

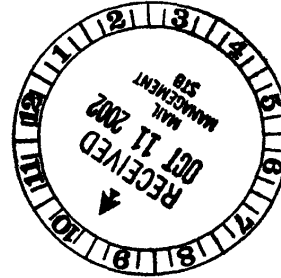
206372

UNION PACIFIC RAILROAD COMPANY
LAW DEPARTMENT



1331 17th Street, Suite 406
Denver, CO 80202
(303) 964-4575
Fax (303) 964-4585

October 4, 2002



Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 "K" Street N.W.
Washington, DC 20423-0001

Re: **STB Docket No. AB-33 (Sub-No. 145X) Union Pacific Railroad
Company – Abandonment Exemption – In Stanislaus County,
California (Tidewater Subdivision Near Modesto, California)**

Dear Mr. Williams:

This is to acknowledge that we have received a copy of a letter to you dated September 23, 2002, from the City of Modesto, California, (copy attached) requesting an extension of the trail condition in the above-referenced case. As indicated in the City's letter, Union Pacific is in agreement and supports this request. Both parties have been working diligently to bring this matter to a successful conclusion. Ten (10) additional copies of this letter are enclosed for the Board's use and distribution.

Respectfully submitted,

James P. Gatlin
Attorney for Union Pacific Railroad Company

cc: Ms. Jana Coons
Charles Montange, Esq.
Mack H. Shumate, Jr., Esq.

JPG/sfr

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Office of Proceedings

OCT 11 2002

Part of
Public Record

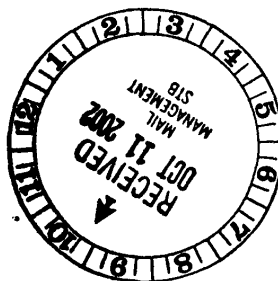


Office of the
City Manager
1010 Tenth Street
Suite 6100
P.O. Box 642
Modesto, CA 95353
209/577-5223
209/571-5128 Fax

Hearing and Speech
Impaired Only
TDD 209/526-9211

September 23, 2002

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423



Re: 180-Day Interim Trail Use/Railbanking Agreement Extension Request,
STB Docket No. AB-33 (Sub-No. 145X), Union Pacific Railroad Company—
Abandonment Exemption—in Stanislaus, County, CA
Action Requested by November 3, 2002

Dear Mr. Williams:

This letter is to request a 180-day extension of the deadline for an interim trail use/railbanking agreement between the City of Modesto (City) and Union Pacific Railroad (Railroad) in the matter of STB Docket No. AB-33 (Sub-No. 145X). The present deadline is November 3, 2002. This request would extend that deadline to May 2, 2003.

The parties have encountered some unexpected difficulties in identifying third party leases and other agreements applicable to the property to be covered by the Railbanking Agreement, which leases and agreements will be assigned to Modesto. In addition, the parties have not worked out the property description applicable for one portion of the railbanked premises.

While the parties expect these issues to be resolved expeditiously, we are concerned that they may not be resolved in time for final approvals of the Railbanking Agreement from the City of Modesto and Union Pacific Railroad to take place prior to the expiration of the existing NITU on November 4, 2002. For example, if the property description is not worked out in time, Modesto may have to postpone the currently scheduled consideration of the final Railbanking Agreement slated for October 22, 2002.

Since we understand that UP management will not issue a final approval until Modesto has acted, we are concerned that logistically it may not be possible to complete the process prior to November 4. Due to the closeness of the consideration dates to the interim trail use expiration date, we are making this extension request. We do not anticipate another extension will be necessary.

Citizens First!

NITU Extension Request
September 23, 2002

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Please forward your decision regarding this extension to the following parties:

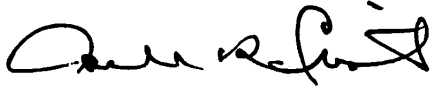
Ms. Jana Coons, Management Analyst
City of Modesto
PO Box 642
Modesto, CA 95353
Tel. (209) 571-5580

Mr. James P. Gatlin
Attorney for Union Pacific Railroad Company
1331 17th St, Ste 406
Denver, CO 80202
Tel. (303) 964-4594

We have discussed this request with the Railroad and they are supportive of an extension. The Railroad will forward a support letter to you under separate cover. Please direct questions regarding this request to Ms. Jana Coons, (209) 571-5580. Thank you in advance for your consideration of this request.

In order to avoid jurisdictional concerns flowing from lapse of the existing NITU on November 3, 2002, Modesto requests that STB act upon this extension request prior to that date.

Respectfully submitted,



Jack R. Crist
City Manager, City of Modesto

cc: Mr. James P. Gatlin, Union Pacific Railroad
Mr. Charles Montange
Glen Lewis, Engineering & Transportation Director
James Niskanen, Parks, Recreation & Neighborhoods Director
Virginia Corridor Project Team