40566 DO SERVICE DATE – LATE RELEASE FEBRUARY 4, 2010

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. AB-33 (Sub-No. 278X)

UNION PACIFIC RAILROAD COMPANY—ABANDONMENT EXEMPTION—IN SAN JOAQUIN AND STANISLAUS COUNTIES, CA

Decided: February 4, 2010

Union Pacific Railroad Company (UP) filed a verified notice of exemption under 49 CFR 1152 Subpart F—<u>Exempt Abandonments</u> to abandon a 5.18-mile line of railroad known as the McHenry Industrial Lead extending from milepost 21.25 near Escalon to milepost 26.43 near McHenry in San Joaquin and Stanislaus Counties, CA. Notice of the exemption was served and published in the <u>Federal Register</u> on July 2, 2009 (74 FR 31790). The exemption became effective on August 1, 2009. In this decision, the Board is granting the request by the City of Modesto, CA (City), to extend the interim trail use/rail banking negotiation period.

By decision and notice of interim trail use or abandonment (NITU) served on July 31, 2009, the proceeding was reopened and a 180-day period was authorized for the City to negotiate an interim trail use/rail banking agreement with UP for the right-of-way involved in this proceeding pursuant to the National Trails System Act, 16 U.S.C. 1247(d) (Trails Act). The trail use negotiation period under the NITU expired on January 28, 2010.¹

On January 27, 2010, the City submitted a request for a 90-day extension of the NITU negotiating period. The City states that, at the present time, the parties have not been able to reach an agreement because UP has asked for an offer for the right-of-way and the City needs additional time to seek an appraisal of the property to substantiate an offer. By letter dated February 1, 2010, UP states that it is willing to continue to negotiate for interim trail use/rail banking with the City and supports the City's request.

Where, as here, the carrier has not consummated the abandonment at the end of the previously imposed negotiating period and is willing to continue trail use negotiations, the Board

¹ In addition to interim trail use, the NITU also imposed a public use condition that expired on January 28, 2010, and that may not be extended, and two environmental conditions. The two environmental conditions remain in effect.

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retains jurisdiction and the NITU negotiating period may be extended.² Under the circumstances, further extension of the negotiating period is warranted. See Birt v. STB, 90 F.3d 580, 588-90 (D.C. Cir. 1996); Grantwood Village v. Missouri Pac. R.R. Co., 95 F.3d 654, 659 (8th Cir. 1996). Accordingly, the NITU negotiating period will be extended from January 28, 2010, to April 28, 2010.

This decision will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

- 1. The City's request to extend the negotiation period for an additional 90 days is granted.
 - 2. The negotiating period under the NITU is extended to April 28, 2010.
 - 3. This decision is effective on its service date.

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

² <u>See Rail Abandonments – Supplemental Trails Act Procedures</u>, 4 I.C.C.2d 152, 157-58 1987).