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July 31, 2025
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BEFORE THE SURFACE TRANSPORTATION BOARD

FD 36876

SUNRISE INDUSTRIAL RAIL, LLC — LEASE AND CHANGE OF OPERATOR
EXEMPTION — RAILROAD LINES OF BROOKHAVEN LOGISTICS CENTER, LLC IN
SUFFOLK COUNTY, NY

**VERIFIED NOTICE OF EXEMPTION OF SUNRISE INDUSTRIAL RAIL, LLC
PURSUANT TO 49 C.F.R. PART 1150, SUBPART D**

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ATTORNEY FOR SUNRISE INDUSTRIAL RAIL

Dated: July 31, 2025

FEE RECEIVED
July 31, 2025
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**VERIFIED NOTICE OF EXEMPTION OF SUNRISE INDUSTRIAL RAIL, LLC
PURSUANT TO 49 C.F.R. PART 1150, SUBPART D**

Sunrise Industrial Rail, LLC (“Sunrise”), a non-carrier controlled by short line holding company OmniTRAX Holdings Combined, Inc. (“OmniTRAX”),¹ hereby respectfully files this notice of exemption (the “Notice”) at the Surface Transportation Board (“Board”) under 49 C.F.R. part 1150, subpart D to lease and to assume common carrier operations over an approximately 0.47-mile rail line (the “Line”) owned by Brookhaven Logistics Center, LLC (“BLC”) located in Suffolk County, New York as detailed below. At such time as Sunrise consummates the transaction that is the subject of this proceeding, Sunrise will replace Brookhaven Rail, LLC (“Brookhaven Rail”)² as the common carrier service provider on the Line, thereby terminating Brookhaven Rail’s common carrier status.

¹ Concurrently with the present lease 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 Sunrise (along with all of the existing railroad common carriers currently controlled in common by OmniTRAX and HGS) once Sunrise consummates the transaction to be authorized via the present proceeding. *See OmniTRAX Holdings Combined, Inc., and HGS Railway Holdings, Inc. – Continuance in Control Exemption – Sunrise Industrial Rail, LLC*, FD 36877.

² On September 27, 2023, the Board issued a decision in FD 35141, directing responses from Brookhaven Rail (all concerns with this present operator appear to be resolved), BLC; and Sills Road Realty LLC (“Sills Road”) regarding the ownership of the Line and other matters involving this property in Brookhaven, N.Y. All parties responded, and no further action has been taken by the Board to date. Sunrise was not involved with the Line at this time. Sunrise respectfully asks the Board to not delay its transaction here to lease and operate the Line in this proceeding as it was not part of any of these concerns raised by the Board. Not delaying this Notice of Exemption would benefit the shippers on the Line now and going forward by providing them with rail service from a highly respected rail transportation

In accordance with the requirements of 49 C.F.R. § 1150.33, Sunrise 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:

Sunrise Industrial Rail, LLC
252 Clayton Street, 4th Floor
Denver, CO 80206

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

Sunrise's representative to whom correspondence regarding this transaction should be sent is as follows:

Daniel R. Elliott
GKG Law, PC
1055 Thomas Jefferson Street, NW, Suite 620
Washington, DC 20007
delliott@gkglaw.com
(703) 863-9670

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

BLC owns certain railroad track assets in Brookhaven, New York known as the Brookhaven Rail Terminal ("the BRT") that are currently operated by a third party, Brookhaven Rail, pursuant to a railroad operating and sublicense agreement with BLC. The BRT consists of a combined total of roughly 16,850 linear feet of track, including roughly 0.47 miles of mainline track and another roughly 14,348 feet of ancillary (yard) track used for railroad car switching and terminal transloading.

provider in OmniTRAX. Moreover, providing this improved and possibly expanded rail service to this area as expeditiously as possible certainly supports the US rail transportation policy. *See* 49 U.S.C. § 10101.

Sunrise and BLC are completing agreement terms under which – (1) Sunrise will lease the Line and the ancillary track, among other assets, owned by BLC; and (2) Sunrise, by virtue of its lease of the Line, will replace Brookhaven Rail as the common carrier service provider on the Line, thereby relieving Brookhaven Rail of any further common carrier status and attendant obligations with the respect to the Line. Sunrise anticipates consummating the subject transaction pursuant to said agreement at such time as this Notice takes effect (presumably, 30 days from the date of the filing of this Notice) or as soon thereafter as is possible.

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

Sunrise will offer common carrier service over the Line in place of Brookhaven Rail upon the effective date of the exemption (expected to be August 30, 2025) and, in turn, will consummate the transaction encompassed by this notice.

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

In 2010, US Rail Corporation ("USRC"), a predecessor in interest to Brookhaven Rail, obtained Board authority to construct and operate approximately 18,000 feet of railroad track in a 28-acre facility now known as BRT, owned at that time by Sills Road.³ The trackage that was the subject of the FD 35141 construction proceeding ("Yard A") was described at the time USRC filed its exemption petition as a "railroad yard on a 28 acre parcel of land."⁴ However, while USRC indicated that the construction involved the installation of a railroad yard, neither USRC's Petition, nor subsequent filings in the FD 35141 proceeding, nor the Board's September 9 Decision

³ *US Rail Corporation- Construction and Operation Exemption- Brookhaven Rail Terminal*, Docket No. FD 35141 (STB served Sep. 9, 2010) ("September 9 Decision").

⁴ *US Rail Corporation - Construction and Operation Exemption - Brookhaven Rail Terminal*, Docket No. FD 35141 (individual petition for exemption filed on August 7, 2008) (the "Petition") at 5.

distinguished between that portion of the proposed construction that involved the installation of a regulated line of railroad triggering the need for Board-authorization under 49 U.S.C. § 10901, and the related construction of railroad yard track (falling under 49 U.S.C. § 10906), the latter of which, in the absence of the contemporaneous construction of a line of railroad, ordinarily would not require Board oversight.

In 2014, Brookhaven Terminal Operations, LLC (“BTO”), a subsidiary of Sills Road, and Brookhaven Rail (the successor to USRC as noted)⁵ proposed to expand the scope of the BRT by adding roughly 12,500 feet of new yard tracks adjacent to those located within Yard A (which, again, was the subject of the FD 35141 proceeding). Facing local resistance to the proposed new track construction, BTO and Brookhaven Rail jointly petitioned the Board for a declaration that the proposed new trackage qualified as yard facilities (or "spur track") that did not require advance Board authorization to construct in keeping with section 10906 in FD 35189. And, in 2016, the Board confirmed that the proposed construction involved yard track for which Board issued construction authority was not needed.⁶

Sills Road funded the construction of Yard A, and Brookhaven Rail operates as a common carrier within it (as authorized in FD 35141), as Brookhaven Rail does over additional trackage constructed thereafter pursuant to the Board's guidance in FD 35819. Brookhaven Rail does not own Yard A, nor any of the adjacent trackage that, collectively, comprises the BRT. Rather, the BRT trackage presently is owned by BLC. Brookhaven Rail is at this time the rail common carrier

⁵ See *Nevada 5, Inc. and Oakland Transportation Holdings LLC - Control Exemption - GTR Leasing LLC and US Rail Holdings LLC*, Docket No. FD 35635 (STB served Jun. 15, 2012). and see, also, *Gabriel D. Hall - Corporate Family Transaction Exemption - US Rail New York, LLC and US Rail Corporation*, Docket No. FD 35458 (STB served Jan. 7, 2011).

⁶ *Brookhaven Rail Terminal and Brookhaven Rail, LLC - Petition for Declaratory Order*, Docket No. FD 35819 (STB served Aug. 30, 2016).

authorized by the Board to conduct common carrier operations over Yard A, and Brookhaven Rail also operates over ancillary track that has since been constructed within the confines of the BRT.

As such, Sunrise hereby invokes the Board's class exemption procedures to operate as a common carrier on a line of railroad roughly 0.47 miles of trackage (the "Line") located in Brookhaven, New York, and owned by BLC extending eastward and then northward from a connection with the tracks of the Long Island Railroad (and a corresponding connection to the New York & Atlantic Railway Company, which possesses freight common carrier operating rights over the Long Island Railroad). The Line, which does not have mileposts, connects to a network of roughly 14,348 feet of yard trackage, as is depicted in the map attached hereto as Exhibit A, which Sunrise will lease and operate as ancillary to Sunrise's regulated common carrier service over the Line under its lease agreement with BLC.

The complete name and address of the owner of the BRT, including the roughly 0.47-mile stretch of trackage that constitutes the Line is as follows:

Brookhaven Logistics Center, LLC
3315 North Oak Trafficway
Kansas City, MO 64116

Sunrise anticipates consummating the subject transaction at such time as this Notice takes effect (presumably, 30 days from the date of the filing of this Notice) or as soon thereafter as is possible.

As noted, BLC owns the above-referenced Line in the Town of Brookhaven, Suffolk County, New York as described in detail in Exhibit A. Sunrise is finalizing agreement terms with BLC under which Sunrise would lease the Line, and, in so doing, replace Brookhaven Rail as the common carrier service provider on the Line. In all, upon consummation of the overall transaction

presented in this notice, Sunrise would become the exclusive common carrier service provider on the Line in place of Brookhaven Rail (thereby terminating Brookhaven Rail's current common carrier status with respect to the Line).

Map: 49 C.F.R. § 1150.33(f)

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

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)

Sunrise will not be contractually limited in its ability to interchange traffic with any third-party connecting carrier. See Exhibit B. As matters currently stand, Sunrise's only interline connection would be to the tracks of the Long Island Railroad (and a corresponding connection to the New York & Atlantic Railway Company, which possesses freight common carrier operating rights over the Long Island Railroad).

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

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

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

Sunrise'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 Line is exempt from environmental reporting requirements. Sunrise'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), Sunrise's proposed operation of the Line 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/ Daniel R. Elliott
Daniel R. Elliott
GKG Law, PC
1055 Thomas Jefferson Street, NW, Suite 620
Washington, DC 20007
delliott@gkglaw.com
(703) 863-9670
ATTORNEY FOR SUNRISE INDUSTRIAL RAIL

Dated: July 31, 2025

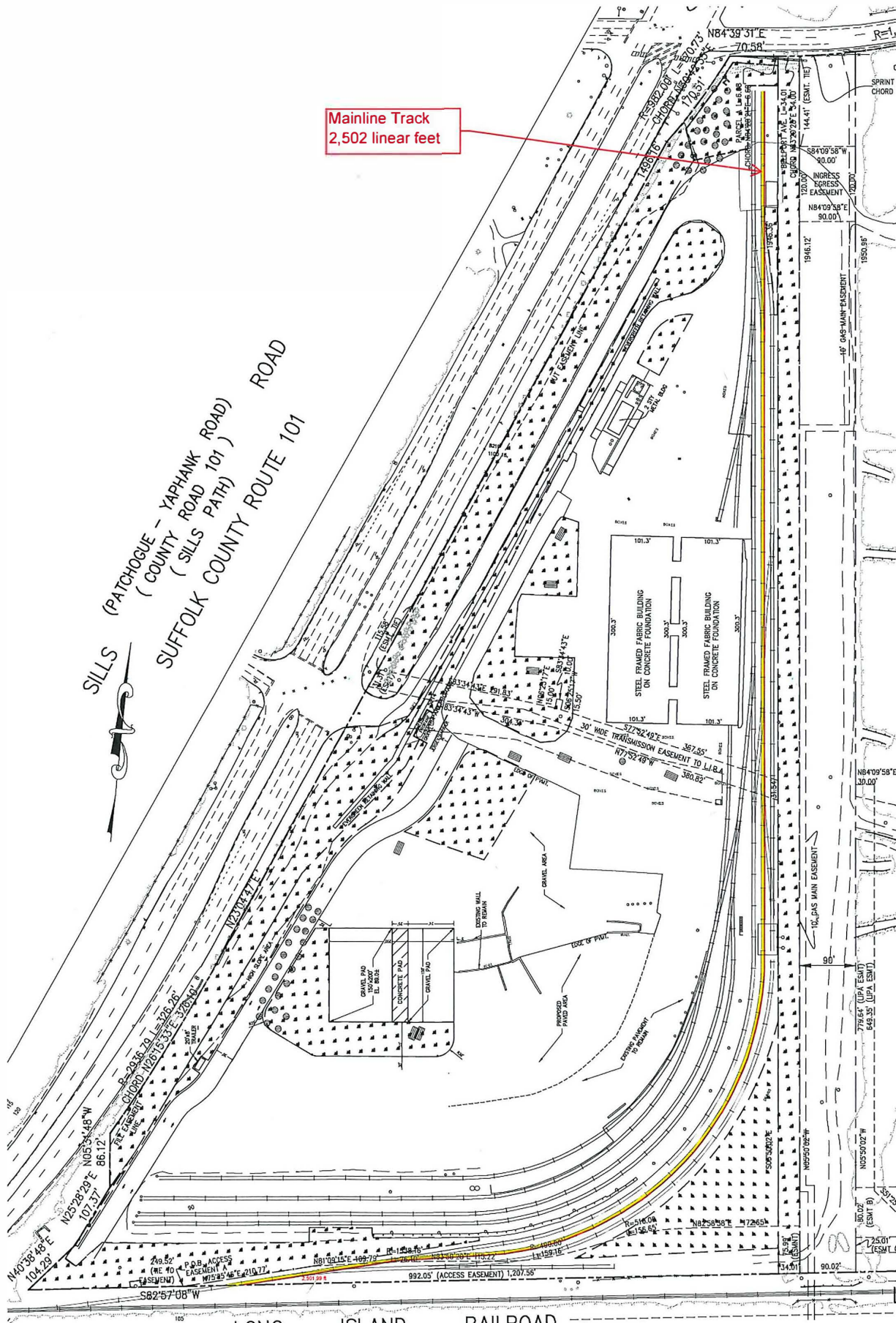
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EXHIBIT A

MAP



Mainline Track
2,502 linear feet



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EXHIBIT B

CERTIFICATION AND VERIFICATION

I, Bob Rentz, am Vice President and Deputy General Counsel of OmniTRAX Holdings Combined, parent company of Sunrise Industrial Rail, LLC (“SIR”). I hereby certify as follows:

1. The annual operating revenue of SIR (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. SIR would not be contractually limited in its ability to interchange 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 SIR.

/s/ Bob Rentz

Bob Rentz

Vice President and Deputy General Counsel of OmniTRAX
Holdings Combined on behalf of Sunrise Industrial Rail,
LLC

Dated: July 30, 2025

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SUFFOLK COUNTY, NY

EXHIBIT C

Sunrise Industrial Rail, LLC (“Sunrise”), a non-carrier, has filed a Verified Notice of Exemption under 49 C.F.R. § 1150.31, et seq., to – (1) lease --from Brookhaven Logistics Center, LLC (“BLC”) a line of railroad (the “Line”) extending eastward and then northward from a connection with the tracks of the Long Island Railroad (and a corresponding connection to the New York & Atlantic Railway Company, which possesses freight common carrier operating rights over the Long Island Railroad) at a location known as the Brookhaven Rail Terminal. The Line,

which does not have mileposts, connects to a network of roughly 14,348 feet of yard trackage, which Sunrise will lease and operate as ancillary to Sunrise’s regulated common carrier service over the Line under its lease agreement with BLC; and (2) replace Brookhaven Rail, LLC (“Brookhaven Rail”) as the common carrier service provider on the Line, thereby terminating Brookhaven Rail’s current common carrier status with respect to the Line.

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

Comments must be filed with the Board and served on:

Daniel R. Elliott
GKG Law, PC
1055 Thomas Jefferson Street, NW, Suite 620
Washington, DC 20007
(703) 863-9670.

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: August __, 2025

By the Board