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SERVICE DATE – AUGUST 15, 2019

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36336]

Savannah & Old Fort Railroad, L.L.C.—Change in Operator Exemption—Golden Isles Terminal Railroad, Inc.

Savannah & Old Fort Railroad, L.L.C. (SOFR), a noncarrier, has filed a verified notice of exemption under 49 C.F.R. § 1150.31 to permit SOFR to acquire from CSX Transportation, Inc. (CSXT), by assignment of lease, and to operate, approximately 6.45 miles of rail line between milepost ASO 493.3 at or near Staley Avenue and milepost ASO 499.75 at the end of the line, in Savannah, Ga. (the Line). SOFR states that the Line is currently being operated by Golden Isles Terminal Railroad, Inc. (GITM), a subsidiary of Genesee & Wyoming, Inc.

According to SOFR, GITM acquired the track, rails, ties, ballast, culverts, and all other non-real property assets and leased the real property from CSXT under an agreement scheduled to terminate on August 29, 2019. See Golden Isles Terminal RR.—Acquis. & Operation Exemption—CSX Transp., Inc., FD 34539 (STB served Sept. 15, 2004).

The verified notice indicates that CSXT and GITM have agreed to enter an agreement for GITM to resell the track, rails, ties, ballast, culverts, and all other non-real property assets and an agreement to assign the lease to CSXT. Additionally, SOFR is entering into an agreement with CSXT whereby SOFR will be assigned the ownership of

the track, rails, ties, ballast, culverts, and all other non-real property assets that comprise the Line and the lease of the real property from CSXT, thus succeeding SOFR as the lessee and operator of the Line. As a result, SOFR represents that CSXT will not acquire track, rails, ties, ballast, culverts, and all other non-real property assets, but will assign its rights under the agreements to SOFR prior to the termination of GITM's lease.

This transaction is related to a concurrently filed verified notice of exemption in Watco Holdings, Inc.—Continuance in Control Exemption—Savannah & Old Fort Railroad, L.L.C., Docket No. FD 36337, in which Watco Holdings, Inc., seeks Board approval to continue in control of SOFR upon SOFR's becoming a Class III carrier.

SOFR states that the proposed transaction does not involve any provision or agreement that would limit future interchange with a third-party connecting carrier. SOFR certifies that its projected annual revenues as a result of the transaction will not result in the creation of a Class II or Class I rail carrier and will not exceed \$5 million.

Under 49 C.F.R. § 1150.32(b), a change in operators requires that notice be given to shippers. SOFR certifies that it has provided notice of the proposed change in operator to all shippers located on the Line.

The earliest this transaction may be consummated is August 29, 2019 (30 days after the verified notice was filed).

If the verified 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

effectiveness of the exemption. Petitions for stay must be filed no later than August 22, 2019 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36336, must be filed with the Surface Transportation Board either via e-filing or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on SOFR's representative, Karl Morell, Karl Morell and Associates, 440 1st Street, N.W., Suite 440, Washington, DC 20001.

According to SOFR, this action is excluded from environmental review under 49 C.F.R. § 1105.6(c) and from historic preservation reporting requirements under 49 C.F.R. § 1105.8(b)(1).

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

Decided: August 12, 2019.

By the Board, Allison C. Davis, Director, Office of Proceedings.