

RAIL REGULATORY LAW
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Ms. Cynthia Brown
Chief, Section of Administration
Surface Transportation
Board
Office of Proceedings
395 E Street SW
Washington, DC
20423

**Re: Sierra Northern Railway – Acquisition and Operation
Exemption - In Yolo County, California, FD 36841**

Dear Ms. Brown:

For the reasons stated below, the Sacramento-Yolo Port District (the “District”) requests that the Surface Transportation Board (“STB”) issue a housekeeping stay in this proceeding.

The District is a government agency, formed in 1947 under the California Harbors and Navigation Code Section 6800 *et seq.* to operate what is now known as Port of West Sacramento (the “Port”), a deep-water port which opened in 1963. The Port is located 79 nautical miles from San Francisco with direct access to Suisun Bay provided by the 40-mile Deep Water Ship Channel, which is maintained by the United States Army Corps of Engineers. Throughout its history, the Port has served the agricultural, natural resources, and construction sectors in Northern California.

The track that is the subject of the Sierra Northern Railway (“SNR”) Notice of Exemption (the “Notice”) connects to a 3.1-mile line of railroad owned by the District and leased to SNR.

SNR and the District have had frequent communication over many years and the District’s point of contact with SNR is the District’s General Manager, Rick Toft. Despite this long-standing course of dealing, SNR mailed a copy of the Notice to the District’s general address by certified mail due for delivery today. The certificate of service does not spell this out, but SNR counsel has informed me of these facts. (SNR has not discussed its plans to “convert” the subject track with the District’s General Manager.) If SNR intended to effectuate the Board’s service order, it could have served the Notice on the District’s General Manager and done so by means to assure receipt before today, the due date for petitions for stay.

In addition, the Notice raises questions that make a housekeeping stay appropriate in this proceeding. The track is less than 5 years old and some of it may have been built as recently as 2024. See Shipper Letters in Exhibit A to SNR’s Notice. SNR has used the track since inception for transloading and wants to “convert” the track “[d]ue to growth of its transloading customers” and “to serve its more expansive transloading operations/customers.” SNR Notice at 3 and 4. This fact pattern raises questions about why SNR did not seek construction authority for the track, with the requisite review by the Board’s Office of Environmental Analysis pursuant to the National Environmental Policy Act and Board rules. See e.g., Flint Hill Resources Railroad, LLC – Construction and Operation Exemption – Hardin County, Iowa, FD 36439.

SNR’s reliance (see Notice at 4) on East Chicago Rail Terminal, LLC—Acquisition and Operation Exemption—Rail Line of Chrome, LLC at East Chicago, IN, FD 36482 (STB served February 12, 2021) is misplaced. That case involved an arm’s length lease of trackage and nothing in the docket says or suggests that the track converted to rail carrier service by the new lessee had recently been constructed by the owner. Despite numerous references to “acquisition and operation” in the SNR Notice, SNR is not acquiring any track in connection with the proposed transaction. See Notice at 5.

A housekeeping stay would allow the Board additional time to seek information from SNR regarding the construction of SNR's track, SNR's planned and actual use of the track at inception and today and whether the exemption sought now by SNR is appropriate. It would also make possible discussions between the District and SNR regarding the project.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'K. Sheys', with a stylized, flowing script.

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