

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 36336

SAVANNAH & OLD FORT RAILROAD, L.L.C.
--CHANGE IN OPERATOR EXEMPTION --
GOLDEN ISLES TERMINAL RAILROAD, INC.

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.31, Et Seq.



248267

ENTERED
Office of Proceedings
July 30, 2019
Part of
Public Record

KARL MORELL
Karl Morell and Associates
Suite 440
440 1st Street, N.W.
Washington, D.C. 20001
(202) 595-9045

Attorney for:
SAVANNAH & OLD FORT RAILROAD,
L.L.C.

Dated: July 29, 2019

FILED
July 30, 2019
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
July 30, 2019
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Pursuant to 49 C.F.R. § 1150.31, Et Seq.

Savannah & Old Fort Railroad, L.L.C. ("SOFR"), a non-carrier, files this Notice of Exemption pursuant to 49 C.F.R. Part 1150, Subpart D--Exempt Transactions, to permit SOFR to acquire the track, rails, ties, ballast, culverts, and all other non-real property assets and lease the real property from CSX Transportation, Inc. ("CSX") for approximately 6.45 miles of rail line between milepost ASO 493.3 at or near Staley Avenue and milepost ASO 499.75 at the end of the line, located in Savannah, Georgia (the "Line"). The Line is currently being operated by Golden Isles Terminal Railroad, Inc. ("GITM"), a subsidiary of Genesee & Wyoming, Inc.¹

In support of this Notice of Exemption, SOFR submits the following information as required by 49 C.F.R. § 1150.33:

(a) Full name and address of applicant:

Savannah & Old Fort Railroad, LLC
315 W. 3rd Street
Pittsburg, Kansas 66762

¹ GITM acquired the track, rails, ties, ballast, culverts, and all other non-real property assets and lease the real property from CSXT under an agreement scheduled to terminate on August 29, 2019. *Golden Isles Terminal Railroad, Inc.-Acquisition and Operation Exemption-CSX Transportation, Inc.*, Finance Docket No. 34539 (served September 15, 2004).

(b) Applicant's Representative:

Karl Morell
Karl Morell and Associates
Suite 440
440 1st Street, N.W.
Washington, DC 20001
(202) 595-9045

(c) Statement of Agreement:

SOFR will shortly enter into an agreement with CSX where SOFR will be assigned the ownership of the track, rails, ties, ballast, culverts, and all other non-real property assets and the lease of the real property from CSX.²

(d) The operator of the property:

SOFR will be the operator of the leased line.

(e) Summary of proposed transaction:

(1) The name and address of the company transferring the subject property:

CSX Transportation, Inc.
500 Water Street
Jacksonville, FL 32202

(2) The involved transaction is expected to be consummated on August 29, 2019.

(3) The 6.45 mile rail line that SOFR will operate is located between CSX milepost ASO 493.3, at or near Staley Avenue,, and CSX milepost ASO 499.75, at the end of the line, in Savannah, GA.

² CSXT and GITM have agreed to enter an agreement for GITM to resell the track, rails, ties, ballast, culverts, and all other non-real property assets and an agreement to assign the lease to CSX. CSX will not acquire track, rails, ties, ballast, culverts, and all other non-real property assets and the real property, but will assign its rights under the agreements, as may be amended, to SORF prior to the termination of GITM's lease so that CSX will not reacquire the right or ability to provide common carrier service over the Line.

(4) The length of the rail line being operated is approximately 6.45 miles.

(f) A map of the rail line being operated is attached as Exhibit A.

(g) SOFR hereby certifies that SOFR's projected revenues as a result of this

transaction will not result in SOFR becoming a Class II or Class I rail carrier. SOFR

further certifies that the projected annual revenue of SOFR will not exceed \$5 million.

Consequently, the requirements of 49 C.F.R. § 1150.32(e) do not apply to this transaction.

SOFR further certifies that it has provided notice of this transaction to all shippers located on the line.

Phillips 66 Co, 110 Forbes Rd., Savannah, GA 31404

East Coast Terminal Co, 1 Harbor St., Savannah, GA 31401

Southern States Chemical Inc., 100 Seapoint Blvd., Savannah, GA 31404

Imtt Epic LLC, 2 Wahlstrom Rd., Savannah, GA 31404

Southern States Chemical Inc., 1600 E President St., Savannah, GA 31404

Georgia-Pacific LLC, 151 Wahlstrom Blvd., Savannah, GA 31404

Seonius Stevedoring-Savannah, 112 Marine Terminal Dr., Savannah, GA 31404

Savannah Cement Company S A, 148 Marine Terminal Dr., Savannah, GA 31404

Seagate Handling Inc., 1600 E President St., Savannah, GA 31404

(h) The Agreement between SOFR and CSX does not contain any provision that prohibits SOFR from interchanging traffic with a third party or limits SOFR's ability to interchange with a third party.

A caption summary, as required by 49 C.F.R. § 1150.34, is attached.

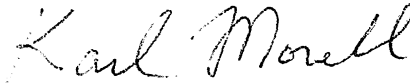
ENVIRONMENTAL AND HISTORIC IMPACTS

SOFR is operating the Line for continued rail operations. Further Board approval is required for SFOR to discontinue or abandon any service and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Hence, this Notice of Exemption does not require an historic report under 49 C.F.R. § 1105.8(b)(1).

SOFR's operation of the Line will not result in significant changes in carrier operations. There will not be a diversion of: (1) more than 1,000 rail carloads a year to motor carriage; or (2) an average of 50 carloads per mile per year for any part of this line to motor carriage. This transaction will not result in: (1) an increase in rail traffic of at least 100 percent or an increase of at least eight trains a day on any segment of the line; (2) an increase of rail yard activity of at least 100 percent; or (3) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day. SOFR's operation of the Line will not affect a Class I or nonattainment area under the Clean Air Act. In any event, the thresholds of 49 C.F.R. § 1105.7(e)(5)(ii) will not be exceeded. Finally, the transportation of ozone depleting materials is not contemplated. Therefore, no environmental documentation is required under 49 C.F.R. § 1105.6(c)(2).

This action will not significantly affect either the quality of the human environment or energy conservation.

Respectfully submitted,

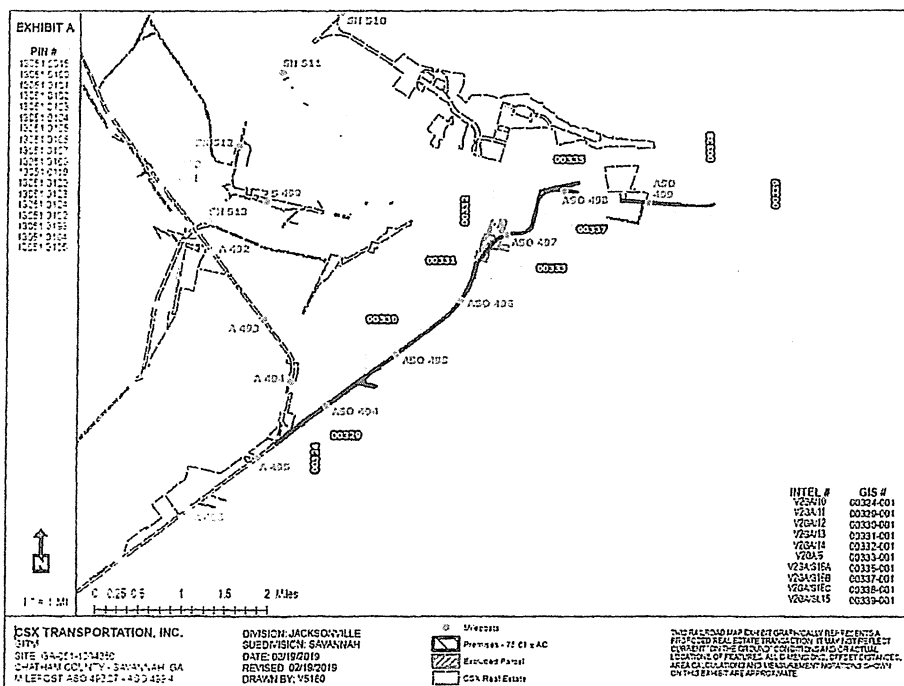


KARL MORELL
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Attorney for:
SAVANNH & OLD FORT RAILROAD, LLC.

Dated: July 29, 2019

EXHIBIT A



SURFACE TRANSPORTATION BOARD

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SAVANNAH & OLD FORT RAILROAD, L.L.C.
--CHANGE IN OPERATOR EXEMPTION --
GOLDEN ISLES TERMINAL RAILROAD, INC.

Savannah & Old Fort Railroad, LLC ("SORF"), a non-carrier, has filed a notice of exemption to lease from CSX Transportation, Inc., and operate approximately 6.45 miles of rail line. The rail line being leased is located between CSX milepost ASO 493.3, in Savannah, GA, and CSX milepost 499.75, at the end of the Line.

Comments must be filed with the Board and served on Karl Morell, Suite 440, 440 1st Street, N.W., Washington, DC 20001, (202) 595-9045.

This notice is filed under 49 C.F.R. 1150.31. If the notice contains false or misleading information, the exemption is void ab initio. The filing of a petition to revoke will not automatically stay the transaction.

VERIFICATION

STATE OF KANSAS
COUNTY OF CRAWFORD

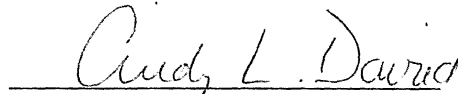
)
) ss.
)

I, Rick D. Baden, being duly sworn depose and state that I am President of Savannah & Old Fort Railroad, L.L.C., that I am authorized to make this verification, and that I have read the foregoing Notice of Exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information, and belief.


Rick D. Baden

SUBSCRIBED AND SWORN TO before me this 29th day of July, 2019, in the County of Crawford, State of Kansas.

My Commission Expires: 5-19-2021


Notary Public

