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SEA

SERVICE DATE – DECEMBER 4, 2009

SURFACE TRANSPORTATION BOARD
WASHINGTON, DC 20423

ENVIRONMENTAL ASSESSMENT

STB Docket No. AB-497 (Sub No. 5X)

**Minnesota Northern Railroad, Inc. – Abandonment Exemption –
in Roseau County, MN**

BACKGROUND

In this proceeding, Minnesota Northern Railroad, Inc., (MNN) has filed a petition for exemption under 49 U.S.C. 10502 from the prior approval requirements of 49 U.S.C. 10903 seeking to abandon its Warroad Subdivision between milepost 83.6, located approximately 300 feet west of Roseau County Road 124 (11th Avenue, SE) in Roseau and milepost 103.635, located the end of the line at Warroad, MN, a distance of 20.035 miles in Roseau County, MN (Line). If the Surface Transportation Board (Board) should approve this abandonment, MNN intends to remove and/or reuse the track materials. Furthermore, MNN states that it intends to make a non-rail use of the right-of-way.

MNN notes that the U.S. Army Corps of Engineers (Corps) is proposing to construct a flood control diversion channel at a point that would cross the Line at milepost 83.86. The Corps also has proposed to construct a replacement bridge that would allow MNN to continue to serve its current customers, Strata Corporation and Marvin Windows. The Corps estimates that the cost of constructing the replacement railroad bridge would be \$3.3 million. Should the Board approve the Line for abandonment, the Corps would not undertake construction of the replacement bridge.

According to MNN, the Line is generally 100 feet wide with four bridges, does not contain any federally granted rights-of-way and traverses U.S. Postal Service Zip Codes 56751, 56756 and 56763. A map depicting the proposed abandonment in relationship to the area served is appended to this Environmental Assessment (EA).

ENVIRONMENTAL REVIEW

MNN has submitted an environmental report that concludes that neither the proposed abandonment nor post-abandonment activities, such as salvage and disposition of the right-of-way, would significantly affect the quality of the human environment. MNN served the environmental report on a number of appropriate Federal, state, and local agencies as required by

the Board's environmental rules [49 CFR 1105.7(b)].¹ The Board's Section of Environmental Analysis (SEA) has reviewed and investigated the record in this proceeding.

Diversion of Traffic

As explained above, MNN seeks approval to abandon its Warroad Subdivision, described above. MNN states that it has transported crushed stone, lumber and glass to the Line's two current shippers, Strata Corporation and Marvin Windows. According to MNN, 49 carloads of freight were moved over the Line by both shippers in 2008, 141 carloads were moved in 2007, and 130 carloads were moved in 2006. According to MNN, both shippers have access to Canadian National Railway and to MN Highway 11, which parallels the Line.

Using the carload traffic levels from 2008 (49),² SEA calculated that abandonment of the Line would result in 220.5³ additional trucks or 441 additional truck trips annually. SEA calculated that 1.8 additional trucks trips would result on a per day basis if the Board were to authorize the abandonment of the Line (assuming a 240 day year⁴). SEA believes that this increase in additional truck traffic would not result in any adverse effects to regional or local transportation systems and patterns.

If approved, the abandonment would result in the closure of 18 public and 20 private at-grade crossings.

MNN states that there are no reasonable alternatives to abandoning the Line because (1) the Line is unprofitable, (2) there is no reasonable prospect for profitable operations, (3) the Line requires substantial track rehabilitation and (4) shippers have feasible transportation alternatives.

Salvage Activities

If the Board were to grant abandonment of the Line, MNN would salvage the rails, ties, and the four railroad bridges crossing the Roseau River. MNN would leave the ballast and culverts in place. MNN would salvage the tie and track materials via use of existing right-of-way access roads and at-grade crossings. MNN does not intend to disturb any of the underlying

¹ The railroad's environmental and historic reports are available for viewing on the Board's website at www.stb.dot.gov by going to "E-Library," selecting "Filings," and then conducting a search for AB-497 (Sub-No. 5X).

² SEA used 2008 carload data as the base year because 2009 carload data was incomplete.

³ SEA used a conversion of 4.5 trucks per rail car.

⁴ 240 workdays result when weekends and holidays are subtracted from a 365 day year.

roadbed or perform any activities that would cause sedimentation or erosion of the soil and it does not anticipate any dredging or use of fill in the removal of the track materials.

MNN states that it believes that the proposed abandonment is not inconsistent with local or regional land use plans. Furthermore, MNN believes that the Line's right-of-way is not suitable for alternative public use as a highway because there are adequate highways in the area. However, MNN believes that the Line's right-of-way may be suitable for use as a recreational trail.

In a letter dated October 16, 2009, the Natural Resources Conservation Service (NRCS) states that the proposed abandonment does not have the potential to affect agricultural land.

MNN does not believe that the abandonment, as proposed, would adversely affect endangered or threatened species or areas designated as critical habitat. Furthermore, MNN states that it does not believe that the proposed abandonment would affect wildlife sanctuaries or refuges, not National or state parks or forests.

MNN believes that the proposed abandonment would be consistent with applicable Federal, State and local water quality standards. MNN states that it believes that permits under sections 402 and 404 of the Clean Water Act would not be required. In a letter dated September 16, 2009, the Army Corps of Engineers (Corps) states that no Section 10 work permits or Section 404 permits would be necessary unless MNN anticipates conducting dredge or fill work in wetlands. Additionally, the Corps noted in an October 15, 2009 letter, if MNN does not abandon the Line, the Corps would need to construct a new railroad bridge at a cost of \$3.3 million as part of the Roseau River flood control project.

SEA believes that any air emissions associated with salvage operations would be temporary and would not have a significant impact on air quality. Noise associated with salvage activities would also be temporary and should not have a significant impact on the area surrounding the proposed abandonment.

In an e-mail dated September 21, 2009, the U.S. Department of Commerce, National Geodetic Survey (NGS) identified 23 geodetic survey markers that may be disturbed by the proposed abandonment. Therefore, SEA recommends that MNN consult with the NGS prior to the commencement of any salvage activities.

Based on all information available to date, SEA does not believe that salvage activities would cause significant environmental impacts.

HISTORIC REVIEW

In its Historic Report, MNN states that the Line was originally part of the Great Northern Railway (GNR) between the Canadian border at Warroad, MN, and Duluth, MN. The Line came

under the ownership of BNSF Railway Company through a series of mergers. The Line was acquired by MNN in 1997.

The GNR was the only privately funded transcontinental railroad in the U.S. refusing federal subsidies for its construction. GNR was financed by Mr. James J. Hill and developed from the existing the St. Paul and Pacific Railroad. The GNR was also the only transcontinental railroad to avoid receivership during the depression of 1893 to 1897. During the early years, the GNR was built slowly. Mr. Hill used early promotional incentives like feed and seed donations to farmers settling along the rail line.

In the summer of 1902 the GNR began to clear a right-of-way for the Line into the area. In 1903, the GNR acquired the land for laying the tracks and work began the following spring. By October of 1904, the tracks were complete and the train came steaming into the area. By 1908, the GNR reached Warroad, MN, and from there went west and south.⁵

At its height, GNR had constructed rail system reaching from the Canadian border to the north and to Chicago, IL to the south and from Superior, WI, in the east to Puget Sound at Everett, WA to the west. By 1970, at the time of its merger with BNSF, GNR had a rail system extending over 8,000 miles in length.

According to MNN, the Line contains four railroad bridges that are 50 years old or older. MNN states that it has no knowledge regarding the exact age of the bridges except that they are believed to be more than 50 years old. MNN also maintains that the four bridges do not meet the criteria for listing on the National Register of Historical Places and that there is no likelihood of archeological resources or any other previously unknown historic properties within the proposed project area. If the abandonment is approved, MNN would salvage the rails, ties and bridges but would leave the ballast and culverts in place.

MNN has submitted the historic report to the Minnesota Historical Society, Historic Preservation Office, (SHPO), pursuant to 49 CFR 1105.8(c).⁶ SEA has not heard from the SHPO and therefore has not been able to consider the SHPO's opinion before determining if the Line may be potentially eligible for listing on the National Register of Historic Places. Accordingly, SEA is recommending a condition requiring the railroad to retain its interest in and take no steps to alter the historic integrity of all potentially historic sites and structures within the project right-of-way (the Area of Potential Effect) until completion of the Section 106 process.

Pursuant to 36 CFR 800.2, SEA conducted a search of the Native American Consultation Database at <http://home.nps.gov/nacd> to identify Federally recognized tribes, which may have

⁵ <http://www.roseauhistoricalsociety.org>.

⁶ Guidance regarding the Board's historic preservation review process is available on the Board's web site at <http://www.stb.dot.gov/stb/environment/preservation.html>.

ancestral connections to the project area. The database indicated that the following two Federally recognized tribe that may have ancestral connection to the project area: 1) Red Lake Band of Chippewa Indians and 2) Turtle Mountain Band of Chippewa Indians. SEA will ensure that the tribes receive a copy of this EA for its review and that the tribe be added to the service list for this proceeding.

Based on the information available to date, SEA does not believe that salvage activities would cause significant impacts to historic or cultural resources. SEA is providing a copy of this EA to the following agencies for review and comment: Minnesota Historical Society, Historic Preservation Office and the Roseau County Historical Society and Museum.

CONDITIONS

SEA recommends that the following conditions be imposed on any decision granting abandonment authority.

- 1. Minnesota Northern Railroad, Inc., shall retain its interest in and take no steps to alter the historic integrity of all historic properties including sites, buildings, structures, and objects within the project right-of-way (the Area of Potential Effect) that are eligible for listing or listed in the National Register of Historic Places until the Section 106 process of the National Historic Preservation Act, 16 U.S.C. 470f, has been completed. Minnesota Northern Railroad, Inc., shall report back to the Section of Environmental Analysis regarding any consultations with the Minnesota Historical Society, Historic Preservation Office and the public. Minnesota Northern Railroad, Inc., may not file its consummation notice or initiate any salvage activities related to abandonment (including removal of tracks and ties) until the Section 106 process has been completed and the Board has removed this condition.**
- 2. Minnesota Northern Railroad, Inc., shall consult with the National Geodetic Survey at least 90 days prior to the beginning of salvage activities that will disturb or destroy any of the 23 geodetic station markers.**

CONCLUSIONS

Based on the information provided from all sources to date, SEA concludes that, as currently proposed, and if the recommended condition is imposed, abandonment of the line would not significantly affect the quality of the human environment. Therefore, the environmental impact statement process is unnecessary.

Alternatives to the proposed abandonment would include denial (and therefore no change in operations), discontinuance of service without abandonment, and continued operation by another operator. In any of these cases, the existing quality of the human environment and energy consumption should not be affected.

PUBLIC USE

Following abandonment and salvage of the rail line, the right-of-way may be suitable for other public use. A request containing the requisite four-part showing for imposition of a public use condition (49 CFR 1152.28) must be filed with the Board and served on the railroad within the time specified in the Federal Register notice.

MNN believes that the Line's right-of-way is not suitable for alternative public use as a highway because there are adequate highways in the area.

TRAILS USE

A request for a notice of interim trail use (NITU) is due to the Board, with a copy to the railroad, within 10 days of publication of the notice of exemption in the Federal Register. Nevertheless, the Board will accept late-filed requests as long as it retains jurisdiction to do so in a particular case. This request must comply with the Board's rules for use of rights-of-way as trails (49 CFR 1152.29).

MNN believes that the Line's right-of-way may be suitable for use as a recreational trail.

PUBLIC ASSISTANCE

The Board's Office of Public Assistance, Governmental Affairs, and Compliance (OPAGAC) responds to questions regarding interim trail use, public use, and other reuse alternatives. You may contact OPAGAC directly at 202-245-0238, or mail inquiries to Surface Transportation Board, Office of Public Assistance, Governmental Affairs, and Compliance, Washington, DC 20423.

COMMENTS

If you wish to file comments regarding this Environmental Assessment, send an **original and two copies** to Surface Transportation Board, Case Control Unit, Washington, DC 20423, to the attention of Troy Brady, who prepared this Environmental Assessment. Environmental comments may also be filed electronically on the Board's web site, www.stb.dot.gov, by clicking on the "E-FILING" link. **Please refer to Docket No. AB-497 Sub No. 5X in all correspondence, including e-filings, addressed to the Board.** If you have any questions regarding this Environmental Assessment, please contact Troy Brady, the environmental contact for this case, by phone at (202) 245-0301, fax at (202) 245-0454, or e-mail at Troy.Brady@stb.dot.gov.

Date made available to the public: December 4, 2009.

Comment due date: January 4, 2010.

By the Board, Victoria Rutson, Chief, Section of Environmental Analysis.

Attachment