



IOWA NORTHERN RAILWAY COMPANY

247236

201 TOWER PARK DRIVE
SUITE 300
WATERLOO, IA 50701
TELEPHONE: 319.361-3067
SBANNISTER@IOWANORTHERN.COM

ENTERED
Office of Proceedings
March 4, 2019
Part of
Public Record

February 28, 2019

VIA FEDERAL EXPRESS



Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Re: Finance Docket No. 36277
Iowa Northern Railway Company Lease Including
Interchange Commitment—Union Pacific Railroad Company

Dear Ms. Brown:

Enclosed for filing in the above-captioned proceeding are an original and ten copies of the Verified Notice of Exemption of Iowa Northern Railway Company. Also enclosed is a separate envelope which is marked "Confidential" are the original and ten copies of a Confidential Appendix.

A filing fee check in the amount of \$2,000 is enclosed.

If you have any questions regarding this filing, please feel free to contact me. Thank you for your assistance in this matter.

FILED
March 4, 2019
SURFACE
TRANSPORTATION BOARD

Respectfully submitted,

T. Scott Bannister

T. Scott Bannister
General Counsel

FEE RECEIVED

March 4, 2019
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

IOWA NORTHERN RAILWAY
COMPANY – LEASE EXEMPTION
WITH INTERCHANGE
COMMITMENT – RAIL LINE OF
UNION PACIFIC RAILROAD COMPANY

FINANCE DOCKET NO. 36277



**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41**

T. SCOTT BANNISTER, ESQ
IOWA NORTHERN RAILWAY COMPANY
201 Tower Park Drive, Suite 300
Waterloo, IA 50701

Attorney for Applicant

DATED: February 28, 2019

BEFORE THE
SURFACE TRANSPORTATION BOARD

IOWA NORTHERN RAILWAY
COMPANY –LEASE EXEMPTION
WITH INTERCHANGE
COMMITMENT – RAIL LINE OF
UNION PACIFIC RAILROAD COMPANY

FINANCE DOCKET NO. 36277



**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41**

Pursuant to the class exemption at 49 C.F.R. § 1150.41, et seq., IOWA NORTHERN RAILWAY COMPANY (“IANR”), a Class III rail carrier, files this Notice of Exemption from the requirements of 49 U.S.C. § 10902 for its operation of a line of railroad pursuant to a Lease Agreement with Union Pacific Railroad Company (“UP”). The subject line of railroad is located between Milepost 325.1 and Milepost 332.0 which also includes a rail yard located at approximately Milepost 326.5 and certain side tracks located at approximately Milepost 329.0 and Milepost 331.5 and are referred to collectively as the “Waterloo Industrial Line”. The line is located in Black Hawk County, Iowa and consists of a total of approximately 6.9 miles of trackage.

INFORMATION REQUIRED BY 49. C.F.R. § 1150.33 and 1150.43

In accordance with the requirements of 49 C.F.R. § 1150.43, IANR submits the following information:

(a) The full name and address of the applicant;

Iowa Northern Railway Company, 201 Tower Park Drive, Suite 300, Waterloo, IA 50701.

(b) The name, address, and telephone number of the representative of the applicant who should receive correspondence;

T. Scott Bannister, Iowa Northern Railway Company, 201 Tower Park Drive, Suite 300, Waterloo, IA 507011, (319) 297-6000 ext. 4.

(c) A statement that an agreement has been reached or details about when an agreement will be reached;

A Lease Agreement has been signed as of February 2019 between UP and IANR for IANR's operation of the Waterloo Industrial Line (the "Lease Agreement").

(d) The operator of the property;

The operator of the property will be IANR.

(e) A brief summary of the proposed transaction, including:

(1) The name and address of the railroad transferring the subject property:

The transferring lessor is Union Pacific Railroad Company, 1416 Dodge Street, Omaha, NE 68179.

(2) The proposed time schedule for consummation of the transaction:

IANR expects to commence operations immediately following the Board's approval of this transaction.

(3) The mile-posts of the subject property, including any branch lines:

The property is identified as follows: The subject line of railroad is located between Milepost 325.1 and Milepost 332.0 which also includes a rail yard located at approximately Milepost 326.5 and certain side tracks located at approximately Milepost 329.0 and Milepost 331.5 and are referred to collectively as the "Waterloo Industrial Line". The line is located in Black Hawk County, Iowa and consists of a total of approximately 6.9 miles of trackage.

(f) Map (49 CFR 1150.43(f))

A map depicting the railroad trackage to be operated is attached as **Appendix 1**.

(g) Certificate of Carrier Classification (49 CFR 1150.43(g))

IANR certifies that the projected annual revenues it may receive due to this transaction will be less than \$5,000,000 annually. A certificate complying with the provisions of 49 CFR 1150.43(g) is attached as **Appendix 2** to this Notice.

(h) Transactions Imposing Interchange Commitments (49 CFR 1150.43(h))

(1) The Lease Agreement contains an interchange commitment which provides for a Going Business Concern payment by IANR to UP for carloads that originate or terminate on the Waterloo Industrial Line that are not interchanged with UP.

(2) The Lease Agreement containing the interchange commitment is being filed concurrently with the filing of this Notice and confidentially with the Board in accordance with the provisions of 49 C.F.R. §§ 1150.43(h)(1)(ii) and 1104.14(a).

(3) The following shippers currently use or have used the Waterloo Industrial Line within the last two calendar years:

<u>Customer Name</u>	<u>Address</u>	<u>City</u>	
Transcontinental Cold Storage	501 N ELK RUN RD	Waterloo	IA
Tyson Fresh Meats	502 N ELK RUN RD	Waterloo	IA
John Deere	2000 Westfield Ave	Waterloo	IA
Watco Terminal & Port Services	638 N Elk Run RD	Waterloo	IA
AgVantage	5900 1st St	Dewar	IA

(4) The aggregate number of carloads originated or terminated on the Waterloo Industrial Line during the last two years by the shippers identified in the preceding section is being filed confidentially with the Board in accordance with the provisions of 49 C.F.R. §§ 1150.43(h)(1) and 1104.14(a).

(5) Attached hereto **Appendix 3-A** is a Certificate of Service, certifying that the shippers listed in **Appendix 3-B** have been served a copy of this Notice in accordance with 49 C.F.R. § 1150.43(h)(1)(v).

(6) Upon commencement of operations under the Lease Agreement, IANR could physically interchange with either UP or Canadian National Railroad.

(7) IANR has been informed by UP that the value is inestimable, as UP would not undertake the Lease Agreement absent the interchange commitment.

Disclosure of Intent to Transport Waste

IANR does not presently intend to provide facilities on the Waterloo Industrial Line for the collecting, sorting, loading, unloading, transferring, or transporting of municipal solid waste or construction and demolition material.

Labor Protection

Labor protective conditions are not applicable to transactions under 49 U.S.C. 10902.

Environmental and Historic Preservation Data (49 CFR 1105)

Pursuant to 49 CFR 1105.6(c), the proposed transaction is exempt from environmental review under 49 CFR 1105 (c) (2) (i), because the actions proposed herein will not cause any operating changes that exceed the thresholds established in 1105.7(e) (4) or (5).

Pursuant to 49 CFR 1105.8(b), this transaction is exempt from historic review since as herein a sale, lease or transfer of a rail line is exempt if rail operations will continue in this matter, and further, any abandonment of the Line would require Board approval and there are no plans to dispose of or alter the properties subject to Board jurisdiction.

CAPTION SUMMARY

A caption summary of the operation in Finance Docket No. 36277 is attached as **Appendix 5**.

CONCLUSION

WHEREFORE, Applicant, Iowa Northern Railway Company, respectfully requests that the Board issue a decision permitting Applicant's proposed operations pursuant to the Lease Agreement and that the same become effective at any time after 30 days from the filing of this Notice of Exemption.

Respectfully submitted,

IOWA NORTHERN RAILWAY COMPANY
201 Tower Park Drive, Suite 300
Waterloo, IA 50701

Applicant

T. Scott Bannister

T. Scott Bannister, Esq.
Iowa Northern Railway Company
201 Tower Park Drive, Suite 300
Waterloo, IA 50701

Attorney for Applicants

DATE FILED: February 28, 2019

APPENDIX 1 – MAP
(Identified as Exhibit “A”)

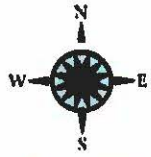
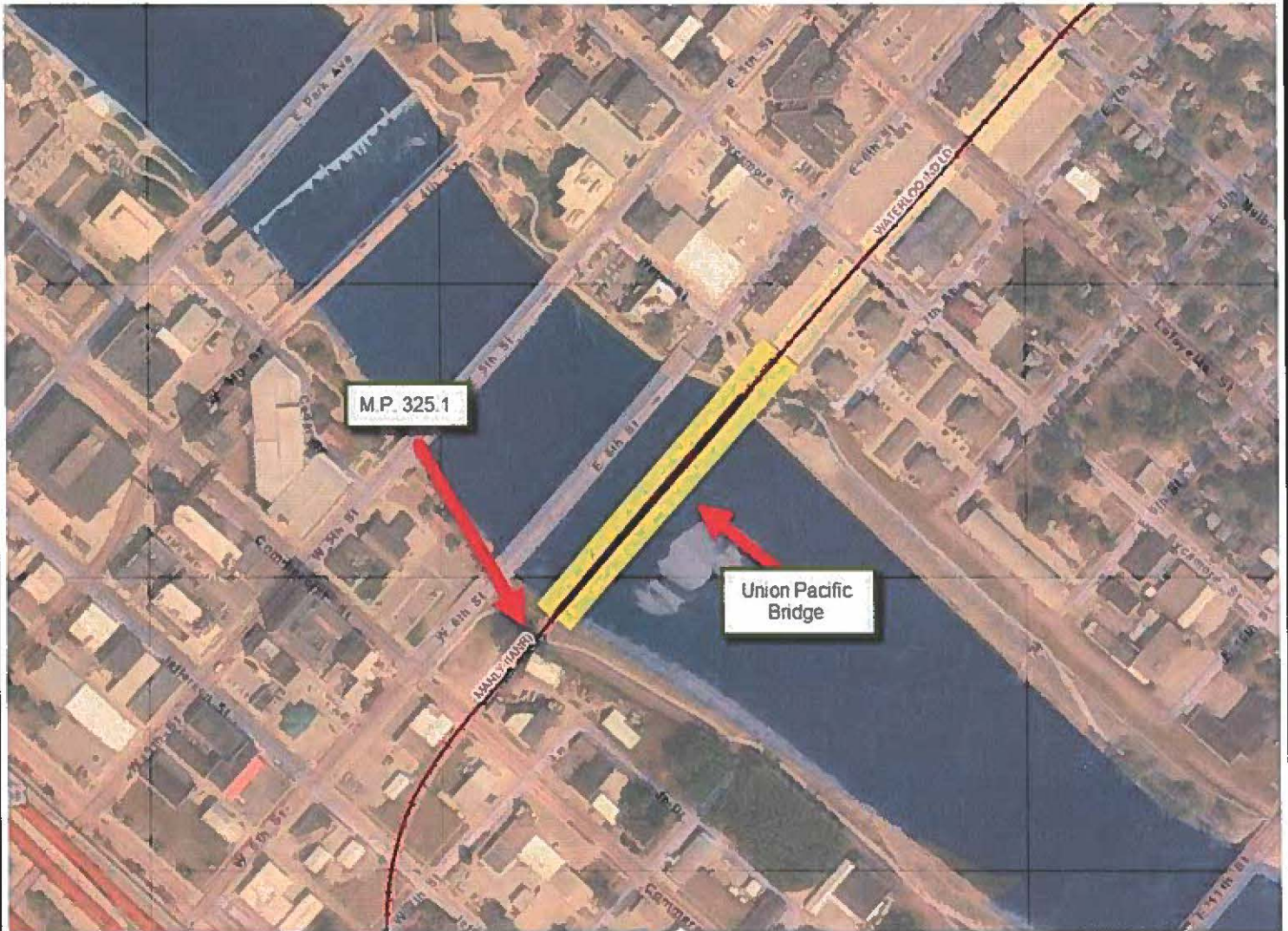


EXHIBIT "A"



WARNING

IN ALL OCCASIONS, U.P. COMMUNICATIONS DEPARTMENT MUST BE CONTACTED IN ADVANCE OF ANY WORK TO DETERMINE EXISTENCE AND LOCATION OF FIBER OPTIC CABLE.
PHONE: 1-(800) 336-9193

EXHIBIT "A"
UNION PACIFIC RAILROAD COMPANY
WATERLOO INDUSTRIAL LEAD
RAILROAD MILE POST 325.1 - 332
Waterloo, Blackhawk County, IA

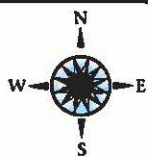


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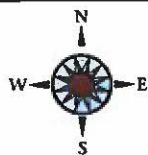


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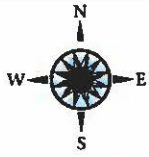


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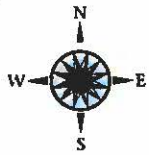
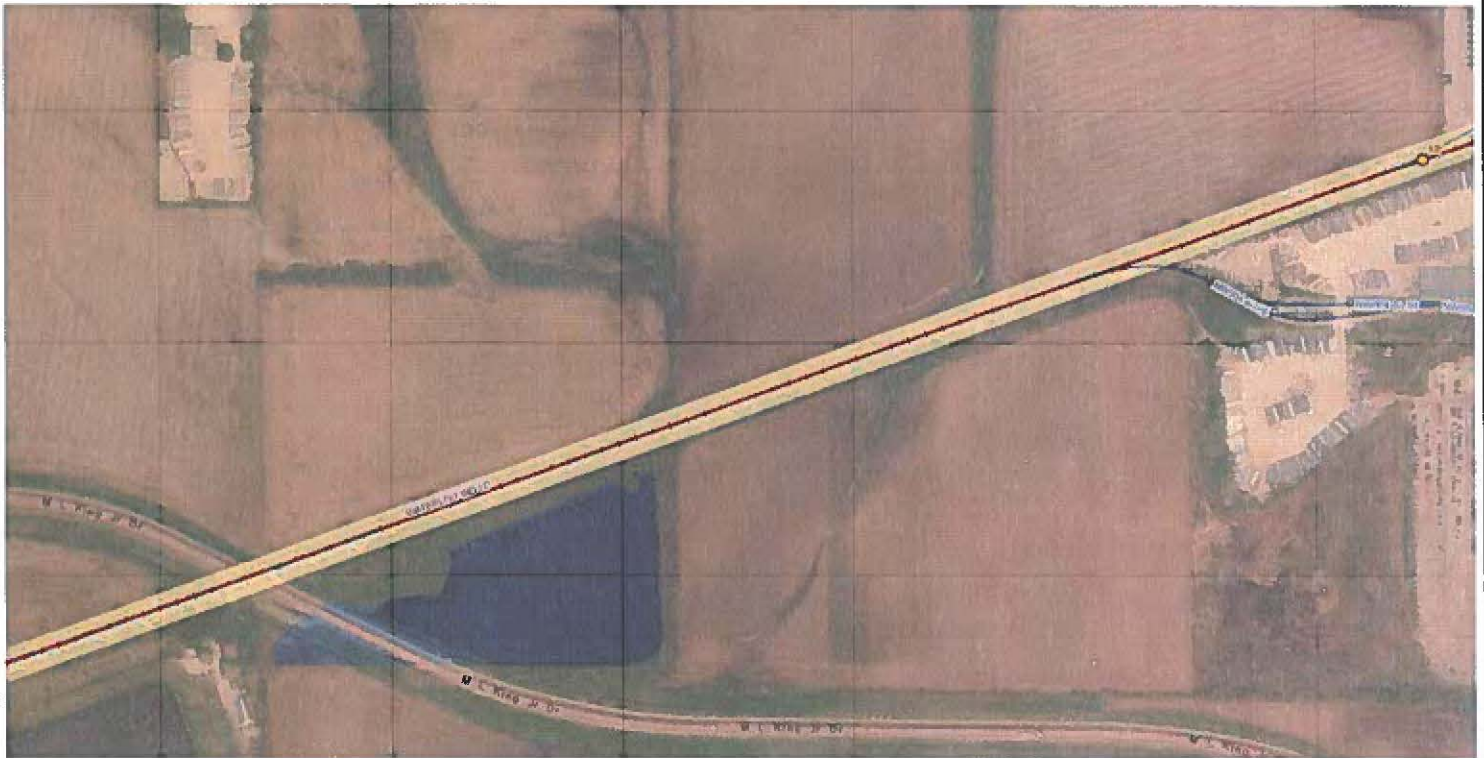


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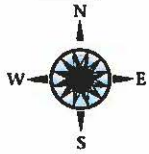


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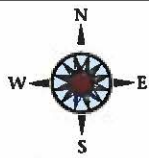


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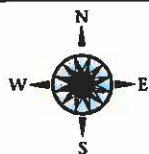


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CERTIFICATION

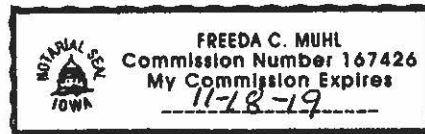
I, T. Scott Bannister, on oath, states that the projected revenues of Iowa Northern Railway Company as a result of the operation in this docket do not exceed those that would qualify it as a Class III rail carrier.

T. Scott Bannister
T. Scott Bannister, Esq.

SUBSCRIBED and SWORN to before me this 28th day of February, 2019.

Freeda C Muhl
Notary Public

My commission expires: 11-18-19



CERTIFICATE OF SERVICE

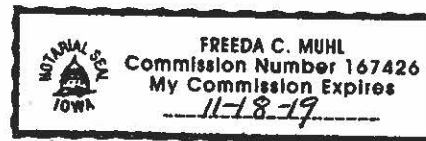
I, T. Scott Bannister, hereby certify that on February 28, 2019, a Notice of Iowa Northern Railway Company's filing of the Notice of Exemption in Finance Docket No. 36277 was served by first-class mail, postage prepaid, or by a more expeditious manner on the shippers listed in Appendix 3-B.

T. Scott Bannister
T. Scott Bannister, Esq.
General Counsel – Iowa Northern Railway Company

SUBSCRIBED and SWORN to before me this 28th day of February, 2019.

Freeda C. Muhl
Notary Public

My commission expires: 11-18-19



APPENDIX 3-B

<u>CUSTOMER NAME</u>	<u>ADDRESS</u>	<u>CITY</u>	
Transcontinental Cold Storage	501 N Elk Run Rd	Waterloo	IA
Tyson Fresh Meats	502 N Elk Run Rd	Waterloo	IA
John Deere	2000 Westfield Ave	Waterloo	IA
Watco Terminal & Port Services	638 N Elk Run RD	Waterloo	IA
AgVantage	5900 1st St	Dewar	IA

VERIFICATION

STATE OF IOWA)
) SS:
COUNTY OF BLACK HAWK)

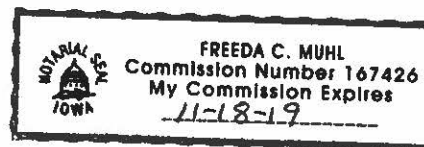
I, T. Scott Bannister, being duly sworn on oath, deposes and states that he has read the Notice in this docket, that he knows the contents thereof, and that the facts therein stated are true and correct.

T. Scott Bannister
T. Scott Bannister, Esq.

SUBSCRIBED and SWORN to before me this 28th day of February, 2019.

Freeda C. Muhl
Notary Public

My commission expires: 11-18-19



CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

(Finance Docket No. 36277)

**IOWA NORTHERN RAILWAY COMPANY –LEASE EXEMPTION WITH INTERCHANGE
COMMITMENT – RAIL LINE OF UNION PACIFIC RAILROAD COMPANY**

Iowa Northern Railway Company, an existing class III common carrier by rail, (IANR) has filed a verified Notice of Exemption from 49 U.S.C. § 10901 to operate the following railroad property: a line of railroad located between Milepost 325.1 and Milepost 332.0 which also includes a rail yard located at approximately Milepost 326.5 and certain side tracks located at approximately Milepost 329.0 and Milepost 331.5 (the “Waterloo Industrial Line”). The line is located in Black Hawk County, Iowa and consists of a total of approximately 6.9 miles of trackage. The Waterloo Industrial Line is located in Black Hawk County, Iowa.

The transaction is scheduled to take place on or after April 1, 2019.

IANR certifies that its projected annual revenues as a result of this transaction will not exceed those that would qualify it as a Class III rail carrier and further certifies that its projected annual revenue will not exceed \$5 million.

If the notice Notice contains false or misleading information, the exemption is void *ab initio*. Petitions to reopen the proceeding 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. Petitions to stay must be filed no later than _____, 2019 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 35487, must be filed with the Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001. In addition, a copy of each pleading must be served on T. Scott Bannister, Esq., Iowa Northern Railway Company, 201 Tower Park Drive, Suite 300, Waterloo, IA 50701, sbannister@iowanorthern.com.

Board decisions and notices are on our website at WWW.STB.DOT.GOV.

Decided: _____, 2019.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.