and take a physical exam. Employees subject to Federal Railroad Administration certification qualifications will be required to provide proof that their certifications are current.

Any UPRR employee interested in obtaining further information concerning positions that CORP may have available should contact Suzanne Muller at (503) 480-7778 or smuller@gwrr.com.

Applications for employment should be made by sending a cover letter and resume stating the applicant's experience, in chronological order, and providing references for any employment held during the last five (5) years and any rail industry employment held at any time. The applicant may apply for multiple job opportunities and must be sure to list those job opportunities, in order of interest, in his/her cover letter. The applicant must be available to start work by the seventh day prior to the effective date of this acquisition.

Cover letters and resumes should be submitted on CORP's website at gwrr.com/careers.

Central Oregon & Pacific Railroad, Inc.

By: _____



David Franklin, President

Dated: December 10, 2024

Before the
SURFACE TRANSPORTATION BOARD

STB Docket No. FD 36818

CENTRAL OREGON & PACIFIC RAILROAD, INC.
– LEASE AND OPERATION EXEMPTION
INCLUDING INTERCHANGE COMMITMENT –
UNION PACIFIC RAILROAD COMPANY

CERTIFICATE OF POSTING

The attached Notice of Intent directed to employees was posted at Eugene Yard Office, Maintenance of Way Building, and Switchmen Shanty, at 1035 Bethel Dr, Eugene, OR 97404.

I, Erik Erickson, General Manager Transportation, Union Pacific Railroad Company, certify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to execute this certificate.

Executed on December 10, 2024.

A handwritten signature in black ink, appearing to read "Erik Erickson", written over a horizontal line.

Erik Erickson, General Manager Transportation

EXHIBIT D

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

Notice of Exemption

STB Docket No. FD 36818

**CENTRAL OREGON & PACIFIC RAILROAD, INC.
– LEASE AND OPERATION EXEMPTION
INCLUDING INTERCHANGE COMMITMENT –
UNION PACIFIC RAILROAD COMPANY**

VERIFIED NOTICE OF EXEMPTION

Central Oregon & Pacific Railroad, Inc. (“CORP”), a Class III railroad, files this Notice of Exemption under 49 U.S.C. § 10902 to exempt from regulation CORP’s lease from Union Pacific Railroad Company (“UPRR”), and operation, of the following lines of railroad (together referred to herein as the “Rail Line”) totaling 27.58 miles: (a) the Brooklyn Subdivision extending between MP 616 and MP 660.58; (b) the Springfield and Marcola Industrial Leads between MP 646.58 and MP 648.39 in Springfield, OR; and (c) the Coos Bay Industrial Lead between MP 648.2 and MP 652.11 in Eugene, OR. Although not subject to Board jurisdiction, CORP will also be leasing certain related excepted track under 49 U.S.C. §10906 and the Eugene yard, at Eugene, OR.

Comments must be filed with the Board and served on CORP’s representative, Eric M. Hocky, Esq., Clark Hill, PLC, Two Commerce Square, 2001 Market St., Suite 2620, Philadelphia, PA 19103; (215) 640-8523; ehocky@clarkhill.com.

The Notice is filed under 49 C.F.R. §1150.41. If the Notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. §10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Board decisions and notices are available at www.stb.gov.

Decided: _____, 2024.

By the Board, Mai T. Dinh, Director, Office of Proceedings.