

**SURFACE TRANSPORTATION BOARD
WASHINGTON, DC 20423**

DRAFT ENVIRONMENTAL ASSESSMENT

Docket No. AB 580 (Sub-No. 1X)

**Knoxville & Holston River Railroad Co., Inc., a wholly owned subsidiary
of Gulf & Ohio Railways, Inc. – Abandonment Exemption –
In Knox County, Tenn.**

BACKGROUND

In this proceeding, Knoxville & Holston River Railroad Co., Inc. (KXHR), a wholly owned subsidiary of Gulf & Ohio Railways, Inc. (G&O), filed a petition with the Surface Transportation Board (Board) under 49 U.S.C. § 10502 seeking exemption from the prior approval requirements of 49 U.S.C. § 10903 in connection with the abandonment of a line of railroad in Knox County, Tennessee. The rail line proposed for abandonment, referred to as the K&A Belt Line, extends approximately 3.8 miles from milepost 0.1 at its point of connection with a Norfolk Southern Railway Company (NSR) rail line near West Blount Road and St. Paul Street to its end point near Will Skelton Greenway and Island Home Avenue in the City of Knoxville (the Line). A map depicting the Line in relationship to the area served is appended to this Draft Environmental Assessment (Draft EA). If the Board grants the exemption, KXHR would be able to salvage the track, and other railroad appurtenances and to dispose of the right-of-way.

DESCRIPTION OF THE LINE

The Line travels in an easterly direction through generally flat terrain, past commercial and residential land uses and ends at Meads Quarry Park near the Tennessee River. There are two bridges and one tunnel on the Line. KXHR states that it acquired the Line and other rail assets from NSR in 1998 but notes that in recent years, rail traffic has been infrequent and unreliable. According to KXHR, the one shipper on the Line, Ergon Terminaling, Inc. (Ergon), prefers using other more convenient modes of transportation, including barge and truck, to move its products. Between 2019 and 2024, KXHR estimates that it moved an average of 8.2 carloads of material a year which KXHR states is not sustainable, given the costs to operate and maintain the Line. Following abandonment, KXHR intends to convey the right-of-way, including the two bridges and one tunnel, to the City of Knoxville (City) for development of a trail and to provide alternative access points along the Line.¹ KXHR also intends to coordinate with the Legacy Parks Foundation for development of an art walk in and around the tunnel.

¹ On January 17, 2025, the City of Knoxville filed a request with the Board for interim trail use, pursuant to section 8(d) of the National Trails System Act, 16 U.S.C. § 1247(d).

The right-of-way is between 25 feet and 150 feet wide, and the Line traverses United States Zip Code 37920. Based on available information, KXHR states that the Line does not contain any federally granted rights-of-way.

ENVIRONMENTAL REVIEW

KXHR submitted a combined E&H Report that concludes the quality of the human environment would not be affected significantly as a result of the proposed abandonment of the Line, including abandonment-related salvage activities. KXHR provided the E&H Report to a number of appropriate federal, state, and local agencies as required by the Board's environmental rules [49 C.F.R. § 1105.7(b)] implementing the National Environmental Policy Act (NEPA).² The Board's Office of Environmental Analysis (OEA) has reviewed and investigated the record in this proceeding.

Diversion of Traffic

According to KXHR, the Line handled 22 carloads in 2019; 7 carloads in 2020; 1 carload in 2021; 10 carloads in 2022; 1 carload in 2023; and 8 carloads in 2024 totaling 49 carloads which averages to 8.2 carloads per year. KXHR indicates that there is no overhead traffic to be rerouted. Because the traffic has been so varied, OEA used KXHR's average volume of 8.2 carloads to calculate projected rail to truck diversions that would result from the proposed abandonment. Using a rail-to-truck conversion factor of 4 trucks per carload,³ OEA calculates that on a per day basis, if the average rail traffic is diverted to truck traffic, the abandonment would generate an estimated 33 new trucks per year (66 truck trips assuming an empty backhaul). This equates to approximately 0.3 trucks per day being added to area roads during a 240-workday year⁴ which would not exceed the Board's thresholds of an increase of more than 10 percent of the average daily traffic or 50 vehicles a day on any affected road segment [49 C.F.R. § 1105.7(e)].

Accordingly, the proposed abandonment would not adversely impact the development, use and transportation of energy resources or recyclable commodities; transportation of ozone-depleting materials; or result in the diversion of rail traffic to truck traffic that could result in significant impacts to air quality or the local transportation network.

² The E&H Report is available for viewing on the Board's website at <https://stb.gov> by clicking "Search STB Records;" selecting "Filings" in the "Search for" dropdown menu; entering "AB" "580" "1" "X" sequentially in the four boxes for "Docket Number," then selecting "Search." The E&H Report was filed on December 11, 2024.

³ The conversion factor is an estimate based on the types of commodities transported.

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

Salvage Activities

Impacts from salvage and disposal of a rail line typically include removal of tracks and ties, removal of ballast, dismantling of any bridges or other structures that may be present on the rail right-of-way, and regrading of the right-of-way. Salvage may be performed within the right-of-way, or, if necessary, via the construction of new access points to the right-of-way. If abandonment authority is granted, KXHR states that it would salvage the Line but intends to leave the roadbed, bridges and tunnel intact; no grading or other subsurface disturbances would occur during abandonment-related salvage.

By email dated January 16, 2025, the U.S. Army Corps of Engineers, Nashville District commented that the proposed abandonment would not result in the discharge of fill or dredged material into waters of the U.S. Accordingly, a permit under Section 404 of the Clean Water Act (33 U.S.C. § 1344) is not required for the proposed abandonment, and no further consultation is required.

The proposed abandonment is not located within a Coastal Zone.⁵ Therefore, no further consultation is required.

KXHR requested comments from the U.S. Fish and Wildlife Service (USFWS) regarding potential impacts on protected wildlife, including federally listed threatened and endangered species under the Endangered Species Act (16 U.S.C. §§ 1531-1544). To date, USFWS has not provided comments on the proposed abandonment. To identify protected species in the project area, OEA conducted a search of the USFWS Information for Planning and Consultation (IPaC) system.⁶ The following seven species may be present in the project area:

Protected Species in Knox County, Tennessee			
Group	Common Name	Federal Status	Habitat Description
Mammals	Grey Bat	Endangered	Karst terrain in caves near and along riparian areas in the Southeastern part of the United States.
	Tricolored Bat	Proposed Endangered	Living and dead leaf clusters of live or recently dead deciduous hardwood trees.
Birds	Whooping Crane	Endangered	Wetlands including marshes, ponds, lakes and bays, and open fields and agricultural fields.
Clams	Fluted Kidneyshell	Endangered	Creeks and streams of the Tennessee River in shallow riffles and pools.
	Spectaclecase Mussel	Endangered	Freshwater mussel found in at least 44 streams of the Mississippi, Ohio and Missouri River basins.
Snails	Anthony's	Endangered	Specific to rapidly flowing water in the Tennessee

⁵ Tennessee Department of Conservation website at: <https://www.tn.gov/environment/program-areas/na-natural-areas/na-environmental-review.html> (last visited January 29, 2025).

⁶ U.S. Fish and Wildlife Service, Information for Planning and Consultation (IPaC) system, <https://ecos.fws.gov/ipac> (last visited January 15, 2025).

	Riversnail		River; occasionally found in pools near shoals.
Insects	Monarch Butterfly	Proposed Endangered	Prairies, meadows, grasslands and along roadsides.

The database indicates that there is no designated critical habitat for these species in the project area. OEA has determined that the proposed abandonment would have no effect on these federally listed species because no trees, culverts, bridges or trestles would be removed, and no grading or other subsurface disturbance would occur. Rather, salvage of the Line would be limited to removal of the track, ties, and other railroad appurtenances. OEA is providing a copy of this Draft EA to USFWS, Tennessee Ecological Field Office for its review.

By letter dated December 6, 2024, the Tennessee Department of Environment and Conservation (TDEC) commented that a stormwater construction permit would not be required from the Water Resources Division as long as salvage of the Line is limited to the removal of ties, tracks and other rail appurtenances; any disturbance to the soil would require a permit. KXHR stated that salvage would be limited to removal of the track, ties and other rail appurtenances and that it would not disturb any soil or waterways. KXHR also intends to leave the roadbed, bridges and tunnel intact. Accordingly, OEA concludes that a stormwater construction permit is not required. OEA is providing a copy of this Draft EA to TDEC for its review.

OEA believes that there would be no safety impacts as a result of the proposed abandonment because KXHR indicates that its parent company, G&O, intends to evaluate the closing of some street crossings and to develop traffic control systems, particularly at Sevier Drive, which is expected to improve traffic patterns. KXHR further indicates that it would coordinate this effort with the City to ensure that public health and safety is considered.

OEA believes that any air emissions associated with abandonment activities would be temporary and would not have a significant impact on air quality. Similarly, any noise related to abandonment activities would also be temporary and should not have a significant impact on the area surrounding the proposed abandonment.

Based on all information available to date, OEA does not believe that the proposed abandonment would cause significant environmental impacts. In addition to the parties on the Board's service list for this proceeding, OEA is providing a copy of this Draft EA to USFWS, Tennessee Ecological Field Office and TDEC for review.

HISTORIC REVIEW

KXHR submitted an historic report as required by the Board's environmental rules [49 C.F.R. § 1105.8(a)] and served the report on the Tennessee Historical Commission (State Historic Preservation Office or SHPO), pursuant to 49 C.F.R. § 1105.8(c).⁷ Although the SHPO

⁷ Applicants seeking authority from the Board to abandon railroad lines may act on behalf of the Board when complying with the Section 106 regulations of the NHPA. Applicants are authorized to initiate the Section 106 review process and carry out some of its steps, but the

has not responded, OEA conducted a search of the Tennessee Historical Viewer⁸ to determine if resources of cultural significance may be located in the area of the proposed abandonment. OEA found that the Line passes through two properties listed on the National Register of Historic Places (National Register) in 2014: the Ross Marble Quarry and the Mead Marble Quarry, both part of the Marble Industry of East Tennessee, circa 1838-1963. Although the Line is mentioned in the National Register nominations for both properties, the Line is not identified as a contributing resource. Accordingly, OEA believes that the proposed abandonment would likely have no adverse effect on historic properties because there would be no changes to the National Register-listed resources. However, OEA cannot make a formal determination of effect until consultation with the SHPO has been completed.

Therefore, OEA is recommending that the Board impose a Section 106 condition on any decision granting abandonment authority. The condition would require KXHR to 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 right-of-way (APE) eligible for listing or listed in the National Register until completion of the Section 106 process. Guidance regarding the Board's historic preservation review process is available on the Board's website at <https://stb.gov/resources/environmental/historic-preservation-overview/>.

Pursuant to 36 C.F.R. § 800.2, OEA conducted a search of the U.S. Department of Housing and Urban Development Tribal Directory Assessment Tool to identify federally recognized tribes that may have ancestral connections to the project area.⁹ The database indicates that there are five federally recognized tribes that may have knowledge regarding properties of traditional religious and cultural significance within the right-of-way or APE of the proposed abandonment. The five tribes are: the Alabama-Coushatta Tribe of Texas; the Cherokee Nation; the Coushatta Tribe of Louisiana; the Eastern Band of Cherokee Indians; and the Muscogee (Creek) Nation. OEA is sending a copy of this Draft EA to these tribes for review.

CONDITION

OEA recommends that the following condition be imposed on any decision granting abandonment authority:¹⁰

Board retains overall responsibility for the Section 106 review. See 36 C.F.R. 800.2(c)(4); 49 C.F.R. Part 1105; Delegation Letter (Dec. 9, 2009). The Delegation Letter can be found on the Board's website at <https://stb.gov/resources/environmental/historic-preservation-overview/>.

⁸ Tennessee Historical Commission Viewer, <https://tnmap.tn.gov/historicalcommission/> (last visited January 30, 2025).

⁹ U.S. Department of Housing and Urban Development, Tribal Directory Assessment Tool, <https://egis.hud.gov/tdat/> (last visited January 31, 2025).

¹⁰ If an interim trail use agreement were to be reached for the Line (or a portion thereof), 16 U.S.C. § 1247(d) and 49 C.F.R. § 1152.29, compliance with this condition would not be required with respect to any portion of the Line covered by the interim trail use agreement for the duration of the agreement.

The Knoxville & Holston River Railroad Co., Inc. (KXHR) 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, 54 U.S.C. § 306108, has been completed. KXHR shall report back to the Office of Environmental Analysis (OEA) regarding any consultations with the Tennessee Historical Commission (State Historic Preservation Office or SHPO) and the public. KXHR may not file its consummation notice or initiate any salvage activities related to abandonment (including removal of tracks, ties and other railroad appurtenances) until the Section 106 process has been completed and the Board has removed this condition.

CONCLUSIONS

Based on the information provided from all sources to date, OEA concludes that, as currently proposed, and if the recommended condition is imposed, abandonment of the Line will 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 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 C.F.R. § 1152.28) must be filed with the Board and served on the railroad within the time specified in the Board's Federal Register notice of the proposed abandonment. The Federal Register notice is also issued as a Board decision and is available on the Board's website.¹¹

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 C.F.R. § 1152.29). The Federal Register notice is also issued as a Board decision and

¹¹ Board decisions are available for viewing on the Board's website at <https://www.stb.gov> by clicking "Search STB Records;" selecting "Decisions" in the "Search for" dropdown menu; entering "AB" "580" "1" "X" sequentially in the four boxes for "Docket Number," then selecting "Search."

is available on the Board’s website.¹²

PUBLIC ASSISTANCE

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

COMMENTS

OEA encourages interested parties to submit their comments on the Draft EA electronically through the Board’s website at <https://stb.gov>. From the Board’s home page, select “File an Environmental Comment” below the “Need Assistance?” button. Log-in accounts are not needed to file environmental comments electronically, and brief comments can be typed in the comment field, and lengthier comments can be attached as Word, Adobe Acrobat, or other file formats.

Alternatively, comments submitted by mail should be addressed to: Alan Tabachnick, Surface Transportation Board, 395 E Street SW, Washington, DC 20423-0001, Attention: Environmental Filing, Docket No. AB 580 (Sub-No. 1X). If you have any questions, please contact Alan Tabachnick by email at Alan.Tabachnick@stb.gov or by phone at 202-934-8469.

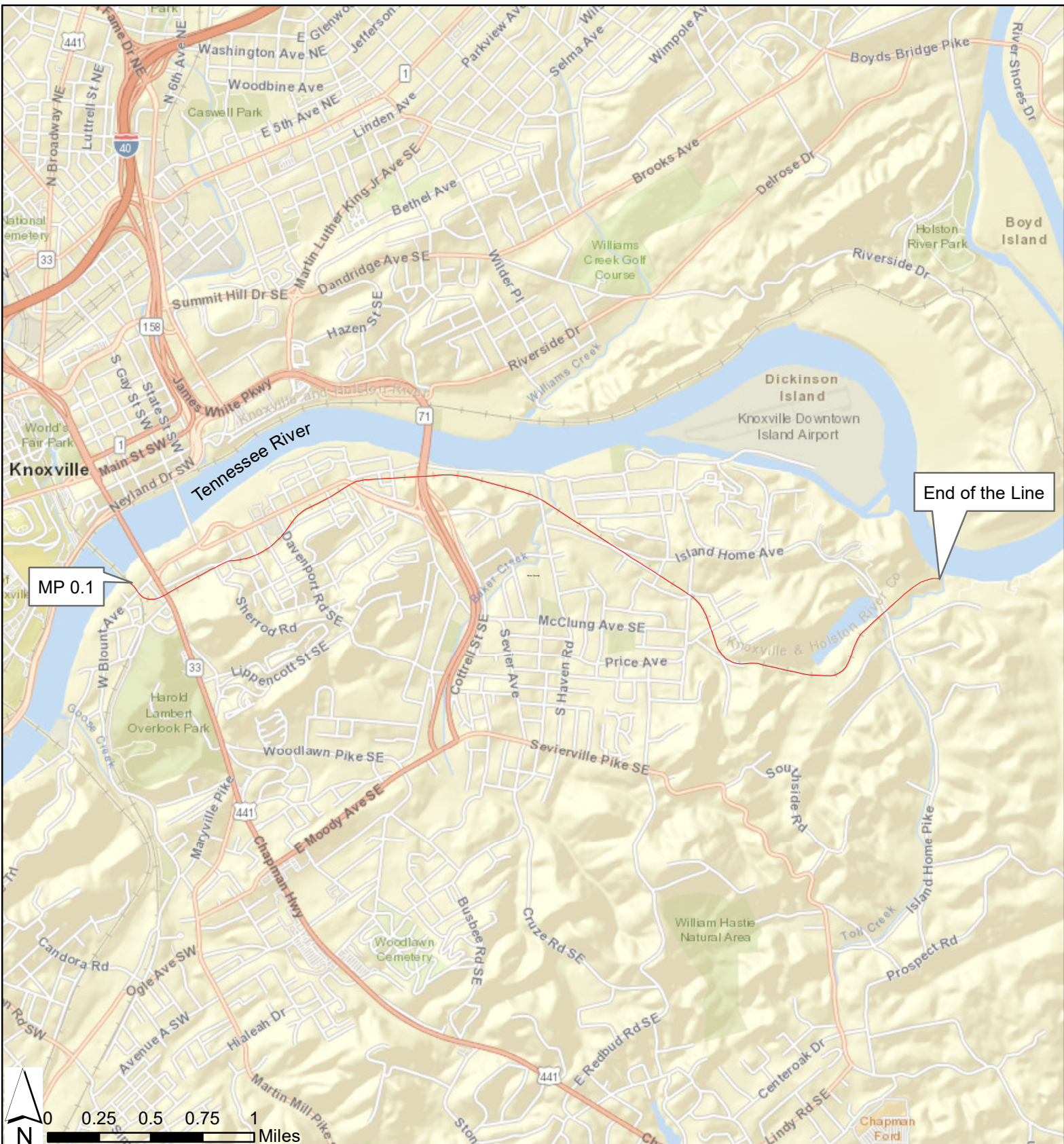
Date made available to the public: February 7, 2025.

Comment due date: March 10, 2025.

By the Board, Danielle Gosselin, Director, Office of Environmental Analysis.

Attachment

¹² Id.



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Knoxville & Holston River Railroad Co., Inc.,
a Wholly Owned Subsidiary of Gulf & Ohio
Railways, Inc.
Abandonment Exemption
In Knox County, Tenn.

Legend

— the Line

Note: Maps produced by
the STB's Office of
Environmental Analysis
are based on information
provided by the applicant
and are for reference
purposes only.



Knox County



Tennessee