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February 23, 2021

301667

VIA ELECTRONIC FILING

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Room 1034
Washington, DC 20423-0001

ENTERED
Office of Proceedings
February 23, 2021
Part of
Public Record

Re: **FD 36356**
Vicksburg Southern Railroad, L.L.C. —
Lease and Operation Exemption —
The Kansas City Southern Railway Company

Dear Ms. Brown:

Attached for filing in the above-captioned proceeding is a **Verified Notice of Exemption of Vicksburg Southern Railroad, L.L.C. Pursuant to 49 C.F.R. § 1150.42** dated February 23, 2021. A confidential version of the notice has been filed separately. The filing fee for this matter has been tendered electronically via Pay.gov.

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

Respectfully submitted,



Bradon J. Smith
Attorney for Vicksburg Southern Railroad L.L.C.

BJS:bs

Attachments

FILED
February 23, 2021
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
February 23, 2021
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36356

VICKSBURG SOUTHERN RAILROAD, L.L.C.
— LEASE AND OPERATION EXEMPTION —
THE KANSAS CITY SOUTHERN RAILWAY COMPANY

**VERIFIED NOTICE OF EXEMPTION OF
VICKSBURG SOUTHERN RAILROAD, L.L.C.
PURSUANT TO 49 C.F.R. PART 1150, SUBPART E**

Bradon J. Smith
Robert A. Wimbish
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29 North Wacker Drive
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Chicago, Illinois 60606-3208
(312) 252-1500

**ATTORNEYS FOR VICKSBURG SOUTHERN
RAILROAD, L.L.C.**

Dated: February 23, 2021

BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36356

VICKSBURG SOUTHERN RAILROAD, L.L.C.
— LEASE AND OPERATION EXEMPTION —
THE KANSAS CITY SOUTHERN RAILWAY COMPANY

**VERIFIED NOTICE OF EXEMPTION OF
VICKSBURG SOUTHERN RAILROAD, L.L.C
PURSUANT TO 49 C.F.R. PART 1150, SUBPART E**

Pursuant to 49 C.F.R. Part 1150, subpart E, Vicksburg Southern Railroad, L.L.C. (“VSOR”), a Class III rail carrier, hereby files this Verified Notice of Exemption (the “Notice”) to extend its lease of 21.7 miles of rail line in Mississippi from The Kansas City Southern Railway Company (“KCS”). In accordance with the requirements of 49 C.F.R. § 1150.43, VSOR submits the following information:

Name and Address of Applicant: 49 C.F.R. § 1150.43(a)

The full name and address of the applicant herein is as follows:

Vicksburg Southern Railroad, L.L.C.
315 W. Third Street
Pittsburg, KS 66782

Applicant’s Representative: 49 C.F.R. § 1150.43(b)

VSOR’s representative to whom correspondence regarding this transaction should be sent is as follows:

Bradon J. Smith
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, IL 60606
(312) 252-1516

Statement Concerning Agreement: 49 C.F.R. § 1150.43(c)

KCS and VSOR executed an amendment on July 20, 2020 (the “Amendment”) to the Amended and Restated Lease Agreement from 2017 (the “Restated Lease”) currently governing VSOR’s lease and operation of the subject lines extending the term of the lease; the effectiveness of the Amendment is predicated on the effectiveness of the notice.

Operator of the Property: 49 C.F.R. § 1150.43(d)

VSOR will continue to operate the Lines and provide rail common carrier freight service to customers.

Background and Summary of the Transaction: 49 C.F.R. § 1150.43(e)

VSOR has reached an agreement with KCS to extend VSOR’s lease of two lines of railroad totaling approximately 21.7 route miles on the “Redwood Branch” as follows: (1) between milepost 21.9, at the end of the line near Redwood, and milepost 220.3, north of KCS’s Vicksburg Yard, at Vicksburg and (2) between milepost 223.0, south of the connection with the KCS main line, and milepost 225.6 at Vicksburg.

VSOR has leased and operated the Lines since 2006. *Vicksburg Southern Railroad, Inc — Lease and Operation Exemption — The Kansas City Southern Railway Company*, FD 34765 (STB served Jan. 13, 2006). The parties to the original transaction entered into the Restated Lease, currently governing VSOR’s possession and operation of the Lines, in 2017. *Vicksburg Southern*

*Railroad, L.L.C.*¹ — *Lease and Operation Exemption* — *The Kansas City Southern Railway Company*, FD 36128 (STB served Dec. 7, 2017) (“*VSOR-2017*”).²

The Amendment extends the Restated Lease through November 30, 2034. VSOR intends to consummate the Amendment on or shortly after the receipt of all requisite regulatory approvals.

The name and address of the railroad leasing the Lines to VSOR is:

The Kansas City Southern Railway Company
427 W. Twelfth St.
Kansas City, Missouri 64105

Map: 49 C.F.R. § 1150.43(f)

A map showing the Lines are attached as Exhibit A to this Notice.

Certificate of Compliance: 49 C.F.R. § 1150.43(g)

The projected revenues will not result in the creation of a Class I or II rail carrier; a certification to this effect is made with the verification of this Notice.

Interchange Commitments: 49 C.F.R. § 1150.43(h)

The Amendment does not contain any provision that prohibits VSOR from interchanging traffic with a third party or limits VSOR’s ability to interchange with a third party.

Advance Notice: 49 C.F.R. § 1150.42(e)

VSOR’s estimated annual revenue is not anticipated to exceed \$5 million.

¹ On December 10, 2010, Vicksburg Southern, Inc. became Vicksburg Southern, L.L.C.

² Under the restated lease agreement, VSOR no longer has a leasehold interest in tracks 418, 419, 429, 430, 431, 432, and 433, as is reflected in *VSOR-2017*. VSOR at the time indicated an intent to seek authority to discontinue operations over the aforementioned, numbered yard tracks (*VSOR-2017*, 1, n.3).

Environmental and Historic Preservation Data: 49 C.F.R. § 1105

Under 49 C.F.R. § 1105.6(c)(2), the proposed transaction is exempt from environmental reporting requirements. The proposed transaction will not result in significant changes in carrier operations, i.e., changes that exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5).

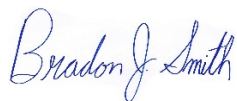
Under 49 C.F.R. § 1105.8(b)(1), the transaction, which is intended for the purpose of continued rail operations, is also exempt from historic preservation reporting requirements. Separate Surface Transportation Board approval would be required for VSOR to discontinue service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older.

Caption Summary: 49 C.F.R. § 1150.42(a)

A caption summary in the appropriate form is attached as Exhibit B to this Notice.

Respectfully submitted,

By:



Bradon J. Smith
Robert A. Wimbish
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500

**ATTORNEYS FOR VICKSBURG SOUTHERN
RAILROAD, L.L.C**

Dated: February 23, 2021

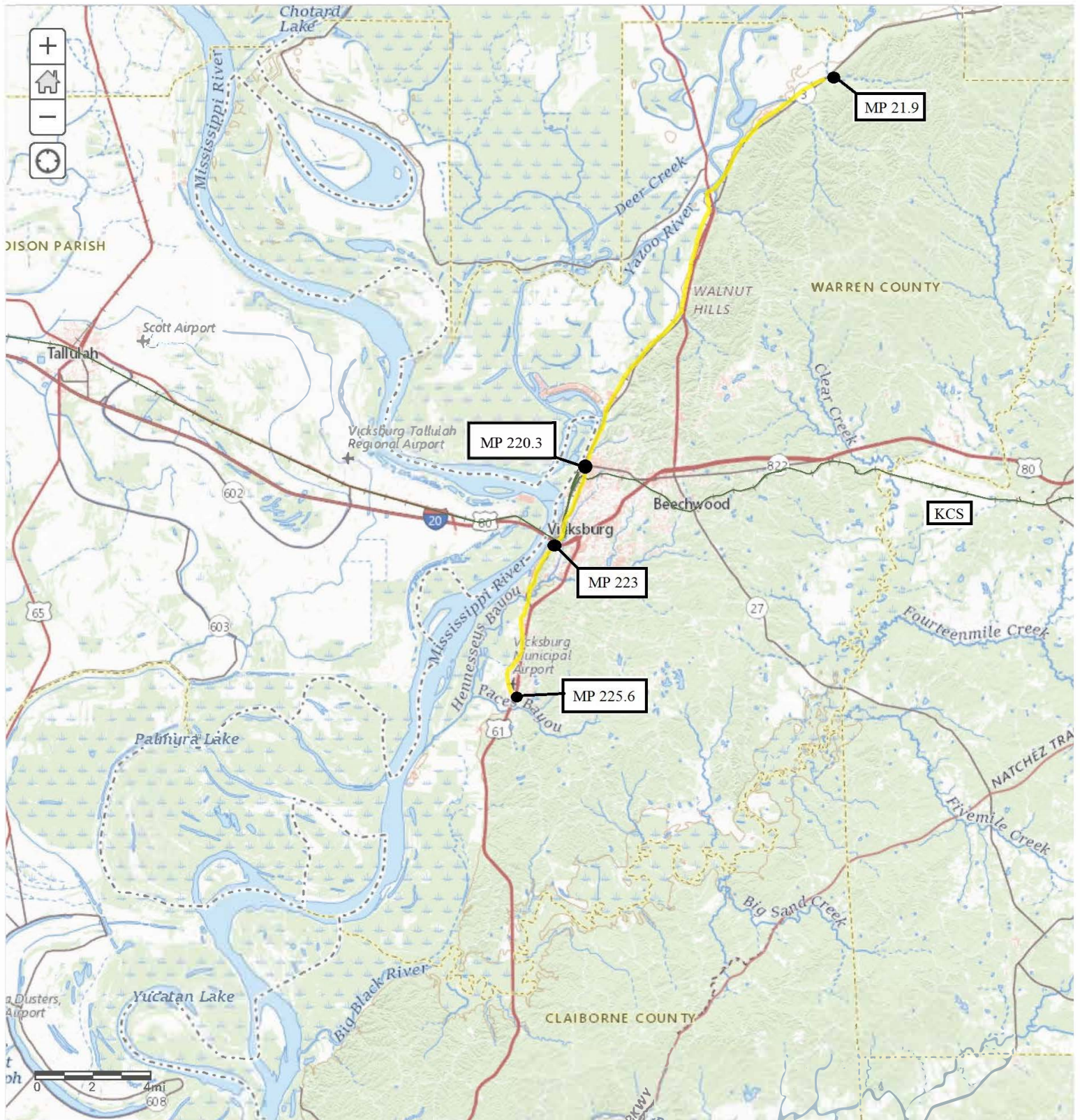
**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FD 36356

**VICKSBURG SOUTHERN RAILROAD, L.L.C.
— LEASE AND OPERATION EXEMPTION—
THE KANSAS CITY SOUTHERN RAILWAY COMPANY**

EXHIBIT A

MAP



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FD 36356

**VICKSBURG SOUTHERN RAILROAD, L.L.C.
— LEASE AND OPERATION EXEMPTION—
THE KANSAS CITY SOUTHERN RAILWAY COMPANY**

EXHIBIT B

FEDERAL REGISTER NOTICE

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

VICKSBURG SOUTHERN RAILROAD, L.L.C.
— LEASE AND OPERATION EXEMPTION—
THE KANSAS CITY SOUTHERN RAILWAY COMPANY

Vicksburg Southern Railroad, L.L.C. (“VSOR”), a carrier, has filed a notice of exemption (the “Notice”) to extend its lease of approximately 21.7 miles of rail line in Mississippi from The Kansas City Southern Railway Company (“KCS”) as follows: (1) between milepost 21.9, at the end of the line near Redwood, Mississippi, and milepost 220.3, north of KCS’s Vicksburg Yard, at Vicksburg, Mississippi, and (2) between milepost 223.0, south of the connection with the KCS main line, and milepost 225.6 at Vicksburg (hereinafter the “Lines”).

Comments must be filed with the Board and served on:

Bradon J. Smith
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606
(312) 252-1516

The Notice is filed under 49 C.F.R. § 1150.41. If the 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 transaction.