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March 13, 2025
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BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36846

SANTA MARIA VALLEY RAILROAD, LLC
— ACQUISITION AND CHANGE OF OPERATOR EXEMPTION —
RAILROAD LINES OF COAST BELLE RAIL, LLC, AND UNION PACIFIC
RAILROAD COMPANY, IN SANTA BARBARA COUNTY, CAL.

**VERIFIED NOTICE OF EXEMPTION OF
SANTA MARIA VALLEY RAILROAD, LLC
PURSUANT TO 49 C.F.R. PART 1150, SUBPART D**

Robert A. Wimbish
Fletcher & Sippel LLC
29 North Wacker Drive, Suite 800
Chicago, Illinois 60606-3208
rwimbish@fletcher-sippel.com
(312) 252-1500

**ATTORNEY FOR SANTA MARIA VALLEY
RAILROAD, LLC**

Dated: March 13, 2025

FILED
March 13, 2025
SURFACE
TRANSPORTATION BOARD

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March 13, 2025
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**VERIFIED NOTICE OF EXEMPTION OF
SANTA MARIA VALLEY RAILROAD, LLC
PURSUANT TO 49 C.F.R. PART 1150, SUBPART D**

Santa Maria Valley Railroad, LLC (“SMVR”), a non-carrier controlled by short line holding company OmniTRAX Holdings Combined, Inc. (“OmniTRAX”),¹ hereby files this notice of exemption (the “Notice”) under 49 C.F.R. part 1150, subpart D to acquire and to assume common carrier operations over certain lines (the “Lines”) located in Santa Barbara County, California as detailed below. At such time as SMVR consummates the transaction that is the subject of this proceeding, SMVR will replace Coast Belle Rail Corp. d/b/a Santa Maria Valley

¹ Concurrently with the present acquisition and change of operator exemption filing, OmniTRAX and HGS Railway Holdings, Inc. (“HGS”) have invoked the Board’s class exemption procedures at 49 C.F.R. 1180.2(d)(2) to continue in control of SMVR (along with all of the existing railroad common carriers currently controlled in common by OmniTRAX and HGS) once SMVR consummates the transaction to be authorized via the present proceeding. *See OmniTRAX Holdings Combined, Inc., and HGS Railway Holdings, Inc. – Continuance in Control Exemption – Santa Maria Valley Railroad, LLC*, FD 36845.

Railroad Company (“Coast Belle”) as the common carrier service provider on the Lines, thereby terminating Coast Belle’s common carrier status.

In accordance with the requirements of 49 C.F.R. § 1150.33, SMVR submits the following information:

Name and Address of Applicant: 49 C.F.R. § 1150.33(a)

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

Santa Maria Valley Railroad, LLC
252 Clayton Street
Denver, CO 80206

Applicant’s Representative: 49 C.F.R. § 1150.33(b)

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

Robert A. Wimbish
Fletcher & Sippel LLC
29 North Wacker Drive, Suite 800
Chicago, Illinois 60606-3208
rwimbish@fletcher-sippel.com
(312) 252-1504

Statement Concerning Agreement: 49 C.F.R. § 1150.33(c)

SMVR, Coast Belle Rail, LLC (“CBRL”), and Coast Belle are completing agreement terms under which – (1) SMVR will purchase the portion of the Lines owned by CBRL (the “CBRL Line”); (2) SMVR will assume by assignment Coast Belle’s leasehold interest in the portion of the Lines owned by Union Pacific

Railroad Company (“UP” – the “UP Line”);² and (3) SMVR, by virtue of its acquisition of the CBRL Line and its assumption of Coast Belle’s leasehold interest in the UP Line, will replace Coast Belle as the common carrier service provider on the Lines, thereby relieving Coast Belle of any further common carrier status and attendant obligations with the respect to the Lines.

Operator of the Property: 49 C.F.R. § 1150.33(d)

SMVR will offer common carrier service over the Lines in place of Coast Belle upon the effective date of the exemption (expected to be April 12, 2025) and, in turn, consummation of the transaction encompassed by this notice.

Summary of the Transaction: 49 C.F.R. § 1150.33(e)

CBRL owns the above-referenced CBLR Line extending between milepost 3.3 near Guadalupe (Betteravia Junction), California, and milepost 9.3 at Santa Maria, California, along with the connecting Airbase Branch extending between the wye track at milepost 8.5/0.0 at Santa Maria and milepost 3.0 at Santa Maria, a total combined distance of approximately 9.0 route miles.³ UP owns the UP Line extending between milepost 0.0 at Guadalupe, California and milepost 3.3 near Guadalupe (Betteravia Junction), along with the connecting Betteravia Branch

² Collectively, the CBRL Line and the UP Line constitute the Lines that are the subject of the transaction to be authorized under this class exemption.

³ *Coast Belle Rail, LLC – Acquisition Exemption – Santa Maria Valley Railroad Company*, FD 34923 (STB served Oct. 17, 2006).

extending between milepost 3.3 near Guadalupe (Betteravia Junction), and milepost 4.8 at Betteravia, California, a total combined distance of approximately 4.8 route miles. Coast Belle currently operates over the CBRL Line under an operating agreement with CBRL.⁴ Coast Belle also operates the UP Line under a lease agreement with UP.⁵

SMVR is finalizing agreement terms with CBRL and Coast Belle under which SMVR would purchase the CBRL Line, and, in so doing, replace Coast Belle as the common carrier service provider on the CBLR Line. Also, under these same arrangements, SMVR would assume by assignment Coast Belle's leasehold interests in the UP Line. In all, upon consummation of the overall transaction presented in this notice, SMVR would become the exclusive common carrier service provider on the Lines in place of Coast Belle (thereby terminating Coast Belle's current common carrier status with respect to the Lines).

Map: 49 C.F.R. § 1150.33(f)

A map showing the Lines and area served is attached as Exhibit A.

⁴ *Coast Belle Rail Corp. d/b/a Santa Maria Valley Railroad – Lease and Operation Exemption – Line of Coast Belle Rail, LLC*, FD 34927 (STB served Oct. 17, 2006) (“*Coast Belle – Exemption*”). SMVR acknowledges that the mileposts and total route mileages supplied in the present Notice differ in certain respects from those in *Coast Belle – Exemption*. The mileposts and route mileage supplied here – which reflect a careful examination of mapping and railroad timetable data – more accurately describe the scope of rail operations than was offered in 2006. To be clear, SMVR's intended scope of operations are entirely coterminous with those of Coast Belle under its 2006 authorization.

⁵ *Id.*

Certification: 49 C.F.R. § 1150.33(g)

A Certificate of Compliance with the provisions of 49 C.F.R. § 1150.33(g) is attached as Exhibit B.

Interchange Commitments: 49 C.F.R. § 1150.33(h)

SMVR will not be contractually limited in its ability to interchange of traffic with any third-party connecting carrier. See Exhibit B. As matters currently stand, SMVR's only interline connection would be UP.

Shipper Notice: 49 C.F.R. § 1150.32(b)

SMVR hereby certifies through the undersigned counsel that it has provided a copy of the present Notice to all customers on the Lines in accordance with the Board's above-referenced change of operator rules.

Advance Notice: 49 C.F.R. § 1150.32(e)

SMVR's projected annual revenue is not expected to exceed \$5 million, and, accordingly, the advance notice requirements of 49 C.F.R. § 1150.32(e) are not applicable to this transaction. See Exhibit B.

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

Under 49 C.F.R. § 1105.6(c)(2), the proposed operation of the Lines is exempt from environmental reporting requirements. SMVR's proposed common carrier operations 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), SMVR's proposed operation of the Lines also is exempt from historic preservation reporting requirements, as the proposed transaction is not expected to impact historic structures along the Line that are 50 years old or older.

Caption Summary: 49 C.F.R. § 1150.34

A caption summary in appropriate form is attached as Exhibit C.

Respectfully submitted,

By: /s/ *R. A. Wimbish*

Robert A. Wimbish
Fletcher & Sippel LLC
29 North Wacker Drive, Suite 800
Chicago, Illinois 60606-3208
rwimbish@fletcher-sippel.com
(312) 252-1500

**ATTORNEY FOR SANTA MARIA VALLEY
RAILROAD, LLC**

Dated: March 13, 2025

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EXHIBIT A

MAP

Santa Maria Valley Railroad, LLC



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EXHIBIT B

CERTIFICATION AND VERIFICATION

CERTIFICATION AND VERIFICATION

I, John G. Spiegleman, am the Chief Legal Officer and General Counsel of OmniTRAX Holdings Combined, parent company of Santa Maria Valley Railroad, LLC ("SMVR"). I hereby certify as follows:

1. The annual operating revenue of SMVR (following consummation of the transaction that is the subject of this class exemption proceeding) is not projected to exceed \$5 million, and, in turn, will not result in the creation of a Class II or Class I rail carrier under the provisions of 49 C.F.R. § 1201 (1-1).
2. SMVR would not be contractually limited in its ability to interchange of traffic with any third-party connecting carrier.

In addition, I hereby verify under penalty of perjury as follows:

1. I have read the foregoing Notice of Exemption, know the facts asserted therein, and that the same are true as stated to the best of my knowledge, information, and belief.
2. I am authorized to make this verification on behalf of SMVR.

/s/ *John G. Spiegleman*

John G. Spiegleman
Chief Legal Officer and General Counsel of
OmniTRAX Holdings Combined on behalf of
Santa Maria Valley Railroad, LLC

Dated: March 13, 2025

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EXHIBIT C

CAPTION SUMMARY

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— ACQUISITION AND CHANGE OF OPERATOR EXEMPTION —
RAILROAD LINES OF COAST BELLE RAIL, LLC, AND UNION PACIFIC
RAILROAD COMPANY, IN SANTA BARBARA COUNTY, CAL.

Santa Maria Valley Railroad, LLC (“SMVR”), a non-carrier, has filed a Verified Notice of Exemption under 49 C.F.R. § 1150.31, et seq., to – (1) acquire from Coast Belle Rail, LLC (CBRL) a line of railroad (the CBRL Line) extending between milepost 3.3 near Guadalupe (Betteravia Junction), California, and milepost 9.3 at Santa Maria, California, along with the connecting Airbase Branch extending between the wye at milepost 8.5/0.0 at Santa Maria and milepost 3.0 at Santa Maria, a total combined distance of approximately 9.0 route miles; (2) acquire by assignment from Coast Belle Rail Corp. d/b/a Santa Maria Valley Railroad (Coast Belle) Coast Belle’s leasehold interest in a line of railroad (the UP Line) owned by Union Pacific Railroad Company extending between milepost 0.0 at Guadalupe, California and milepost 3.3 near Guadalupe (Betteravia Junction), along with the Betteravia Branch extending between milepost 3.3 near Guadalupe (Betteravia Junction) and milepost 4.8 at Betteravia, California, a total combined distance of approximately 4.8 route miles; and (3) replace Coast Belle as the common carrier service provider on the CBRL Line and UP Line (collectively, the

Lines), thereby terminating Coast Belle's current common carrier status with respect to the Lines.

SMVR expects to commence common carrier operations over the Lines on or after the effective date of this exemption.

Comments must be filed with the Board and served on:

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

This Notice is filed under 49 C.F.R. § 1150.31. If this 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.

Dated: March __, 2025

By the Board