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August 9, 2019

VIA ELECTRONIC FILING

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Room 1034
Washington, DC 20423

Re: Docket No. AB-1272X
Central Texas & Colorado River Railway, LLC – Abandonment Exemption –
In McCulloch, San Saba, Mills, and Lampasas Counties, Texas

Dear Ms. Brown:

Following is an individual abandonment petition for exemption of Central Texas & Colorado River Railway, LLC. This submission also includes a draft Federal Register notice pursuant to 49 C.F.R. § 1152.60(c) for the Board's use. A payment in the amount of \$7,400.00, representing the appropriate filing fee for this petition for exemption, has been submitted through pay.gov.

A copy of the Environmental/Historic Report (Exhibit G to the Petition) has been provided to the Board's Office of Environmental Analysis. If there are any questions about this matter, please contact me or my colleague, Thomas J. Healey, either by telephone: 312-252-1504 (Rob Wimbish) / 312-252-1505 (Tom Healey) or by e-mail: rwimbish@fletcher-sippel.com (Rob Wimbish) / thealey@fletcher-sippel.com (Tom Healey).

FILED
August 9, 2019
SURFACE
TRANSPORTATION BOARD

Respectfully submitted,



Robert A. Wimbish
Attorney for Central Texas & Colorado
River Railway, LLC

FEE RECEIVED
August 9, 2019
SURFACE
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Enclosures

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

DOCKET NO. AB-1272X

**CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN MCCULLOCH, SAN SABA, MILLS, AND LAMPASAS COUNTIES, TEX.**

**ABANDONMENT PETITION FOR EXEMPTION OF
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC**

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**Attorneys for Central Texas &
Colorado River Railway, LLC**

August 9, 2019

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

DOCKET NO. AB-1272X

**CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN MCCULLOCH, SAN SABA, MILLS, AND LAMPASAS COUNTIES, TEX.**

**ABANDONMENT PETITION FOR EXEMPTION OF
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC**

INTRODUCTION

Pursuant to 49 U.S.C. § 10502 and the rules of the Surface Transportation Board (the “Board”) at 49 C.F.R. Parts 1121 and 1152, Central Texas & Colorado River Railway, LLC (“CTXR”), a Class III common carrier railroad, files this petition (the “Petition”) for an exemption from the provisions of 49 U.S.C. § 10903 to abandon¹ its entire line of rail, covering approximately 67.5 miles of track (the “Line”) located in McCulloch, San Saba, Mills, and Lampasas Counties, Texas, extending from a connection with BNSF Railway Company at milepost 0.0 at Lometa, Texas, to the end of the Line at milepost 67.5 near Brady, Texas. The Line is predominantly single-tracked, is stub-ended at Brady, and constitutes CTRX’s entire

¹ Earlier this year, CTRX had contemplated seeking an exemption strictly to discontinue rail operations. In addition to discussing the possibility of discontinuance with affected shippers and on-line communities, CTRX arranged for publication of newspaper notices advising of an anticipated discontinuance filing pursuant to 49 C.F.R. § 1105.12. However, it has become clear that prospects for significant future business developments are without rational basis, and CTRX has therefore determined to seek to abandon the Line, and has arranged for publication of notice under section 1105.12 to advise the public of its decision to petition the Board for authorization to abandon.

railroad system. The Line was acquired by CTXR in 2016.² CTXR is a wholly-owned subsidiary of OmniTRAX Holdings Combined, Inc. (“OmniTRAX”).³ To the best of CTXR’s knowledge, the Line does not contain federally-granted rights-of-way. If relevant to this proceeding, any documentation in CTXR’s possession concerning title will be made available to those requesting it. The following stations are located along the Line: Lometa, San Saba, Richland Springs, and Brady. As of July 25, 2019, the entire Line was placed under embargo, due to bridge problems and unsafe track conditions.⁴

The Line is a burden to CTXR and interstate commerce. CTXR has incurred millions of dollars of losses since acquiring the Line, and the potential annual revenue that could be generated from shippers remaining on the Line would be heavily outweighed by the otherwise avoidable costs of maintaining and operating it. Despite CTXR’s good faith efforts to work with existing and potential customers to generate sufficient operating revenues to keep the Line in service, and despite CTXR’s sizeable capital investments, hoped-for traffic increases, which had motivated the purchase of the Line, have not materialized. Worse, a substantial on-Line customer plans soon to cease operations, and the largest customer by revenue carloads recently sold its Brady-area facility to a new operator that projects to move roughly 20% of the traffic volumes of its predecessor. Collectively, all of these developments will only contribute to CTXR’s already-unprofitable operation.

The proposed abandonment will allow CTXR to end its common carrier obligations over a line that has substantial and ongoing operating losses. Abandonment of the

² See Central Texas & Colorado River Railway, LLC – Acquisition and Operation Exemption – Line of Heart of Texas Railroad, L.P., FD 36018 (STB served July 14, 2016).

³ See OmniTRAX Holdings Combined, Inc. – Continuance in Control Exemption – Central Texas & Colorado River Railway, LLC, FD 36019 (STB served July 14, 2016).

⁴ See AAR Embargo Number CTXR 000119.

Line plainly satisfies the exemption criteria of 49 U.S.C. § 10502, and, accordingly, this Petition should be granted.

MAPS AND EXHIBITS

A map of the Line is attached as Exhibit A. A draft Federal Register notice is attached as Exhibit B, and the certifications of compliance with 49 C.F.R. §§ 1105.12 and 1152.60(d) are included as Exhibit C. Exhibit D-1 contains several photographs that are representative of the condition of the Line at or around the time of acquisition by CTXR, Exhibit D-2 shows examples of the right of way after substantial post-acquisition CTXR capital investment, and Exhibit D-3 shows some of the track defects that have prompted CTXR to embargo service over the Line. Exhibit E consists of the Verified Statement of Peter A. Touesnard, the Chief Commercial Officer of OmniTRAX (“V.S. Touesnard”), who discusses the motivation for purchasing the Line, and the market and other forces that have thwarted (and will continue to thwart) remunerative operations. Exhibit F consists of the Verified Statement of Scott R. Bell, OmniTRAX’s Vice President of Finance (“V.S. Bell”), who discusses CTXR’s bleak financial performance, and explains why future annual operating revenues are expected to generate even greater losses than in the last few years. Finally, CTXR’s combined Environmental/Historic Report is attached as Exhibit G.

FACTUAL BACKGROUND

The proposed abandonment would protect CTXR from the substantial (and wholly unrecoverable) operating losses that otherwise would flow from continuing operations, and would allow CTXR to recover some of its investment in the Line through liquidation. The circumstances leading to this Petition are set forth in the attached verified statements of Mr.

Touesnard (Exhibit E) and Mr. Bell (Exhibit F), and much of the following discussion borrows from their collective testimony.

A. Description of the Line

The Line was built by the Gulf, Colorado & Santa Fe Railway (“GCSF”) (then a wholly-owned subsidiary of The Atchison, Topeka and Santa Fe Railway Company (“ATSF”)) in 1910-11, from a connection to the GCSF main line at Lometa through Brady to Eden, Texas. In 1939, GCSF acquired approximately 2.5 miles of non-regulated ancillary trackage connecting to the Line just east of Brady and extending south therefrom from the Fort Worth & Rio Grande Railway Company (“FWRG”) after FWRG was authorized to abandon its main line trackage through Brady.⁵ The portion of the original line from just west of Brady at milepost 67.5 to Eden (at approximately milepost 97.78) was abandoned (along with a connecting line) around 1972. CTXR acquired the Line from Heart of Texas Railroad, L.P, in 2016. Central Texas & Colorado River Railway, LLC – Acquisition and Operation Exemption – Line of Heart of Texas Railroad, L.P., FD 36018 (STB served July 14, 2016).

The Line is predominantly single track for its entire 67.5 miles. Given the rolling, somewhat uneven topography of central Texas, the Line and ancillary and terminal tracks are punctuated by over 90 bridges (more than one bridge per mile of track), including one (over the Colorado River) of approximately 1000’ in length. The continuous welded rail that predominates on the Line was rolled primarily between 1910 and 1930. Prior to the recent embargo, the Line was operated as FRA excepted track, with a maximum authorized track speed of 10 miles per hour. But, to keep the track minimally operational as excepted track into the future, CTXR estimated before recent track damage that it would need to invest at least \$2.3 million in bridge

⁵ See Fort Worth & Rio Grande Railway Company et al. Abandonment, et al., 236 I.C.C. 521 (ICC decided Dec, 28, 1939).

and track replacement and repair expenses. (V.S. Bell, p. 6). The Line traverses United States Postal Service ZIP codes 76825, 76872, 76871, 76877, and 76853. The great majority of the existing traffic originates or terminates at the end of the Line at Brady.

When CTXR acquired the Line in 2016, much of it was overgrown with weeds, and significant work was needed to prepare the Line for extended operations. CTXR made the required track and right of way investments at a cost of approximately \$2,000,000.00 (V.S. Touesnard, p. 3), as is exhibited in the photographs of representative portions of the Line on acquisition (Exhibit D-1) and after preparatory work was concluded (Exhibit D-2).

B. Traffic and Revenue

At the time CTXR acquired the Line in 2016, OmniTRAX – CTXR’s corporate parent – was cautiously optimistic about the railroad’s future prospects, despite years of marginal traffic levels preceding the sale. See V.S. Touesnard, pp 3-5. As an initial matter, the Line has not depended upon a single customer (or predominant shipper), but instead has, over the past few years, served 6 customers. The traffic base weighed heavily toward lower-margin minerals traffic (particularly sand) and agricultural materials, but CTXR reasonably believed that the on-Line customers would provide a consistent revenue baseline from which to grow the railroad to profitability. *Id.*, p. 2. CTXR anticipated that it would (and did) lose over \$2 million in 2017, the first full year of CTXR’s operations. *Id.*, pp. 3-4. Nevertheless, CTXR believed that it could cultivate an expanded customer base. Specifically, plans were publicly disclosed in 2015 for construction of a new crushed rock facility near San Saba that could produce 8,000-10,000 revenue carloads a year. *Id.*, p. 3. CTXR engaged with the principals for the proposed San Saba facility, and determined that the facility was expected to become operational and commence rail shipping in 2017. *Id.* In fact, significant preparation for the rock facility was undertaken by its

owners. CTXR believed that it was well-situated to handle the rail shipping needs of this prospective customer, and it had developed plans to undertake substantial track improvements to be able to handle the high-tonnage stone traffic. Unfortunately, the rock facility has not become operational, and it is no longer certain that it ever will be. *Id.*, p. 4.

Worse, CTXR's existing, unprofitable traffic base is also declining unexpectedly, due to frac sand production shifting toward facilities located closer to sand consumers in western Texas. *Id.*, p. 5. Lower transportation costs from more easily-accessed sand producers, coupled with less expensive mining operations elsewhere, are placing insurmountable market pressures on producers of "Brady Brown" (the name given to sand produced in the Brady area, the predominant commodity transported on the Line during CTXR's operations).

The largest customer on the Line in recent years by revenue carloads, Premier Silica, LLC ("Premier" – formerly known as Pioneer Natural Resources Company), which shipped 590 carloads in 2017, and 752 carloads in 2018, sold its Brady facility in the second quarter of 2019 to P.W. Gillibrand Co. Inc. ("Gillibrand"). *Id.*, p. 6 and Appendix 1. Gillibrand projects a much lower need for rail shipments than its predecessor. Specifically, CTXR anticipates approximately 15 carloads per month from the Gillibrand facility, or 180 cars per year. *V.S. Bell*, Appendix 1, p. 3. Additionally, Covia Holdings Corporation ("Covia" – formerly Unimin Corporation), a facility southeast of Brady that transloaded sand from trucks to rail cars at Brady (and moved 143 cars in 2017, and 173 cars in 2018), announced that it will close its Brady operations at some point in the middle of calendar year 2019. *V.S. Touesnard*, p. 6. Collectively, Premier and Covia accounted for 733 of the 952 total carloads moved by CTXR in 2017 (almost 77% of all CTXR car loadings), and 925 of the 1,210 carloads moved by CTXR in 2018 (over 76% of car loadings). *V.S. Bell*, Appendix 1, p. 3. Thus, even the minimal (and

wholly insufficient) levels of revenue realized by CTXR over the last few calendar years will not be replicated in 2019 or beyond.

C. Service and Expenses

CTXR provided service on the Line with three locomotives and a two-person crew stationed at Brady. V.S. Touesnard, pp.8-9. The crew taxis on Mondays to Lometa to pick up the locomotives and interchange cars from BNSF, then operates the length of the Line westbound from Lometa on Mondays, performs local switching in Brady on Tuesdays and Wednesdays, then returns eastbound to Lometa on Thursdays. Id.

As explained by Mr. Touesnard, changes in the frac sand, aggregates, and concrete markets have translated into CTXR traffic declines, with a resulting adverse impact on CTXR's finances. Mr. Bell explains the effects of those market changes on CTXR's annual revenues. In 2017, CTXR earned approximately \$715,000 in revenue, consisting primarily, of \$403,000 in linehaul freight charges, \$142,000 for accessorial services, and \$159,000 for car storage. V.S. Bell, p. 2. Similar, if slightly more upbeat, numbers were realized in 2018, with \$761,000 in operating revenue derived largely from \$523,000 in linehaul revenue, \$92,000 in accessorial fees, and \$131,000 from car storage. Id., pp. 3-4.

Unfortunately, CTXR's operating expenses have consistently swamped its revenues, and that trend will only worsen. In 2017, operating expenses for the Line totaled \$1,433,000, with employee labor costs of \$399,000 (for maintenance of way, train and engine service, and general and administrative services), contracted-for services of \$518,000 (for maintenance of way not provided by railroad employees and for upkeep of equipment/locomotives), and locomotive fuel costs of \$57,000. Id., p. 2. These expenses resulted in a net operating loss of \$717,000 in 2017, which, when coupled with depreciation and allocation of a

portion of the costs for services shared by CTXR with other OmniTRAX properties, meant CTXR had an overall 2017 net loss of \$2,489,000. *Id.* Calendar year 2018 was only marginally better, with total operating expenses of \$1,066,000 (comprised of \$454,000 labor expense, \$141,000 cost for contracted services, and \$72,000 for locomotive fuel). Thus, in 2018, CTXR incurred operating losses of \$305,000, which, when added to depreciation and charges for CTXR's shared services allocation, meant that the overall net loss for CTXR for 2018 was \$2,027,000. *Id.*, p. 4. With the heavy decrease in frac sand shipments, calendar year 2019 will be worse. CTXR anticipates only 533 revenue carloads for 2019, with total revenues of \$541,634, expenses from operations of \$945,996, and an operating loss of \$404,362 (and an overall loss of just shy of \$2,000,000, when the allocation of CTXR's shared services, depreciation and amortization are included). *Id.*, pp. 5-6.

Against these documented operating losses, which for each full year of operation have been or are projected to be in the area of \$2 million, it must be recalled that CTXR anticipates losing approximately 70% of its existing traffic base. Without significant prospects for remarkable traffic increases on the foreseeable horizon, abandonment of unprofitable operations of the Line is clearly the appropriate action.

D. Outreach to Customers

CTXR's lack of commercial success cannot be blamed on a lack of developmental efforts. In November of 2018, Premier and Covia each announced plans to shutter its Brady-area frac sand facilities.⁶ CTXR met with both customers to discuss their projected rail shipping needs until closure. *V.S. Touesnard*, pp. 7-8. CTXR also met with other users of the Line in order to explain the dire financial circumstance brought about by the expected reductions in frac

⁶ As noted above, Premier ultimately decided not to close its facility, but rather sold it to Gillibrand, which intends to use the railroad for a modest amount of frac sand shipments.

sand shipments. Extensive discussions were also had with the owners of the potential crushed rock facility, although, as previously mentioned, those discussions have not borne fruit, and the facility may never open.

CTXR sent three representatives to a meeting held in Brady on January 23, 2019, to participate in an executive session of a joint meeting hosted by the Brady City Council and the Brady Type B Economic Development Board of Directors, along with other interested parties. Id. At that meeting, CTXR set out the economic peril facing the railroad if it continued to operate with an insufficient traffic base. CTXR explained that discontinuance of rail operations was likely to be the railroad's next step, or perhaps outright abandonment. Thus, CTXR's dire financial straits and abandonment efforts should not come as a surprise to any stakeholders.

PETITIONER'S REPRESENTATIVES

CTXR is represented in this proceeding by Robert A. Wimbish and Thomas J. Healey, Fletcher & Sippel LLC, 29 N. Wacker Drive, Suite 800, Chicago, IL 60606, telephone: (312) 252-1500; facsimile: (312) 252-2400; email: rwimbish@fletcher-sippel.com and thealey@fletcher-sippel.com.

THE EXEMPTION STANDARDS HAVE BEEN MET

Under 49 U.S.C. § 10903, service over a rail line cannot be abandoned without prior Board approval. However, under 49 U.S.C. § 10502, the Board must exempt a transaction from application of Section 10903 when it finds that – (1) regulation of the transaction is not necessary to carry out the rail transportation policy of 49 U.S.C. § 10101; and (2) either (a) the transaction is of limited scope, or (b) regulation is not needed to protect shippers from the abuse of market power. The proposed abandonment meets Section 10502's criteria.

A. Regulation Is Not Necessary To Carry Out The Rail Transportation Policy

The Rail Transportation Policy (“RTP”) found at 49 U.S.C. § 10101 obviates the need for detailed Board scrutiny under 49 U.S.C. § 10903 in this instance. Granting CTXR’s Petition – rather than requiring it to incur the substantial costs and potential delays involved in submitting a full-blown abandonment application – promotes a fair and expeditious regulatory decision-making process; ensures the development and continuation of a sound rail transportation system with effective competition among rail carriers and other modes to meet the needs of the public; reduces regulatory barriers to exit from the industry; and provides for the expeditious handling and resolution of proceedings required or permitted to be brought under this part. See 49 U.S.C. §§ 10101(2), (4), (7), and (15).

Moreover, allowing CTXR to abandon the Line will promote a safe and efficient rail transportation system by enabling the railroad to avoid losses and, ultimately, insolvency. *See* 49 U.S.C. § 10102(3). And, finally, granting CTXR’s Petition to abandon the Line will foster sound economic conditions, and will encourage efficient management in accordance with the RTP. See 49 U.S.C. §§ 10101(5) and (9).

As indicated in the discussion on avoidable costs (losses) below, CTXR faced 2018 operating losses of \$305,000, and foresees 2019 operating losses of \$404,362.00, with a fully allocated financial loss this year of \$1,946,514.00. In the absence of any realistic possibility that the Line will be returned to profitability in the near future, the stark economic circumstances compel granting CTXR’s Petition.

The Board need not, and should not, require CTXR to use the formal abandonment application procedures. CTXR’s financial losses are apparent, and are indicative of a rail line that can no longer justify its continued existence. The proposed abandonment and CTXR’s use of the Board’s exemption procedures is consistent with the RTP.

B. The Proposed Abandonment Is of Limited Scope

The proposed abandonment is of limited scope, involving 67.5 miles of low-density branch line that, before embargo, was expected to handle less than 550 carloads in 2019 (which reflects the mid-year sale of the Premier frac sand facility, and the shuttering of Covia's operations), with even fewer forecast carloads in subsequent years. There were six active customers on the Line in 2018, and the largest traffic generator on the Line (Premier, accounting for roughly 60% of the Line's revenue and carloads) has been sold, and will be reduced to shipping roughly 15 cars per month, while the second largest shipper, Covia, is closing its operations entirely. There is no overhead traffic.

C. Regulation Is Not Necessary to Protect Shippers from Market Power Abuse

Because the proposed abandonment is of limited scope, CTXR need not show that regulation is not needed to protect shippers from market power abuse. But it is clear that the use of the Board's formal abandonment procedures is not necessary to protect shippers from any potential abuse of market power in this case.

Attached to the V.S. Touesnard (Exhibit E) as Appendix 1, p. 2 is a table detailing CTXR's carloads by commodity moved per year. That table lists by commodity type the number of carloads that CTXR handled on the Line from 2016 through the first few months of 2019. While the remaining on-Line customers may make use of highway transportation for their shipping needs, it is not clear to what extent these customers will resort to truck transportation, particularly with respect to Brady area frac sand shippers, which are already facing competitive pressure from other sand sources located closer to sand-consuming markets.

Under the circumstances, there is no basis to presume that CTXR's decision to abandon the Line is driven by any consideration aside from the avoidance of massive operating

losses and the ill-advised expenditure of millions of dollars to operate a Line whose traffic levels will continue to produce substantial operating losses. CTXR has neither the leverage nor the propensity to subject the Line's customers to market power abuse.

PUBLIC INTEREST FACTORS

Future operation of the Line would be wholly uneconomical due to the substantial (and unrecoverable) losses that would flow from continued operation of the Line. Even when factoring community and shipper interests against the Line's economic circumstances, the public interest militates in favor of abandonment.

A. CTXR's Dwindling Traffic Base

CTXR handled 1,210 revenue carloads over the Line in 2018. Such traffic volumes over-represent current rail service demand, given the tremendous, anticipated reduction in frac sand shipments, and the downward demand for Brady Brown. Based upon actual demand for rail services in the first four months of 2019, CTXR has projected that it will move 533 revenue carloads in 2019 (assuming that the conditions triggering the embargo were remedied), which is clearly a conservative figure, as it reflects carloads shipped by both Premier (now Gillibrand) and Covia, which will wind down to a total of fifteen cars per month by the middle of 2019. V.S. Bell, p. 5. Nonetheless, even this overly optimistic assumption of future rail traffic shows the magnitude of losses that face CTXR if it were to be forced to continue to operate.

B. Avoidable Costs Loss (See Also V.S. Bell, Exhibit F, Appendix 1)

As is detailed in Appendix 1 to the V.S. Bell, CTXR earned \$761,000 in 2018 operating revenues, which, far from offsetting CTXR's operating expenses of \$1,066,000, resulted in an avoidable loss from rail operations of \$305,000, with much larger losses incurred when all costs for operating the Line are considered. Drawing from its 2018 figures, CTXR

estimates that, in 2019, it would incur operating losses of \$404,362 (total revenues of \$541,634 less total operating expenses of \$945,996). Id., Appendix 1.

Mr. Bell testifies as to the Line's historic and projected revenue and expenses, and to the computation of the total avoidable cost figures employed here. Mr. Bell's testimony speaks for itself. One input, however, warrants additional discussion – the estimated capital expense (“Capex”) for continuing to operate the Line under the bare minimum Federal Railroad Administration “exempt” track safety status. (V.S. Bell, Appendix 1).

Mr. Bell estimates that, before recent events forced CTXR to embargo the Line, CTXR would need approximately \$1,800,000 in Capex for 2019 to replace 8,000 ties and surfacing 40 miles of the Line, with another \$500,000 dedicated to repairing bridge defects, just to keep the Line operational. V.S. Bell, p. 6. Again, these figures represent a railroad under water financially and maintaining the Line to a bare minimum FRA exempt track status. Such a Capex program, essential to maintaining a minimum service level, translates into costs of over \$34,000/mile.

Given the financial performance of the Line to date and its traffic prospects, no argument could rightfully stand for compelling CTXR to continue common carrier operations. In light of the Line's bleak financial outlook, CTXR prudently did not expend 2019's estimated Capex on the Line. Unfortunately, Texas weather has caught up with the aged track infrastructure, and a variety of track conditions have developed which have required that the Line be taken out of service and embargoed, effective July 25, 2019. Photographs of some of the track conditions, including sun kinks and bridge approach faults, can be found in Exhibit D-3. In order to remove cars currently stranded on the Line, CTXR estimates that it will cost approximately \$28,000.00 to fix the most glaring problems. V.S. Touesnard, p. 9. These limited

repairs will merely allow for walking-speed train movements to remove otherwise-stranded cars from the Line, but they are far from sufficient to permit the restoration of regular commercial service. In order to stabilize the track structure to accommodate regular operations after these recent events, CTXR now estimates that it would incur costs exceeding \$2,200,000.00. *Id.* CTXR simply cannot make that investment, given the past and projected future demands for service on the Line and the considerable operating losses that CTXR would undoubtedly incur in so doing.

Moreover, even if significant new carload volumes were to emerge unexpectedly, the railroad would need an entirely new level of investment in order to safely and efficiently handle the traffic. Clearly, no railroad is going to make that sort of investment based upon hope. It is hard to imagine any such investment being undertaken without very specific, long-term volume commitments or other assured means of recouping the investment with a normal rate of return. But, given what is known about foreseeable demand for rail service on the Line, these numbers amount to idle speculation.

C. Opportunity Cost/Return on Value

Given the immense financial drain that CTXR's operations present, CTXR believes that abandonment of the Line is amply supported, even in the absence of evidence on opportunity costs. The results of operations alone show that enormous and unavoidable losses are being incurred every year, and are unlikely to be reversed in the future. However, for the sake of argument, CTXR retained R.L. Banks & Associates, Inc. ("RLB") to estimate the net salvage value ("NSV") of the track structure. RLB concluded that the Line's rail and track material NSV is \$6,250,000, as detailed further in the Verified Statement of Mr. Touesnard, p. 11. Obviously, CTXR cannot realize any of this NSV value unless the Line is authorized for abandonment. This

NSV estimate does not include the inherent value of CTXR's sizeable real estate holdings, which, like the value of the track structure, can only be realized through abandonment and disposition.

D. Alternative Transportation

CTXR believes that, once Covia closes, the five remaining on-Line rail customers will have limited access to viable alternative sources of transportation. The entire Line is paralleled by (and located within no more than roughly three miles of) U.S. Route 190, which is the principal east-west highway between Lometa and Brady, connecting communities located along the Line and providing a direct truck route to the BNSF connection at Lometa. V.S. Touesnard, p. 10. West of Brady, U.S. Route 87 (a mostly four-lane divided highway west of Eden) provides an efficient connection to San Angelo, Texas, and access to the Texas Pacifico Railroad. Id. CTXR is not familiar with the economics of trucking for the remaining on-Line customers.

E. Other Policy and Public Interest Considerations

CTXR believes that its rail service has been a convenient and cost-effective, but non-essential, alternative to truck transportation. More consequential to community (and CTXR) impacts is the precipitous decline in demand for Brady Brown, due to increased geographic competition from other sand sources. In fact, it may well be that much of the traffic that remains after the closure of Covia and the downsizing of Premier by Gillibrand will ultimately be priced out of their markets by west Texas-mined sand. Even Jacoby Transload, which might be expected to move from 8 to 30 carloads per month on CTXR, and will be one of the largest remaining customers on the Line once Covia ceases operations and Gillibrand downsizes is, by definition, transloading its agricultural products to or from trucks, reflecting that trucks are a

viable alternative for these commodities. Thus, while it is possible that abandonment may result in increased use of trucks, CTXR has determined that highway diversions would be so modest and/or unpredictable that the impacts cannot be examined reliably. Here, the very strong likelihood that the proposed abandonment will minimally impact the communities through which the Line traverses, if at all, must be balanced against evidence presented herein showing that CTXR would be subjected to millions of dollars of unrecoverable costs going forward if its Petition were to be denied and CTXR were required to reestablish service.

CTXR has explained above that holding it to an exacting, expensive, and protracted formal abandonment application process, especially in light of the evidence that CTXR has supplied in support of abandonment, would be unnecessary and wholly contrary to the RTP. The process that CTXR has invoked and the evidence it has supplied in its case-in-chief affords interested parties a fair opportunity to express their views on CTXR's proposed action, and to comment on the propriety of CTXR's use of the individual petition for exemption process. However, to the extent that any objector may raise expedient procedural arguments (as some have attempted to do in other abandonment cases), asserting, essentially, that the Petition should be denied because the existence of such opposition gives rise to "controversy," and arguing that CTXR should be made to prepare and file a formal application, CTXR urges the Board to consider the substance of the evidence offered herein, which clearly militates against a protracted and unnecessary proceeding.

LABOR PROTECTIVE CONDITIONS

In most abandonment proceedings, the Board imposes labor protective conditions under Oregon Short Line Railroad—Abandonment Portion Goshen Branch Between Firth & Ammon, in Bingham & Bonneville Counties, Idaho, 360 I.C.C. 91 (1979). However, where a

railroad proposes to abandon its entire railroad system, as CTXR is here, the Board traditionally declines to impose labor protective conditions. See, e.g., Knox and Kane RR. Co.—

Abandonment Exemption—McKean County, Pa., Docket AB 551 (Sub-No. 2X) (STB served July 24, 2015). It is appropriate in entire system abandonments to refrain from imposing labor protective conditions because there will be no remaining entity subject to the Board's jurisdiction, and because there are no residual operations from which to fund labor protective arrangements. In keeping with longstanding precedent, it is appropriate in this proceeding that no labor protective conditions be imposed.

ENVIRONMENTAL IMPACTS REVIEW

In accordance with the requirements of 49 C.F.R. §§ 1105.7(a), 1105.8(a) and 1121.3(b), a combined Environmental and Historic Report ("Report") is attached hereto as Exhibit G.

CTXR does not believe that the abandonment will result in any significant environmental impact. Additionally, CTXR has already determined that the proposed abandonment will not result in any adverse impact to historic resources, as it reflected in the attached Historic Report.

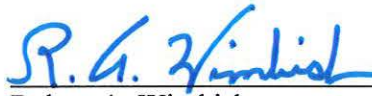
CONCLUSION

CTXR seeks an exemption from the provisions of 49 U.S.C. § 10903 to abandon common carrier service over its entire 67.5 miles of rail line located in central Texas. The exemption is warranted in light of the substantial burden that the continued operation of the Line would impose upon CTXR, as has been demonstrated in the foregoing sections of this Petition and in the attached verified statements of Mr. Touesnard and Mr. Bell. For the reasons supplied herein, application of the Board's formal abandonment procedures at Section 10903 is not

needed to carry out the RTP set forth at 49 U.S.C. Section 10101, and, in fact, granting CTXR's Petition would promote many of the elements of that policy. Likewise, the proposed abandonment is of limited scope, and no potential for abuse of market power would result from the requested exemption. Accordingly, CTXR respectfully requests that the Board grant an exemption for the proposed abandonment of the Line.

Dated: August 9, 2019

Respectfully submitted,



Robert A. Wimbish
Thomas J. Healey
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208
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rwimbish@fletcher-sippel.com
thealey@fletcher-sippel.com

Attorneys for Central Texas & Colorado River
Railway, LLC

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

DOCKET NO. AB-1272X

**CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN MCCULLOCH, SAN SABA, MILLS, AND LAMPASAS COUNTIES, TEX.**

**ABANDONMENT PETITION FOR EXEMPTION OF
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC**

EXHIBIT A

MAP

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

DOCKET NO. AB-1272X

**CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN MCCULLOCH, SAN SABA, MILLS, AND LAMPASAS COUNTIES, TEX.**

**ABANDONMENT PETITION FOR EXEMPTION OF
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC**

EXHIBIT B

DRAFT FEDERAL REGISTER NOTICE

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. AB-1272X)]

Central Texas & Colorado River Railway, LLC -- Abandonment Exemption -- In McCulloch, San Saba, Mills, and Lampasas Counties, Tex.

Central Texas & Colorado River Railway, LLC (CTXR) has filed with the Surface Transportation Board on August____, 2019, an individual petition for exemption for the abandonment over a line of railroad comprising all of CTXR's line of railroad extending from milepost 0.0 at Lometa, Texas, to milepost 67.5 near Brady, Texas. The subject rail line traverses United States Postal Service ZIP Codes 76825, 76872, 76871, 76877, and 76853, a total distance of 67.5 miles in McCulloch, San Saba, Mills, and Lampasas Counties, Texas. The line for which the abandonment exemption request was filed includes the stations of Lometa, San Saba, Richland Springs, and Brady.

As a stub-ended branch line, there is, and is not prospect for, overhead traffic. CTXR is unaware of any federally-granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

Because CTXR is abandoning its entire railroad system, CTXR anticipates that the Board will not impose labor protective conditions. See, e.g., Knox and Kane RR. Co.—Abandonment Exemption—McKean County, Pa., Docket AB 551 (Sub-No. 2X) (STB served July 24, 2015).

By issuance of this notice, the Board is instituting an exemption proceeding pursuant to 49 U.S.C. § 10502(b). A final decision will be issued by_____, 2019.

Any offer of financial assistance (OFA) under 49 C.F.R. § 1152.27(b)(2) to acquire the line or to subsidize continued rail service will be due no later than 10 days after service of a

decision granting the petition for exemption. Each offer must be accompanied by a \$1,800 filing fee. See 49 C.F.R. § 1002.2(f)(25).

All filings in response to this notice must refer to Docket No. AB-1272X and must be sent to: (1) Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001, and (2) Robert A. Wimbish and Thomas J. Healey, Fletcher & Sippel LLC, 29 N. Wacker Drive, Suite 800, Chicago, IL 60606. Replies to the petition are due on or before _____.

Persons seeking further information concerning the Board's abandonment procedures may contact the Surface Transportation Board or refer to the full abandonment and discontinuance regulations at 49 CFR Part 1152. Questions concerning environmental issues may be directed to the Board's Office of Environmental Analysis (OEA) at (202) 245-0295.

An environmental assessment (EA) (or environmental impact statement (EIS), if necessary) prepared by the Office of Environmental Analysis will be served upon all parties of record and upon any agencies or other persons who commented during its preparation. Any other persons who would like to obtain a copy of the EA (or EIS) may contact the Office of Environmental Analysis. EAs in these abandonment proceedings normally will be made available within 60 days of the filing of the petition. The deadline for submission of comments on the EA will generally be within 30 days of its service.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

Decided: _____.

By the Board, Allison C. Davis, Acting Director, Office of Proceedings.

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

DOCKET NO. AB-1272X

**CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN MCCULLOCH, SAN SABA, MILLS, AND LAMPASAS COUNTIES, TEX.**

**ABANDONMENT PETITION FOR EXEMPTION OF
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC**

EXHIBIT C

CERTIFICATIONS OF SERVICE/PUBLICATION

Certificate of Service

49 C.F.R. § 1152.60(d) – Notice

I certify that, in keeping with 49 C.F.R. § 1152.60(d), the following parties have been served with a copy of the foregoing abandonment petition for exemption:

Mr. Peter Espy
Director, Rail Division
Texas Department of Transportation
125 E. 11th Street
Austin, TX 78701-2483

MCMCTEA
ATTN: Railroads for National Defense
1 Soldier Way, Building 1900W
Scott AFB, IL 62225-5006

U.S. Department of Interior – National Park Service
Recreational Resources Assistance Division
1849 C Street, N.W.
Washington, DC 20240-0001

U.S. Department of Agriculture
Chief of the Forest Service
4th Floor N.W., Yates Building
201 14th Street, S.W.
Washington, DC 20250

In addition, I also hereby certify that I have served the following users of the subject rail line with a copy of the foregoing abandonment petition for exemption:

Haller-Phillips, Inc.
201 A L Reed Street
Brady, TX 76825

Jacoby Rail and Feed
110 Jones Rd
Brady, TX 76825

JC Smith Company
471 TX-16
San Saba, TX 76877

PW Gillibrand
1000 Oglebay Norton Dr.
Brady, TX 76825

Riggs Feed & Fertilizer
1003 W Pierce Street
San Saba, TX 76877

August 9, 2019



Robert A. Wimbish

Attorney for Central Texas & Colorado River Railway LLC

Certificate of Newspaper Publication

49 C.F.R. § 1105.12 – Newspaper Notice

I hereby certify that a “Notice of Intent to Abandon” was published in the form prescribed at 49 C.F.R. § 1105.12. The notice was published one time in the following newspapers and on the below-listed dates:

Lampasas Dispatch Record
416 S. Live Oak Street
Lampasas, TX 76550
June 25, 2019

Brady Standard-Herald
P.O. Box 1151
Brady, TX 76825
June 26, 2019

The Goldthwaite Eagle
P.O. Box 249
Goldthwaite, TX 76844
June 26, 2019

San Saba News & Star
P.O. Box 815
San Saba, TX 76877
June 27, 2019

A representative example of the newspaper notices published is attached.

August 9, 2019



Robert A. Wimbish
Attorney for Central Texas & Colorado River Railway LLC

PUBLIC NOTICES

**Notice of Intent To
Abandon**

Central Texas & Colorado River Railway, LLC gives notice that on or after July 15, 2019, it intends to file with the Surface Transportation Board, Washington, DC (Board), a petition for exemption under 49 U.S.C. 10502 from the prior approval requirements of 49 U.S.C. 10903, et seq., permitting the abandonment of a 67.5-mile line of railroad between milepost 0.0, near Lometa, Texas and milepost 67.5 near Brady, Texas, which traverses through United States Postal Service ZIP Codes 76825, 76872, 76871, 76877, and 76853, in McCulloch, San Saba, Mills, and Lampasas Counties, Texas. The proceeding has been docketed as No. AB-1272X.

The Board's Office of Environmental Analysis (OEA) will generally prepare an Environmental Assessment (EA), which will normally be available 60 days after the filing of the petition for exemption. Comments on environmental and energy matters should be filed no later than 30 days after the EA becomes available to the public and will be addressed in a Board decision. Interested persons may obtain a copy of the EA or make inquiries regarding environmental mat-

ters by writing to OEA, Surface Transportation Board, Washington, DC 20423 or by calling SEA at 202-245-0295. Appropriate offers of financial assistance to continue rail service can be filed with the Board. Requests for environmental conditions, public use conditions, or rail banking/trails use also can be filed with the Board. An original and 10 copies of any pleading that raises matters other than environmental issues (such as trails use, public use, and offers of financial assistance) must be filed directly with the Board's Section of Administration, Office of Proceedings, 395 E Street, SW., Washington, DC 20423 (See 49 CFR 1104.1(a) and 1104.3(a)), and one copy must be served on applicant's representative [See 49 CFR 1104.12(a)]. Questions regarding offers of financial assistance, public use or trails use may be directed to the Board's Office of Public Assistance, Governmental Affairs, and Compliance at 202-245-0238. Copies of any comments or requests for conditions should be served on the applicant's representative: Fletcher & Sippel LLC, Attention: Robert A. Wimbish, 29 N. Wacker Dr., Suite 800, Chicago, IL 60606.

* * *

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

DOCKET NO. AB-1272X

**CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN MCCULLOCH, SAN SABA, MILLS, AND LAMPASAS COUNTIES, TEX.**

**ABANDONMENT PETITION FOR EXEMPTION OF
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC**

EXHIBIT D-1

**PHOTOGRAPHS OF RIGHT OF WAY
AT ACQUISITION**





**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

DOCKET NO. AB-1272X

**CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN MCCULLOCH, SAN SABA, MILLS, AND LAMPASAS COUNTIES, TEX.**

**ABANDONMENT PETITION FOR EXEMPTION OF
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC**

EXHIBIT D-2

**PHOTOGRAPHS OF RIGHT OF WAY
AFTER REHABILITATION**





**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

DOCKET NO. AB-1272X

**CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN MCCULLOCH, SAN SABA, MILLS, AND LAMPASAS COUNTIES, TEX.**

**ABANDONMENT PETITION FOR EXEMPTION OF
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC**

EXHIBIT D-3

**PHOTOGRAPHS OF RIGHT OF WAY
AT TIME OF EMBARGO**

MP 7.76 – BRIDGE APPROACH

East bridge approach is low. Need to install 2 wingwalls and add 50 tons of ballast and surface. Wingwall timber at site. Anchor entire area.



MP 16.1 – SUN KINK

MP 16.1 to 16.35 Sun kink - de-stress, Cross level 4.5" - pull cross level to 1"



MP 17.02 – SUN KINK

Sun kink- 12" Out of Alignment



MP 32.29 – SUN KINK

Sun kink 8-10" out of alignment, de-stress and anchor



MP 33.86 – SUN KINK

33.86-33.88 Kinking- De-stress and anchor



MP 34.36 – SUN KINK

34.36-34.54 – Sun kink 12" out of alignment - anchor



MP 43.29/43.44 – SUN KINK

43.29 -Rail Kinking east of private crossing, remove plug – de-stress cut in longer plug and
43.44 - Kink - 15" out of alignment, de-stress, anchor



MP 45.05 – BRIDGE APPROACHES

Bridge Approaches low- 6' unprotected each end, add ballast and surface



MP 55.61 & 59.7 – SURFACE

55.61 to 55.69 Cross level 4" (Surface 200')
East Bridge Approach low (surface 100')



**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

DOCKET NO. AB-1272X

**CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN MCCULLOCH, SAN SABA, MILLS, AND LAMPASAS COUNTIES, TEX.**

**ABANDONMENT PETITION FOR EXEMPTION OF
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC**

EXHIBIT E

**VERIFIED STATEMENT OF
PETER A. TOUESNARD
WITH APPENDICES**

**VERIFIED STATEMENT
OF
PETER A. TOUESNARD**

My name is Peter A. Touesnard. I am employed by OmniTRAX Holdings Combined, Inc. ("OmniTRAX") in the capacity of Chief Commercial Officer. My office is in Denver, Colorado. I have been employed by OmniTRAX since April 8, 2013, and have occupied my present position since December 31, 2013. I have been in the rail industry since November 1996, and have held progressively more responsible positions in sales and operations with two other short line holding companies: Railtex Inc. and RailAmerica Inc. Most recently (2010-2013), I held the position of VP Sales for RailAmerica's 45 North American short lines. I earned my Bachelor of Commerce degree from Saint Mary's University, Halifax, Nova Scotia, Canada. The responsibilities of my present position include the oversight of all sales, Class 1 relations, customer service, and pricing & marketing activities for all railways in the OmniTRAX portfolio. In the course and scope of my responsibilities for OmniTRAX, I provide these services to Central Texas & Colorado River Railway, LLC ("CTXR") and other OmniTRAX subsidiaries. I am presenting this Verified Statement based on my personal knowledge, and on reliance on materials prepared by my staff, and corporate records.

In this Verified Statement, I will provide information regarding OmniTRAX's reasons for buying CTXR from the Heart of Texas Railroad; the unfortunate resolution to the additional business opportunities we projected when we bought the railroad; the market conditions affecting our customers that precipitated the announced closure this year of one of the railroad's two largest customers, and the downsizing of another sizable customer; our

discussion with various stakeholders over the railroad's grim financial outlook; CTXR's service frequency since acquisition; the recently-imposed embargo of the entire CTXR system; the opportunity cost that CTXR will incur if abandonment is not allowed; and the transportation alternatives that may be available for the few customers that continue to make use of the railroad.

1. Factors Behind CTXR Acquisition

Like all short line holding companies, OmniTRAX is always looking for business opportunities. Acquiring new railroads, and expanding existing railroads, grows our business, deepens our knowledge of existing markets, diversifies our risks, and often brings additional acquisition opportunities to light. Of course, many short lines are heavily dependent upon one customer or one commodity for their success, and thus, their acquisition brings risks not found with the broad and deep commodity mix of a Class 1 railroad. But, in circumstances where we believe our rail expertise and external market forces will combine to produce a successful new short line venture, we see opportunity beyond risk. Recognizing those opportunities, acting upon them, and establishing new profitable short lines in the process has built OmniTRAX into the success story it is today.

OmniTRAX believed that it had identified such an opportunity in 2016, when it purchased the Heart of Texas Railroad ("HOTR"), operating between Lometa and Brady, Texas. Certainly, little in the way of its historic customer base or the physical condition of the railroad made us believe that it could be quickly turned around into a thriving enterprise. The railroad had an established customer base, but that base was insufficient, by itself, to support viable rail operations. OmniTRAX anticipated that CTXR would lose roughly

\$2,000,000 in the first full year of operation (2017). Moreover, the HOTR tracks had suffered years of deferred maintenance (consistent with the fact that railroad prior owner had declared bankruptcy in 2012-13), and we knew that a substantial capital infusion (approximately \$2,000,000 in the first year alone) would be needed to prepare the railroad for routine and safe operation. *See Exhibits D-1 and D-2*, presenting photographs of the right-of-way at the time of our acquisition, and after we made an initial investment in the right-of-way.

Despite these obstacles, HOTR remained an interesting target. Specifically, we understood that a new and very significant customer would open a new crushed rock facility west of San Saba, Texas, right along the existing main line. Discussions with that potential customer proceeded far beyond hopes and promises. The customer acquired land for the proposed operation, overburden was removed, 100,000 tons of rock was crushed, and the rail bed for loading tracks was constructed to prepare the site for rail service. CTXR projected that crushed rock from this new facility, which would be used by highway graders and concrete manufacturers in the Houston area, would account for between 8,000 and 10,000 carloads per year, to be transported by CTXR from west of San Saba to Lometa, and interchanged there to the BNSF Railway Company ("BNSF") for delivery in the greater Houston area.

Beyond the crushed rock facility at San Saba, OmniTRAX saw other possibilities to grow CTXR's revenue base. HOTR's largest commodity by carload was frac sand, and in particular, a type of brownish sand mined in and around the Brady area known (perhaps not surprisingly) as "Brady Brown". Brady Brown had been much coveted in fracking

operations (shattering shale deposits with a liquid and sand mixture to extract petroleum and gas deposits) for a number of years. With the amount of deposits of Brady Brown located near the Brady, and with the existing mining operations to extract and ship those deposits, OmniTRAX saw opportunities to grow the existing frac sand traffic base. In fact, our discussion with existing customers at the time indicated that they would increase their shipments if cost-appropriate, efficient, and consistent rail delivery were to be offered.

In addition to the crushed rock opportunity and anticipated frac sand shipment growth, OmniTRAX learned of plans to develop a large mining and cement plant approximately eight miles north of Brady. At the time CTXR acquired the HOTR property, we were aware of fairly intense local opposition to the proposed new mine/cement facility, and, of course, we knew we would have had to construct an eight-mile rail line extension, or establish a new transload operation, to provide rail service to the proposed plant. So, we placed a low probability on the chances that this prospective facility would yield the railroad new traffic. But we also realized the potential for this additional source of traffic, and we anticipated ways to accommodate it if it developed.

2. Opportunities Thwarted

Unfortunately, very little of the traffic growth that we had projected came to fruition. Most importantly, the crushed rock facility, which could have multiplied CTXR's traffic base eight-fold or more, was never put into operation, and CTXR never moved a single carload of San Saba crushed rock as a result. I understand that the site of the proposed crushed rock facility is now for sale. Now, roughly three years later, there's no reason to continue to hope that the facility will become operational.

The collapse of the crushed rock traffic opportunity was, by itself, enough to doom CTXR. Other developments have, unfortunately, only added to the gloomy outlook. Over the past year, purchasers of Brady Brown, particularly those located in west Texas, have turned to alternative sand sources located closer to their fracking operations. Reduced transportation costs from closer sources, coupled with technologies that better accommodate the use of sand with properties different from Brady Brown, have made sand sourced along the CTXR less competitive.

In the face of these obstacles, we have worked diligently with our sand customers to keep them competitive. Indeed, year over year from 2017 (CTXR's first full year of operation) to 2018, our two biggest on-line frac sand shippers, Covia Corporation ("Covia" – formerly Fairmont Santrol) and Premier Silica, LLC ("Premier" – formerly known as Pioneer Natural Resources Company) each grew their carloadings by 20% or more, and we saw growth (small in volume but similarly large in percentage) from some other on-line customers as well. We believe the growth in shipments from these customers reflects well on CTXR's efforts made to keep both our customers and our railroad viable. But the fact is that our customers are operating in markets that are both highly competitive and volatile. In the end analysis, we have very little control over demand for our customers' products.

To better explain the historic composition of CTXR's traffic base, I've attached as Appendix 1, p. 1 to this Verified Statement a tabulation of the revenue shipments moved by CTXR from January 2017 through December 2018.

3. Effect of Closure of Existing Customers

Perhaps the darkest week in the short history of the CTRX occurred in November 2018, when, within days of one another, Premier (responsible for 62% of revenue movements on CTRX in 2018) (*See Appendix 1, p. 1*) and Covia (which shipped 14% of all revenue movements in 2018) separately announced that each would be winding down and closing their businesses in the Brady area. As events unfolded, Covia still intends on a full shut-down of its Brady-area plant. Premier, however, found a buyer for its facility, but that buyer, P.W Gillibrand Co. Inc. (“Gillibrand”), intends to move a fraction of the revenue traffic moved by Premier (180 cars per year from Gillibrand, as compared to the 752 cars moved by Premier as recently as 2018). Collectively, Covia and Premier accounted for over 75% of all on-line business for CTRX. Consequently, for a railroad that was losing copious amounts of money, but was gaining a modest amount of momentum, CTRX can no longer justify the significant investment required to keep it in operation.

In projecting CTRX's traffic to the end of 2019, the situation is bleak, and I cannot see how the railroad can be expected to survive. Even including reduced shipments from Covia as it winds down in 2019, and the residual traffic we expect from Gillibrand, CTRX is projected to move 533 revenue loads in 2019. *See V.S. Bell, Appendix 1, p. 3*. And once the Covia business is gone, even less traffic would move in 2020. No one could operate a profitable 67.5-mile railroad with that carload volume or revenue base.

4. Outreach to Stakeholders

As in any business relationship, CTRX has had frequent discussions with its customers regarding day-to-day business affairs. However, the alarming announcements from Premier and Covia in November 2018 fundamentally changed the nature of those

discussions, and drove CTXR to make sure all involved stakeholders were fully advised of the precarious nature of the railroad's finances. Shortly after the announcements, CTXR met separately with Premier and Covia to understand their plans for their facilities. During those meetings, we discussed CTXR's dire financial circumstances, and the railroad's heavy dependence upon Brady Brown carloads.

In addition, during the fourth quarter of 2018, we also reached out to the other on-line CTXR customers, explaining to them the financial challenges facing CTXR with the announced closures of Premier and Covia. We explained that, unless substantial new traffic were to materialize (which appeared to be highly unlikely), CTXR had little choice but to seek authorization to end common carrier service completely.

It was also during this same time frame (generally October 2018 through January 2019) that our discussions with the potential crushed rock shipper in San Saba reached the point where we concluded that the facility was simply not going to be built, or at least, would not be built within a time frame to justify the continued existence of the railroad. Removal of the "life support" provided by the Premier and Covia business meant that CTXR could no longer afford to await the opening of the hoped for San Saba crushed rock facility.

Finally, on January 23, 2019, at the behest of the Mayor of Brady, the railroad sent three representatives (including myself) to Brady for a joint meeting with the Brady City Council and the Brady Type B Economic Development Board of Directors ("EDC"). Mayor Anthony Groves and EDC President Jason Valdez attended that meeting, as did other City staffers and counsel, a representative of the governor's office, and Jason and Holden Jacoby, owners of the business that would be one of the railroad's largest customers after the

each week, where they pick up locomotive power and any interchange traffic from BNSF, operate to Brady, where switching is performed on Tuesdays and Wednesdays, and return to Lometa on Thursdays.

Within the last few months, deferred capital investments and severe Texas weather have damaged CTXR's physical plant beyond the point that the Line can be safely operated. Specifically, in late June, CTXR suffered numerous sun kinks and other track conditions that forced CTXR to take the entire line out of service pursuant to the Association of American Railroads' rail service embargo protocol. Exhibit D-3 contains photographs of some of the worst conditions that were discovered on CTXR's Line during a June 2019 inspection. While CTXR is spending roughly \$28,000 to restore track conditions sufficiently to remove the few remaining cars on CTXR, we cannot possibly justify the nearly \$2,200,000 that it is now needed to stabilize CTXR's track structure before any required priority bridge repairs.”.

6. Transportation Alternatives

With the impending closure of the Covia frac sand plant, CTXR will be left with five customers: Gillibrand, Haller Phillips (“HP”), Jacoby Transload (“Jacoby”), JC Smith Company (“Smith”), and sporadic shipments from Riggs Feed and Fertilizer (“Riggs”). Of these, Jacoby would stand to be the largest in terms of annual carload shipments. Jacoby's seasonal business typically has yielded between 8 and 30 carloads monthly, followed by a projected 15 cars per month from Gillibrand, 6 cars per month from Smith, 1 car per month from HP, and an occasional carload for Riggs. *See V.S. Bell, Appendix 1, p. 3.* Jacoby engages in transload operations, meaning that the commodities it handles already depend

upon an element of truck transportation, as does Gillibrand. CTXR's historic commodity mix is shown on Appendix 1, p. 2.

The entire CTXR line is paralleled by (and located within no more than roughly three miles of) U.S. Route 190, which is the principal east-west highway between Lometa and Brady, operating near the more substantial population centers on the CTXR line, and providing a direct truck route to the BNSF facilities at Lometa. Additionally, access to San Angelo, Texas (located approximately 100 miles west of Brady) and the Texas Pacific Railroad can be reached via U.S. Route 87 (a mostly four-lane divided highway west of Eden). I will not speculate here as to how these remaining customers will adjust to the termination of CTXR's common carrier service, except to say that the most apparent options going forward, in my estimation, would be for these customers to use highway transportation to and from the above-referenced railheads at Lometa and San Angelo.

7. Opportunity Costs

The factors that I have reviewed above, coupled with Mr. Bell's detailed financial review, amply demonstrate that CTXR's petition for exemption to abandon its entire rail system should be granted. The costs of operating CTXR have far exceeded, and will continue substantially to outpace, revenues. I believe that it is worth noting, however, that CTXR will incur other costs if abandonment is not authorized – opportunity costs. Obviously, CTXR's rail and track material has a net salvage value that cannot be realized unless abandonment and track liquidation are allowed. Recently, CTXR retained R.L. Banks & Associates, Inc. ("RLB") to estimate the net salvage value of CTXR's rail and track material. RLB has experience with CTXR, having provided guidance to OmniTRAX

on CTXR's infrastructure at the time of acquisition. RLB estimates that the net salvage value of CTXR's rail and track material is approximately \$6,250,000. That value cannot be realized and reinvested elsewhere unless and until abandonment of CTXR is authorized. In addition, CTXR's believes that its right-of-way holdings also have considerable resale value, although CTXR has not yet estimated the net liquidation value of its right-of-way.

Verification

I, Peter A. Touesnard, verify under penalty of perjury that I am Chief Commercial officer for OmniTRAX Holdings Combined, Inc., that I have read the foregoing document and know its contents, and that the same is true and correct to the best of my knowledge and belief.

Executed on July 26, 2019



Peter A. Touesnard

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

DOCKET NO. AB-1272X

**CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN MCCULLOCH, SAN SABA, MILLS, AND LAMPASAS COUNTIES, TEX.**

**ABANDONMENT PETITION FOR EXEMPTION OF
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC**

**VERIFIED STATEMENT
OF
PETER A. TOUESNARD**

APPENDIX 1

Although we saw a slight uptick in business from 2017 to 2018, without rock or substantially more frac sand, the railway is not generating enough business to sustain itself.

The Customer Name	2017 Jan	2017 Feb	2017 Mar	2017 Apr	2017 May	2017 Jun	2017 Jul	2017 Aug	2017 Sep	2017 Oct	2017 Nov	2017 Dec	2017 Total
BNSF					1								1
CTXR	0												0
FAIRMOUNT SANTROL	8	7	16	10	7	15	4	14	11	10	12	29	143
HALLER PHILLIPS		2	1		1	2	2		1		1		10
HEXION	2	10		3					7	15	5		42
JACOBY TRANSLOAD	5		2	1	24	69	1	5	1				108
JC SMITH CO	4	9	6	3	3	3			3	3	4	5	43
PREMIER SILICA	10	38	71	45	29	27	36	41	59	107	61	66	590
RIGGS FEED & FERTILIZER					4	11							15
THE ANDERSONS INC		1											1
		0											0
Totals	29	67	96	62	69	127	43	60	82	135	83	100	953
The Customer Name	2018 Jan	2018 Feb	2018 Mar	2018 Apr	2018 May	2018 Jun	2018 Jul	2018 Aug	2018 Sep	2018 Oct	2018 Nov	2018 Dec	2018 Total
BNSF													0
CTXR													0
FAIRMOUNT SANTROL	57	4	18	12	9	11	9	15	9	8	13	8	173
HALLER PHILLIPS	1	2	1	1	1		2			1			9
HEXION		17	12	19		8		17	1			5	79
JACOBY TRANSLOAD				2	11	13	5	23	11	16	31	17	129
JC SMITH CO	2	7	7	4	3	9		9	6	3	6	12	68
PREMIER SILICA	70	96	48	57	79	64	75	86	55	57	22	43	752
RIGGS FEED & FERTILIZER													0
THE ANDERSONS INC													0
Totals	130	126	86	95	103	105	91	160	82	85	72	85	1,210

	FY2016	FY2017	FY2018	FY2019
Carloads - Actual	184	958	1,210	98
01-Farm Products	18	119	108	6
14-Minerals	166	754	954	83
20-Food Products	0	42	76	1
28-Chemicals	0	3	6	6
32-Concrete/Clay	0	9	9	1
37-Trans Equipment	0	33	57	0
41-Miscellaneous	0	(2)	0	1
Totals	184	958	1,210	98

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

DOCKET NO. AB-1272X

**CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN MCCULLOCH, SAN SABA, MILLS, AND LAMPASAS COUNTIES, TEX.**

**ABANDONMENT PETITION FOR EXEMPTION OF
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC**

EXHIBIT F

**VERIFIED STATEMENT OF
SCOTT R. BELL
WITH APPENDICES**

**VERIFIED STATEMENT
OF
SCOTT R. BELL**

My name is Scott R. Bell. I am employed by OmniTRAX Holdings Combined, Inc. ("OmniTRAX") as Vice President of Finance. My office is in Denver, Colorado. I have been employed by OmniTRAX since 2001, and have occupied my present position since January of 2014. Previously, I have held various roles with OmniTRAX in finance and accounting, including Interim Chief Financial Officer (1 year), Corporate Controller (7 years), Director of Accounting (3 years), and Senior Accountant (1 year). My rail-related roles prior to OmniTRAX include working for five years in the Operating Department of the Durango & Silverton Narrow Gauge Railroad. I hold a Bachelor of Arts Degree in Accounting from Fort Lewis College.

The responsibilities of my present position include financial oversight of OmniTRAX and its subsidiaries and affiliates, including, but not limited to, measuring actual financial performance, budget & forecast preparation, financing, financial modeling, due diligence on mergers and acquisitions, and management of the Financial Planning and Analysis department. In the course and scope of my responsibilities, I provide these services to Central Texas & Colorado River Railway, LLC ("CTXR"). I am presenting this Verified Statement based on my personal knowledge, and upon my examination of materials prepared by my staff and corporate records.

In this Verified Statement, I will provide information regarding the past revenues received and operating costs incurred by CTXR since its start-up, the capital expenditures made by CTXR, and the very significant losses projected for CTXR in 2019 and beyond, were it to be forced to continue operations.

1. 2017 Results

CTXR assumed ownership of the rail line between Lometa and Brady, Texas, in the middle of 2016, but CTRX did not operate the line for the entire calendar year. Because my statement addresses CTRX's year-to-year financial performance, I think it is most useful to begin my discussion as of 2017, CTRX's first full year of operations. In 2017, CTRX earned \$715,000 in revenue, the bulk of which was earned for linehaul freight movements (\$403,000), followed by revenues for storing unused freight cars (\$159,000), fees generated from accessorial charges (such as switching) (\$142,000), and lease and other revenues (\$11,000). A more complete breakdown of revenues and expenses for 2017 is attached as Appendix 1, p. 1.

CTRX's \$715,000 in revenue for 2017 was disappointing to all concerned, as OmniTRAX had envisioned significantly greater freight volumes. Our projections, however, were premised at least in part on an assumption that a large crushed rock facility would commence operations that year on CTRX near San Saba. As explained by Mr. Touesnard in his Verified Statement, that didn't happen (and hasn't happened).

Costs for the routine operation of CTRX in 2017 were more than double the annual revenues. CTRX spent \$1,433,000 in total direct operating expenses, swamping 2017's revenues. Id. The most significant operating cost items include approximately \$518,000 for professional services, \$399,000 on employee wages and benefits, and \$57,000 for locomotive fuel. Id. The net operating loss for 2017 (deducting direct operating costs from revenues) was \$717,000, with a corresponding operating ratio of 200.3%. Id.

And those gloomy numbers do not fully depict CTRX's poor financial performance in 2017. After one factors CTRX's percentage of OmniTRAX's overhead costs (or costs for "shared services" – back office services that OmniTRAX provides to each of its subsidiary

railroads, including CTXR) and depreciation and amortization, CTXR experienced cumulative losses in 2017 approximating \$2,489,000. *Id.*

Unfortunately, the additional expenses of owning CTXR in 2017 did not end there. As is reflected in the Verified Statement of Mr. Touesnard, the railroad that CTXR inherited in 2016 was in marginal operating condition at best, obstructed at places by vegetation, in dire need of track resurfacing and extensive crosstie replacement, and suffering from a number of aging and defective railroad bridges – all of which were beyond what a typical short line railroad would need to expend to sustain operations. As such, CTXR engaged in a major capital infrastructure program for 2017, expending substantial capital outlays on the physical plant, all of which was necessary to sustain a minimal level of operability. These expenses did not enhance CTXR's capacity, but merely sustained operations in keeping with FRA excepted class track standards.

In total, CTXR committed more than \$1,817,000 to capital expenses in 2017, with the bulk of those expenses going toward completion of priority bridge repairs that CTXR had planned to complete in 2016 but did not (over \$991,000) and priority bridge repairs that had been slated to be accomplished, and that were completed, in 2017 (\$421,000). *See Appendix, p. 2.* In addition, in 2017, track stabilization and a main line remedial tie program cost just under \$400,000. *Id.* Adding CTXR's capital expenditures into CTXR's losses from routine operation (and operating cost losses), CTXR expended a total of \$4,306,000 on CTXR in 2017 to produce revenues of \$715,000.

2018 Results

Overall, 2018 proved to be a better year for CTXR than 2017, due in part to a moderate increase in carloadings, and reduced purchased services and capital costs. The railroad increased its operating revenue to \$761,000 (up from 2017's \$715,000), with an increase in linehaul freight

revenue (\$523,000) more than offsetting reductions in car storage charges (down to \$131,000) and switching fees (\$92,000). *Appendix 1, p. 1*. Mr. Touesnard discusses the increased carloadings in his Verified Statement. Clearly, the increase of almost 250 revenue loads (*Id.*) was a positive development, but that reflected the (short-lived, as it turns out) organic growth of the business of some on-line customers.

On the expense side, CTXR reduced substantially its professional services expenses (for maintenance of way, equipment and locomotives, along with general and administrative assistance) to \$141,000, offsetting increases in employee labor and benefits (\$454,000) and locomotive fuel cost (\$72,000). *Id.* Overall, direct operating expenses in 2018 were reduced to \$1,066,000, still outpacing operating revenue (\$761,000) by \$305,000. *Id.*

Again, these numbers simply reflect operating results. Once costs for allocated shared services, depreciation and amortization, and other minor accounting categories are factored with capital expenses and operating cost losses, the railroad lost over \$2,000,000 in 2018. *Id.*

For 2018, CTXR significantly scaled back its railroad physical plant capital spending compared to 2017 in response to growing concerns over CTXR's long-term viability. (As Mr. Touesnard explains, CTXR was learning that a critical stone traffic opportunity that had been expected to bolster the railroad into profitability was in jeopardy, and might never come to fruition.) Nevertheless, approximately \$1,477,000 was spent on bridge and tie repairs in 2018, in order to keep the railroad minimally operational. *Appendix, p. 2*. For the second year in a row, what CTXR spent in operating and non-operating costs, plus capital expense (totaling approximately \$4,266,000) was in no way justified by its revenues of \$761,000.

2019 Results and Projections

Very shortly after CTXR finalized its 2019 budget last fall, Premier Silica, LLC (“Premier”) and Covia Corporation (“Covia”) announced that each would be shuttering its Brady-area facilities (and their use of the railroad) by the middle of 2019. (As background, in 2017, Premier shipped 590 carloads on CTXR, and Covia shipped 143 of CTXR’s 952 total carloads moved in 2017. And, in 2018, Premier shipped 752 carloads, and Covia shipped 173 of CTXR’s 1,210 carloads). With those announcements, in the span of one week, three quarters of the railroad’s traffic base was slated for termination, and we were advised we’d see none of the frac sand shipments that each had been generating after June of 2019. As events unfolded, instead of closing, Premier sold its Brady-area facilities to P.W Gillibrand Co. Inc. (“Gillibrand”), but Gillibrand advised that it planned shipping far fewer rail carloads than Premier had.

Mr. Touesnard’s Verified Statement explains the market underpinnings that drove Premier to sell, and Covia to close, their Brady-area frac sand facilities. But from a financial perspective, those developments forced CTXR to choose between continuing rail operations at substantial loss or abandoning the railroad. With the closing of Covia’s operations, and Gillibrand’s reduced need for rail services, we project the movement of only 15 cars per month from Gillibrand (roughly 180 cars annually) and none from Covia. *See Appendix, p. 3.*

I have reconsidered CTXR’s 2019 financial performance projections in light of its actual performance through April 2019, and projections for the remainder of what we now know will be another money-losing year. Assuming that CTXR receives 533 revenue loads in 2019 – which assumes roughly static traffic levels for existing customers other than Covia and Gillibrand, no additional traffic from Covia, and reduced carloadings from Gillibrand (compared to Premier’s past traffic levels), I’ve projected company revenues of approximately \$541,000,

routine operating expenses of almost \$946,000, and a net loss from routine operations of over \$404,000. A more detailed breakdown of these items can be found in Appendix 1, p. 3. And, when CTXR's allocated shared services, depreciation and amortization, and other minor accounting categories are factored with previously discussed capital expenses and operating cost losses, CTXR's projected annual losses for 2019 would be roughly \$1,946,000. Id.

In addition, our engineering department has estimated that, in 2019, it would have to spend approximately \$1,800,000 million on capital expenses for track (for 8000 new ties, and surfacing of 40 miles of the railroad) and \$500,000 for bridge repair, just to keep the railroad minimally operational in at current conditions. *Appendix 1, p. 4.* These projected capital expenses, coupled with the projected operating and non-operating costs, would have CTXR expending nearly \$4,800,000 in 2019 against expected revenues of only \$541,000.

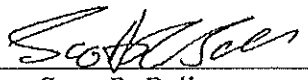
In summary, CTXR and OmniTRAX have invested millions of dollars to sustain operations over a railroad line that simply lacks the traffic volumes to support anything remotely approaching profitability. The impending departure of the bulk of CTXR's traffic base is not counteracted by any reasonably foreseeable demand for service sufficient to keep CTXR in business. The only sensible, responsible action at this time, in my view, is to abandon the railroad.

(signature page follows)

Verification

I, Scott R. Bell, verify under penalty of perjury that I am Vice President of Finance for OmniTRAX Holdings Combined, Inc., that I have read the foregoing document and know its contents, and that the same is true and correct to the best of my knowledge and belief.

Executed on July 31st, 2019.



Scott R. Bell

BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC

DOCKET NO. AB-1272X

CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN MCCULLOCH, SAN SABA, MILLS, AND LAMPASAS COUNTIES, TEX.

ABANDONMENT PETITION FOR EXEMPTION OF
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC

VERIFIED STATEMENT
OF
SCOTT R. BELL

APPENDIX 1

Central Texas & Colorado River Railway, LLC
Comparative Income Statements
For Years Ended December 31, 2016 - 2019
• Unaudited - For Internal Use Only

	FY2016 Actual	FY2017 Actual	FY2018 Actual
Operating Revenue			
Freight Revenue/Carload	\$ 577	\$ 421	\$ 432
Freight Revenue/kgTM	\$ 44	\$ 41	\$ 45
Carloads	184	958	1,210
Gallons	8,841	27,704	29,182
kgTM	2,417	9,776	11,659
(\$ in thousands)			
RR - Freight	\$ 106	\$ 403	\$ 523
RR - Switching	58	142	92
RR - Demurrage			3
RR - Other Billable Services			
RR - Storage	4	159	191
Other Revenue		9	2
Sales Returns			5
Lease Revenue		2	5
Total Operating Revenue	\$ 168	\$ 715	\$ 761
MOW L&B - Less OT		83	142
Transportation L&B - Less OT	78	227	217
G&A L&B - Less OT	32	89	96
Labor and Benefits - Less OT	\$ 147	\$ 399	\$ 494
MOW OT			
Labor OT	\$ -	\$ -	
Volume			
Rate			
Locomotive Fuel	\$ 8	\$ 67	\$ 72
Fuel - Other	3	8	11
Car Hire Expense	5	28	14
Car Hire Decline		(27)	(4)
P&M Track	6	45	16
P&M Locomotives	9	8	17
P&M Equipment	2	13	4
MOW Professional Services	105	203	62
MOEL Professional Services	6	47	62
Transportation Professional Services	4	4	3
G&A Professional Services	5	26	14
Professional Services	\$ 242	\$ 518	\$ 191
Lease Expense	53	86	145
Incidents & Accidents		104	42
Insurance	4	26	69
Legal	221	15	2
Taxes	40	57	43
Travel & Entertainment	5	16	13
Reserve for Uncollectible Accounts		7	(5)
All Other Expenses	33		
MOW Total	122	423	310
MOEL Total	16	61	79
MOERS Total		3	
Transportation Total	158	383	439
Total Operating Expenses	\$ 787	\$ 1,433	\$ 1,066
Operating Income (000)	\$ (619)	\$ (717)	\$ (305)
Shared Services	275	610	535
Depreciation	697	1,162	1,200
Amortization			(5)
(Gain) / Loss on Disposal of Assets			(7)
Net Income	\$ (1,552)	\$ (2,489)	\$ (2,027)
Change in Working Capital	2,664	(815)	(113)
CAPEX and Acquisitions	(13,588)	(1,817)	(1,413)
Government funded capital expenditures	(90)	(284)	
Deferred revenue from government grants		87	
Free Cash Flow (Includes Acquisitions and New Business)	\$ (13,634)	\$ (3,546)	\$ (1,832)
Operating Ratio	169.1%	200.3%	140.0%
Operating Ratio Less Legal, Incidents and Accidents and Bad Debt	337.2%	182.5%	195.6%

Central Texas & Colorado River Railway, LLC
 Capital Expenditures
 For Years Ended December 31, 2016 - 2018
 Unaudited - For Internal Use Only

Project Description	2016	2017	2018
Purchase Hi-Rail Truck	62,747		
Track Stabilization & Class Compliance	998,946	109,847	(33,275)
2016 Priority Bridge Repairs	968,006	991,520	
Signal Maintenance US 87	9,600		
Passive Sign Installation Program	90,135		
Main Line Remedial Action Tie Program		289,620	(3,380)
2017 Priority Bridge Repair		421,330	
Prelim Engineering for Voca / Pioneer Ext on CTXR		5,137	(5,137)
2018 Bridge & Tie Low Cost Repairs			1,477,761
Bridge St Crossing Rehab		283,613	
	<u>2,129,434</u>	<u>2,101,066</u>	<u>1,435,969</u>
Acquisition	9,798,962		
Royalty Payment Obligation	1,750,000		
Asset Transfers			(22,481)
	<u>13,678,396</u>	<u>2,101,066</u>	<u>1,413,488</u>

Central Texas & Colorado River Railway, LLC
2019 Forecast
as of April 30, 2019

	Jan-2019	Feb-2019	Mar-2019	Apr-2019	May-2019	Jun-2019	Jul-2019	Aug-2019	Sep-2019	Oct-2019	Nov-2019	Dec-2019	Full Year
Carloads Detail													
COVIA					10	10	-	-	-	-	-	-	
HALLER PHILLIPS					1	1	1	1	1	1	1	1	
JACOBY TRANSLOAD					25	30	30	30	25	8	8	9	
JC SMITH COMPANY					6	6	6	6	6	6	6	6	
PIONEER SANDS					-	-	-	-	-	-	-	-	
PVW GILLIBRAND					10	15	15	15	35	15	15	15	
RIGGS FEED & FERTILIZER					-	-	-	-	-	-	-	-	
Freight Rate Detail													
COVIA					250	250	250	250	250	250	250	250	
HALLER PHILLIPS					600	600	600	600	600	600	600	600	
JACOBY TRANSLOAD					600	600	600	600	600	600	600	600	
JC SMITH COMPANY					600	600	600	600	600	600	600	600	
PIONEER SANDS					-	-	-	-	-	-	-	-	
PVW GILLIBRAND					600	600	600	600	600	600	600	600	
RIGGS FEED & FERTILIZER					-	-	-	-	-	-	-	-	
Total Carloads	95	51	9	22	52	62	52	52	47	30	30	31	533
Revenue													
Freight Revenue	35,880	25,100	12,690	13,188	27,700	33,700	31,200	31,200	28,200	18,000	18,000	18,600	313,459
Switching Revenue	11,830	1,615	4,375	860	10,300	10,300	10,300	10,300	10,300	10,300	10,300	10,300	101,090
Car Storage Revenue	15,635	16,050	15,033	14,892	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	119,718
Real Estate Revenue	275	2,084	674	925	385	385	385	385	385	385	385	385	7,039
Other Revenue	-	-	-	830	-	-	-	-	-	-	-	-	830
Total Revenue	83,621	44,868	33,571	30,695	45,485	51,485	48,985	48,985	45,985	35,785	35,785	36,385	541,634
Expenses													
Employee Compensation	34,268	34,671	38,097	37,413	36,581	36,192	34,985	35,179	34,595	35,179	34,985	34,750	424,936
Fuel	4,916	6,561	5,889	6,842	5,824	6,944	5,824	5,824	5,264	3,360	3,360	3,472	64,080
Car Hire, Hcl	538	616	210	512	461	530	461	461	417	266	266	275	5,014
Track Materials	26	167	-	2,575	5,050	2,850	2,850	5,050	2,850	5,050	2,850	5,050	34,468
P&M - Locomotives	-	-	2,415	-	500	2,700	500	500	2,700	500	500	2,700	13,015
P&M - Vehicles & Other Equipment	25	63	169	1,456	150	150	-	450	-	700	-	450	3,613
Professional Services	201	19,858	7,719	2,725	14,195	4,195	4,195	14,195	4,195	4,195	14,195	4,195	94,003
Vegetation Control	-	-	-	-	-	-	-	32,000	-	-	-	-	32,000
Computer Services - Software	558	460	24	476	182	217	182	182	165	105	105	109	2,763
Leases	19,770	14,510	15,770	15,350	-	-	-	-	-	-	-	-	61,393
Incidents	-	-	-	992	-	-	-	-	-	-	-	-	992
Insurance	4,422	4,274	4,423	4,424	4,002	4,017	4,017	4,017	4,017	4,388	4,388	4,388	50,775
Legal	1,714	-	4,412	24,554	10,000	10,000	-	-	-	-	-	-	50,660
Taxes	5,304	4,014	3,891	3,947	4,509	4,859	4,859	4,859	4,509	4,409	4,409	4,409	53,976
Travel & Entertainment	558	272	165	734	650	650	650	650	650	650	650	650	6,929
Facility Operating Expenses	703	972	972	675	1,000	1,200	1,200	1,200	1,200	900	900	900	11,822
Hilling & Training	263	1,623	260	387	850	350	300	350	350	350	200	350	5,534
Equipment & Supplies	647	-	122	-	1,600	2,800	2,600	600	2,600	2,600	600	2,600	16,560
Telephony	619	637	663	648	550	550	550	550	550	700	550	550	7,147
Charitable Contributions	-	-	-	500	-	-	-	-	-	-	-	-	500
Reserve for Doubtful Accounts	1,470	406	650	-	-	-	-	-	-	-	-	-	2,526
Other Operating Expenses	1,331	(717)	1,271	592	-	-	-	-	-	-	-	-	3,166
Total Expenses	73,364	88,496	85,820	104,791	86,104	78,023	63,072	106,067	64,061	61,352	67,037	64,887	945,956
Operating Income	10,257	(43,629)	(52,249)	(74,097)	(40,619)	(16,538)	(14,087)	(57,082)	(18,076)	(27,567)	(32,172)	(28,502)	(404,362)
ON %	88%	197%	256%	341%	189%	352%	129%	217%	139%	177%	190%	178%	175%
Shared Services													
Depreciation	105,698	105,698	105,698	105,698	105,698	105,698	105,698	105,698	105,698	105,698	105,698	105,698	1,268,373
Amortization	(484)	(484)	(484)	(484)	(484)	(484)	(484)	(484)	(484)	(484)	(484)	(484)	(5,807)
Net Income	(94,957)	(197,958)	(179,563)	(204,976)	(168,686)	(153,993)	(139,020)	(194,582)	(145,177)	(154,118)	(159,251)	(154,230)	(1,946,514)

**BEFORE THE
SURFACE TRANSPORTATION BOARD
WASHINGTON, DC**

DOCKET NO. AB-1272X

**CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
-- ABANDONMENT EXEMPTION --
IN MCCULLOCH, SAN SABA, MILLS, AND LAMPASAS COUNTIES, TEX.**

**ABANDONMENT PETITION FOR EXEMPTION OF
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC**

EXHIBIT G

COMBINED ENVIRONMENTAL AND HISTORIC REPORT

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

ENVIRONMENTAL/HISTORIC REPORT

Central Texas & Colorado River Railway, LLC (“CTXR”) submits this combined Environmental/Historic Report (“the Report”) in compliance with the requirements of 49 C.F.R. §§ 1105.7 and 1105.8. Supporting correspondence and certifications are appended. As described herein, the proposed abandonment action does not significantly impact the quality of the human environment or affect the conservation of energy resources.¹

ENVIRONMENTAL REPORT - 49 C.F.R. § 1105.7(e)

1. Proposed Action and Alternatives. CTXR intends to file an individual petition for exemption with the Surface Transportation Board (“STB”) for authority to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to the end of the line at milepost 67.5 at Brady, Texas (“the Line”). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G.

No alternatives to the proposed abandonment appear reasonable. The only alternative is retention of the Line in its current, underutilized state. The Line has suffered crippling financial losses in each year of CTXR’s operation due to low traffic volumes, and, in

¹ See generally 49 C.F.R. § 1105.5(a) (2017) (incorporating “significant” standard of 40 C.F.R. § 1508.27).

2019, the Line is expected to see even fewer revenue carload movements. Shipments of “Brady Brown” frac sand, representing nearly three-quarters of the Line’s historic traffic base, are declining, with one on-line traffic source shuttering its facility entirely and another (which recently changed ownership) advising CTXR that it expects significantly reduced rail shipping needs. As the production – and by extension, the need for transportation – of the sand has decreased, and new traffic opportunities have failed to materialize, the Line lacks a clear path to economic viability, and, thus, CTXR proposes to undertake abandonment. The bulk of the residual traffic is a limited amount of frac sand and agricultural commodities that are transloaded at the end of the Line in Brady. CTXR currently projects moving less than 550 revenue carloads of all types in 2019, which will not cover the operating costs of moving that traffic by rail, much less the additional “back office” expenses incurred to facilitate such movements.

A map showing the Line is attached hereto as Appendix A.

2. Transportation System. CTXR does not anticipate that existing regional or local transportation systems or patterns will be significantly affected by the proposed abandonment, but has requested input from the four affected counties, the Central Texas Council of Governments (“CTCOG”) and the Concho Valley Council of Governments (“CVCOG”) (the latter bodies being the relevant planning organizations pursuant to 23 U.S.C. §§ 134 and 135, respectively). *See* Appendix B (CTCOG and County correspondence); and Appendix C (CVCOG correspondence). Mills County has replied. *See* Appendix B-1. CVCOG declined to participate. *See* Appendix C-1. No other responses have been received. Given that the majority of remaining traffic on the Line is transloaded, and thus already moves for a portion of its overall transport by truck, CTXR believes that the overall impact of the abandonment on regional or local transportation systems will be both minimal and difficult to accurately estimate. CTXR has

also contacted the Rail Division of the Texas Department of Transportation (“TxDOT”). *See* Appendix D. A response from TxDOT is attached as Appendix D-1.

3. Land Use.

(i) It does not appear that the proposed abandonment would be inconsistent with regional and/or local land use plans. CTXR solicited input from CTCOG or CTVOG concerning land use issues. *See* Appendices B and C. Mills County has replied. *See* Appendix B-1. CVCOG declined to participate. *See* Appendix C-1. Additionally, NOAA/National Geodetic Survey has been contacted, but has not yet responded. *See* Appendix E.

(ii) The Natural Resource Conservation Service (NRCS), formerly known as the U.S. Soil Conservation Service, has been contacted. *See* Appendix F. CTXR has received no comments from NRCS to date. However, CTXR does not believe that the proposed abandonment would result in any adverse impact to prime agricultural land.

(iii) The Line does not appear to be within a designated Coastal Zone Management Area (see <http://www.glo.texas.gov/coast/coastal-management/forms/files/CoastalBoundaryMap.pdf>). Nevertheless, CTXR has notified the Texas General Land Office Coastal Division (TGLO) to confirm. *See* Appendix G. By letter dated July 29, 2019, the TGLO indicated that the abandonment is outside of the Texas Coastal Management Program boundary, and hence, not subject to consistency review under that program. *See* Appendix G-1.

(iv) CTXR does not know whether or not the right-of-way would be considered suitable for alternative public uses under 49 U.S.C. § 10905, as CTXR is unaware of any public use plans for the rail corridor. However, CTXR believes that the corridor could be

suitable for alternative public use as a rail trail under the Board's interim trails use procedures at 49 C.F.R. § 1152.29.

4. Energy.

(i) The proposed abandonment will not have any effect on the transportation of energy resources. No energy resource commodities have moved over the Line in at least two years, and CTXR foresees little or no possibility that such on-line traffic would develop in the future.

(ii) The movement and/or recovery of recyclable commodities will not be adversely affected by this abandonment. No such traffic has been handled during CTXR's operation of the Line, and CTXR foresees little or no possibility that any on-line recyclable commodity traffic would develop in the future.

(iii) The abandonment will not result in an increase or decrease in overall energy efficiency. To the extent that the remaining traffic continues to move by truck, such movements may require less energy consumption.

(iv) Not applicable. The abandonment of the Line will not cause the diversion of more than 1,000 rail carloads per year or an average of 50 rail carloads per mile per year to motor carriers.

5. Air.

(i) Not applicable. The abandonment will not result in (A) a minimum increase in rail traffic of 100% or eight trains per day on any segment of rail line; or (B) an increase in rail yard activity of at least 100%. In addition, CTXR has assessed likely post-abandonment highway traffic demands and patterns, and has concluded that the proposed

abandonment is unlikely to result in an average increase in truck traffic of more than 10% of the average daily traffic or 50 vehicles per day on any road segment.

(ii) Not applicable. CTXR has consulted U.S. Environmental Protection Agency online resources, and has determined that none of the Line is located within a class I or nonattainment area under the Clean Air Act. Nevertheless, CTXR has contacted the relevant federal and state environmental agencies. *See* Appendices H and I. Two responses were received from the Texas Commission on Environmental Quality. *See* Appendix I-1. In any event, the abandonment of the Line will not result in traffic increases exceeding the thresholds specified in 49 C.F.R. § 1105.7(e)(5)(ii)(A), (B) or (C).

(iii) Not applicable. CTXR has contacted and requested comments from the U.S. Environmental Protection Agency Region 4 and Texas Commission on Environmental Quality. *See* Appendices H and I. Two responses were received from the Texas Commission on Environmental Quality. *See* Appendix I-1. No response has been received to date from the U.S. Environmental Protection Agency Region 4.

6. Noise. Not applicable. As indicated above, none of the thresholds identified in 49 C.F.R. § 1105.7(e)(5)(i) will be exceeded as a result of the abandonment.

7. Safety.

(i) The proposed action will have no adverse effect upon public health or safety. If anything, abandonment will have a positive impact, as there are in excess of 75 grade crossings traversed by rail traffic on the Line.

(ii) Not applicable.

(iii) There are no known hazardous waste sites or sites where there have been known hazardous material spills on the right-of-way of the Line.

8. Biological Resources.

(i) No critical habitat will be destroyed, altered or affected as a result of the proposed abandonment, and CTXR does not believe that any endangered or threatened species are present in the area or would be adversely affected. CTXR has requested comments from the Texas Commission on Environmental Quality and the U.S. Fish and Wildlife Service. *See* Appendices I and J, respectively. Two responses were received from the Texas Commission on Environmental Quality. *See* Appendix I-1. No other responses have been received to date.

(ii) Similarly, CTXR has no reason to believe that any wildlife sanctuaries or refuges will be affected adversely, based on CTXR's review of the land adjacent to the Line. Notwithstanding, CTXR has solicited input from the relevant conservation agencies. *See* Appendices I and J. Two responses were received from the Texas Commission on Environmental Quality. *See* Appendix I-1. CTXR has also solicited input from the National Park Service, as set forth in *See* Appendix K. No responses have been received from the National Park Service.

9. Water.

(i) The U.S. Environmental Protection Agency Region 4 has been contacted. *See* Appendix H. To date, no comments have been received from the U.S. Environmental Protection Agency Region 4. The Texas Commission on Environmental Quality has also been contacted. *See* Appendix I. Two responses were received from the Texas Commission on Environmental Quality. *See* Appendix I-1.

(ii) The Army Corps of Engineers ("the Corps") has been contacted to determine if the proposed abandonment requires permits under Section 404 of the Clean Water Act. *See* Appendix L. The Corps acknowledged the contact by letter of August 2, 2019. *See*

Appendix L-1. In addition, CTXR is unaware of the proposed abandonment affecting any 100-year floodplain.

(iii) CTXR does not anticipate the discharge of any pollutants in relation to its proposed abandonment. Additionally, no material will be disposed of into waterways as part of the abandonment. Accordingly, CTXR concludes that no permits under Section 402 of the Clean Water Act are required. Again, the U.S. Environmental Protection Agency Region 4 has been contacted (*See* Appendix H) regarding such matters, but has not yet responded.

* * * * *

HISTORIC REPORT - 49 C.F.R. § 1105.8(d)

1. Map. A map of the Line is attached hereto as Appendix A.
2. Description of Line. CTXR intends to file an individual petition for exemption with the STB for authority to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to the end of the line at milepost 67.5 at Brady, Texas (“the Line”). The Line traverses a generally rural area with moderate elevation between Lometa, in the east, and Brady, in the west; the two endpoints have higher population concentrations. To the extent known, the Line’s right-of-way ranges from 100 feet to 200 feet in width. An inventory of historic track structures (bridges) is appended to this report (*See* Appendix M). There are numerous bridges that are believed in many cases to date to the original construction of the Line in 1910-11 (and so are believed to be at least 50 years old or older) and one building older than 50 years that is owned by the railroad. The building is located at 510 N. Bridge Street, Brady,

Tex. (the “Bridge Street Building”). The Bridge Street Building dimensions are approximately 50’ long by 28’ wide.

3. Photographs. On May 31, 2019, CTXR supplied the Texas Historical Commission (“THC”) with a letter soliciting THC’s input on the proposed abandonment’s potential impact upon historic resources. As part of that solicitation letter – attached in its entirety as Appendix N – CTXR provided THC with photographs of the Bridge Street Building and a formatted inventory of all other structures along the Line (primarily bridges of common design) that CTXR believes are 50 years old or older. On the basis of the materials CTXR has supplied, THC, in turn, has responded through two different stamped replies from Mark Wolfe (State Historic Preservation Officer), one dated June 26, 2019, reporting that “No Historic Properties Affected. Project May Proceed,” and one dated July 2, 2019, stating “Not Eligible for Listing in the National Register of Historic Places. Project May Proceed” *See* Appendix N-1. CTXR is not providing photographs of any structures that are 50 years old or older (other than the Bridge Street Building) or a depiction of the approximate location of these structures on a map (as otherwise required under 49 C.F.R. 1105.8(d)(1)), on the understanding that, because THC has responded as it did on June 26 and July 2, further analysis concerning the impact of the proposed abandonment upon structures that are not of concern to THC is unnecessary. However, should the Board nevertheless find utility in examining such photographs and a depiction of the same on maps and so advises CTXR, then such photographs and mapping will be provided.

4. Information on Structures. Pertinent information was provided to THC as part of CTXR’s May 31, 2019 solicitation letter. *See* Appendix N. Given THC’s response as discussed in the foregoing section, CTXR has determined that providing such information here is

unnecessary, but CTXR will supplement this Report if the Board nevertheless determines that such information is still useful to the agency under the circumstances.

5. History of Operations. CTXR understands that the vast majority of the Line was constructed by the Gulf, Colorado & Santa Fe Rwy. Co. (a predecessor to today's BNSF Railway Company) in 1910-11. CTXR acquired the Line from Heart of Texas Railroad, L.P. ("HTTR") in 2006. Central Texas & Colorado River Railway – Acquisition and Operation Exemption – Line of Heart of Texas Railroad, L.P., Docket No. FD 36018 (STB served Jul. 14, 2016). HTTR had acquired the line from the bankruptcy estate of the Gulf, Colorado & San Saba Railway ("GCSR") in 2012. Heart of Texas Railroad L.P. – Acquisition and Operation Exemption – Gulf Colo. & San Saba Ry., Docket No. FD 35710 (STB served Dec. 12, 2012). In turn, GCSR had previously acquired the line from the Atchison, Topeka & Santa Fe Railway Company in 1992. Gulf, Colorado & San Saba Railway Corporation – Acquisition and Operation Exemption – Atchison, Topeka & Santa Fe Railway Company, Docket No. FD 32216 (ICC served Dec. 29, 1992).

6. Engineering Documents. CTXR will provide copies of any engineering documents in its possession upon request.

7. Historic Criteria. As discussed above, CTXR contacted THC and provided it with notice of the proposed abandonment, along with pictures of the Bridge Street Building, and a comprehensive bridge inventory. *See* Appendix N. THC responded on June 26, 2019, as discussed in the foregoing sections of this Report. *See* Appendix N-1.

8. Ground Disturbances. Based on readily available information in its possession, CTXR is not aware of any known prior subsurface ground disturbance or fill, or

environmental conditions (naturally occurring or manmade) that might affect the archeological recovery of resources (such as swampy conditions or the presence of toxic wastes), and the surrounding terrain.

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix A:

-Map of the Line



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix B:

- Central Texas Council of Governments and County Correspondence

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

May 31, 2019

Central Texas Council of Governments
PO Box 729
Belton, Texas 76513

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Sir/Madam:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

In accordance with the STB's environmental regulations, 49 C.F.R. § 1105, CTXR is advising you of the proposed abandonment so that you may assist us in identifying any potential effects it may have on the following (to the extent they are within your area of expertise or authority):

1. Regional and/or local use plans;
2. Regional or local transportation systems and patterns, including alternative transportation modes;
3. Energy consumption and efficiency;
4. Air emissions and noise levels;
5. Bodies of water and overall water quality under applicable federal, state or local standards;
6. Designated wetlands and 100-year old flood plains;
7. Endangered or threatened species and critical habitats;
8. Wildlife sanctuaries or refuges and national or state parks or forests;
9. Prime agricultural land, and soil and natural resource conservation;
10. Existing or potential safety hazards;
11. Coastal Zone Management Areas; and
12. The need for permits under Sections 402 or 404 of the Clean Water Act.

FLETCHER & SIPPEL LLC

Central Texas Council of Governments

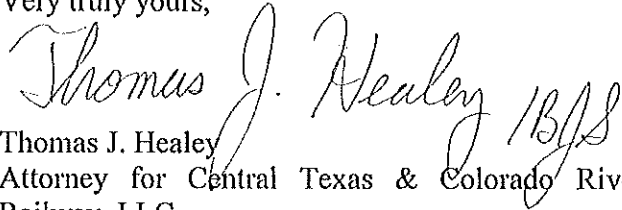
May 31, 2019

Page | 2

Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

A copy of the Environmental/Historic Report will be forwarded to you at least twenty days before CTXR's petition is filed at the STB. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance.

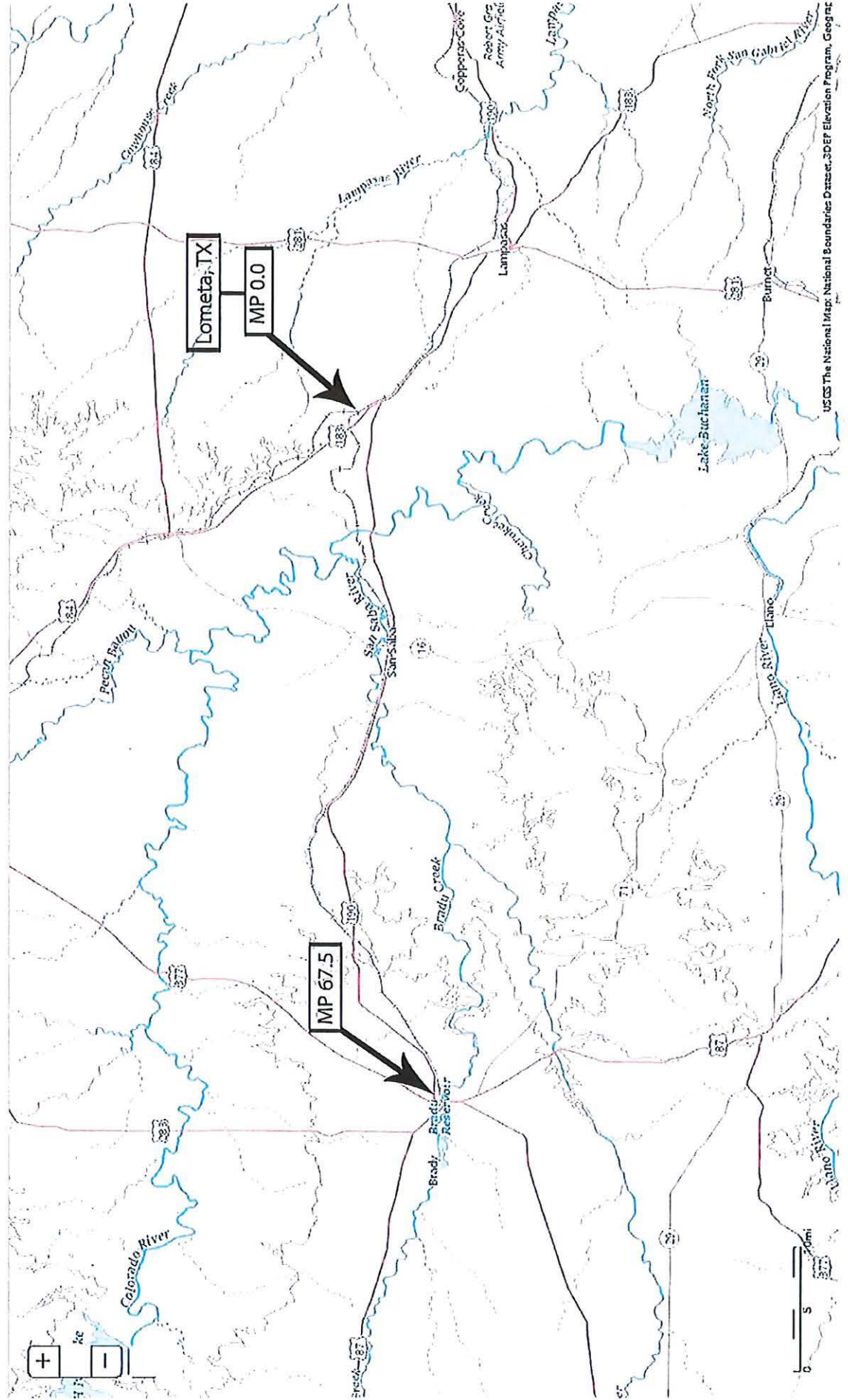
Very truly yours,

A handwritten signature in cursive script that reads "Thomas J. Healey" followed by the initials "BJS".

Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

Enclosure

Docket No. AB – 1272X
 Central Texas & Colorado River Railway, LLC
 - Proposed Abandonment -
In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

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www.fletcher-sippel.com

THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

May 31, 2019

Randall Hoyer, County Judge
Lampasas County
501 E 4th St, Suite 103
Lampasas, TX 76550

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Judge Hoyer:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

In accordance with the STB's environmental regulations, 49 C.F.R. § 1105, CTXR is advising you of the proposed abandonment so that you may assist us in identifying any potential effects it may have on the following (to the extent they are within your area of expertise or authority):

1. Regional and/or local use plans;
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3. Energy consumption and efficiency;
4. Air emissions and noise levels;
5. Bodies of water and overall water quality under applicable federal, state or local standards;
6. Designated wetlands and 100-year old flood plains;
7. Endangered or threatened species and critical habitats;
8. Wildlife sanctuaries or refuges and national or state parks or forests;
9. Prime agricultural land, and soil and natural resource conservation;
10. Existing or potential safety hazards;
11. Coastal Zone Management Areas; and
12. The need for permits under Sections 402 or 404 of the Clean Water Act.

FLETCHER & SIPPEL LLC

Randall Hoyer, County Judge

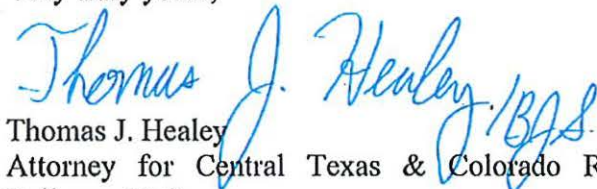
May 31, 2019

Page | 2

Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTRX.

A copy of the Environmental/Historic Report will be forwarded to you at least twenty days before CTRX's petition is filed at the STB. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance.

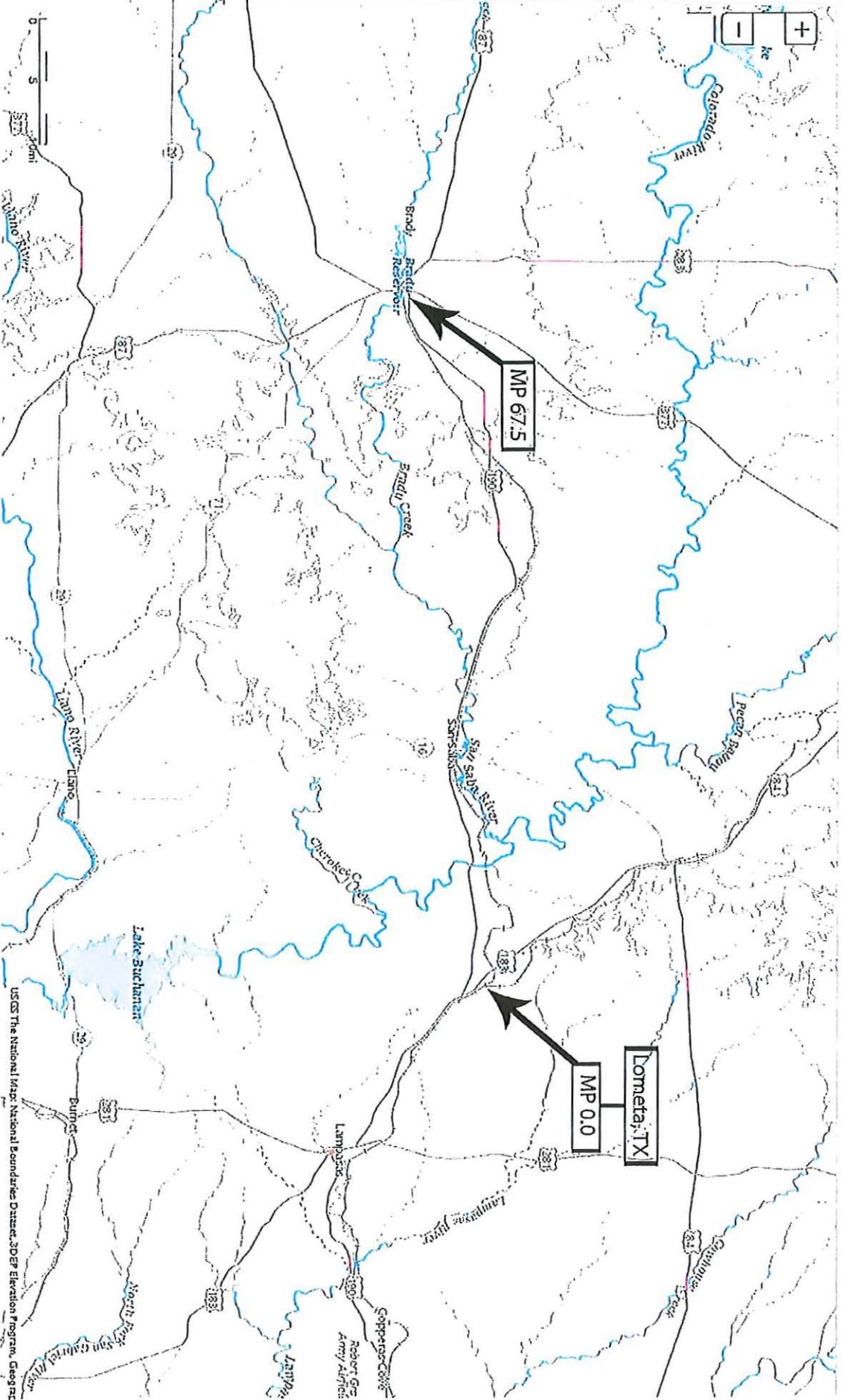
Very truly yours,



Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

Enclosure

Docket No. AB – 1272X
Central Texas & Colorado River Railway, LLC
- Proposed Abandonment -
In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



FLETCHER & SIPPEL LLC

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www.fletcher-sippel.com

THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

May 31, 2019

Ed Smith, County Judge
Mills County
P.O. Box 483
Goldthwaite, Texas 76844

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Judge Smith:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

In accordance with the STB's environmental regulations, 49 C.F.R. § 1105, CTXR is advising you of the proposed abandonment so that you may assist us in identifying any potential effects it may have on the following (to the extent they are within your area of expertise or authority):

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6. Designated wetlands and 100-year old flood plains;
7. Endangered or threatened species and critical habitats;
8. Wildlife sanctuaries or refuges and national or state parks or forests;
9. Prime agricultural land, and soil and natural resource conservation;
10. Existing or potential safety hazards;
11. Coastal Zone Management Areas; and
12. The need for permits under Sections 402 or 404 of the Clean Water Act.

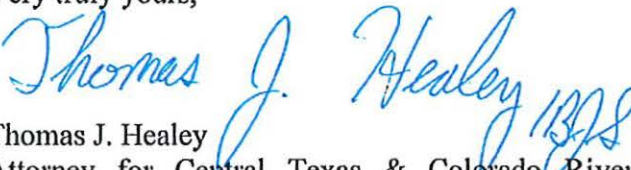
FLETCHER & SIPPEL LLC

Ed Smith
County Judge, Mills County
May 31, 2019
Page | 2

Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

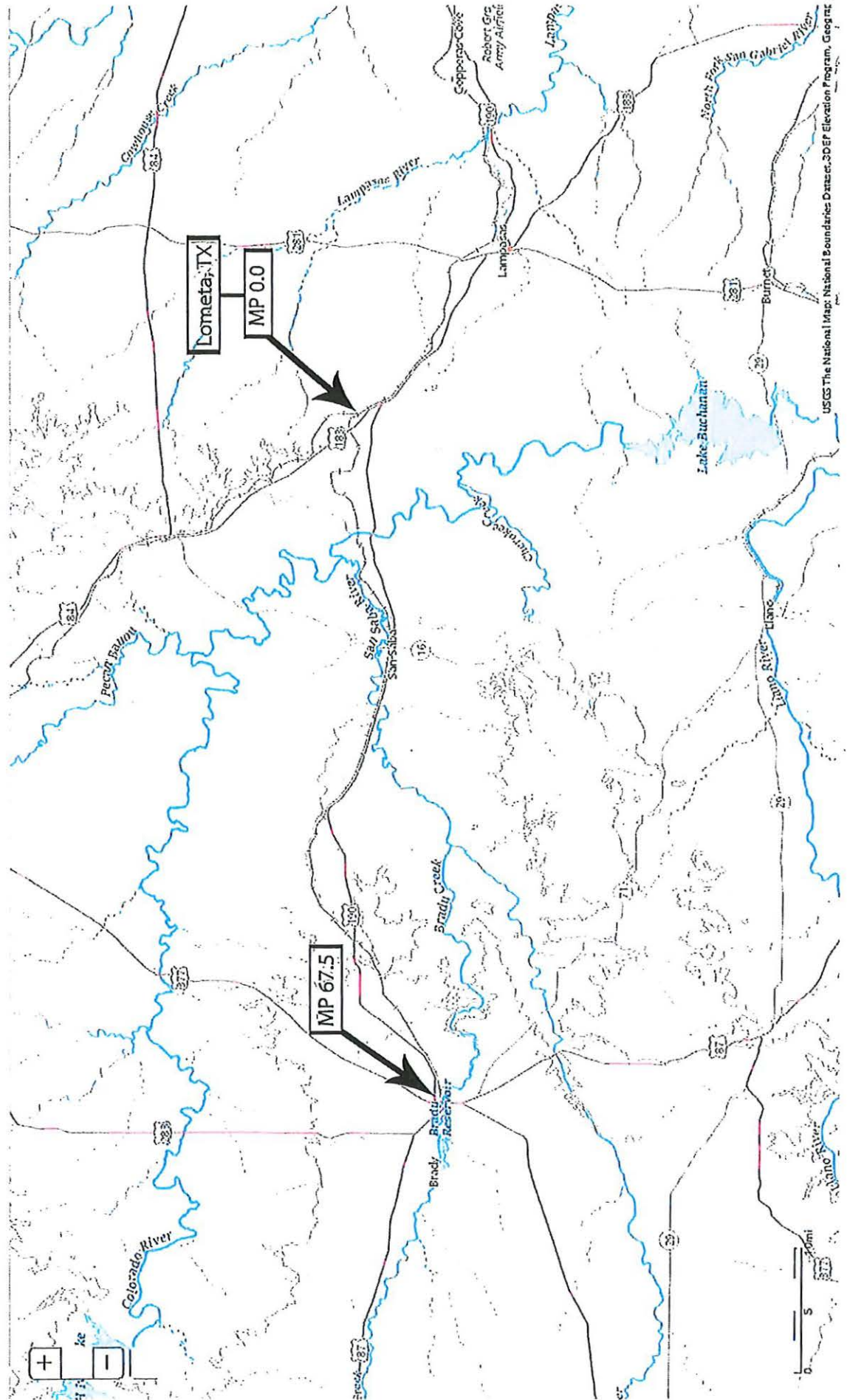
A copy of the Environmental/Historic Report will be forwarded to you at least twenty days before CTXR's petition is filed at the STB. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance.

Very truly yours,


Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

Enclosure

Docket No. AB – 1272X
 Central Texas & Colorado River Railway, LLC
 - Proposed Abandonment -
In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



FLETCHER & SIPPEL LLC

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THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

May 31, 2019

Byron Theodosios, County Judge
San Saba County
San Saba County Courthouse
500 E. Wallace Street
San Saba, TX 76877

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Judge Theodosios:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

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10. Existing or potential safety hazards;
11. Coastal Zone Management Areas; and
12. The need for permits under Sections 402 or 404 of the Clean Water Act.

FLETCHER & SIPPEL LLC

Bryan Theodosis
County Judge, San Saba County
May 31, 2019
Page | 2

Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

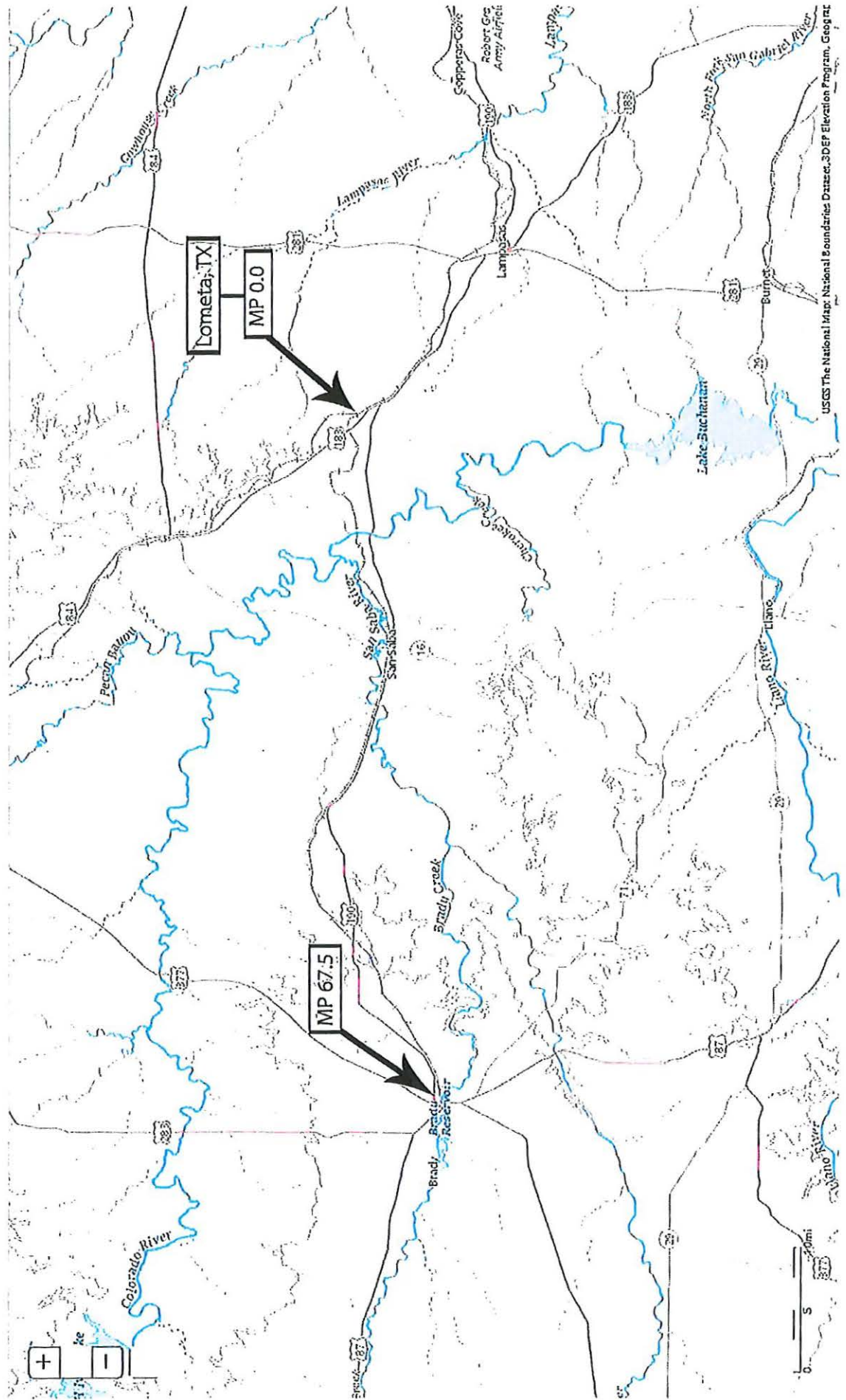
A copy of the Environmental/Historic Report will be forwarded to you at least twenty days before CTXR's petition is filed at the STB. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance.

Very truly yours,


Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

Enclosure

Docket No. AB – 1272X
 Central Texas & Colorado River Railway, LLC
 - Proposed Abandonment -
In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



FLETCHER & SIPPEL LLC

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thealey@fletcher-sippel.com

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

May 31, 2019

Bill Spiller
County Judge
Brady County
199 County Courthouse Room 302
Brady TX 76825

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Mr. Spiller:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

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9. Prime agricultural land, and soil and natural resource conservation;
10. Existing or potential safety hazards;
11. Coastal Zone Management Areas; and

FLETCHER & SIPPEL LLC

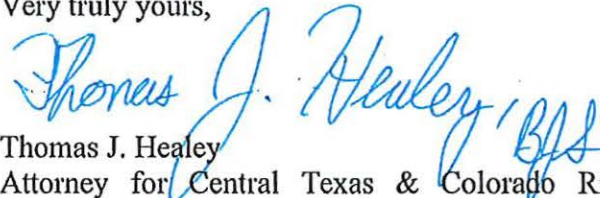
Bill Spiller
County Judge, Brady County
May 31, 2019
Page | 2

12. The need for permits under Sections 402 or 404 of the Clean Water Act.

Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

A copy of the Environmental/Historic Report will be forwarded to you at least twenty days before CTXR's petition is filed at the STB. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance.

Very truly yours,



Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

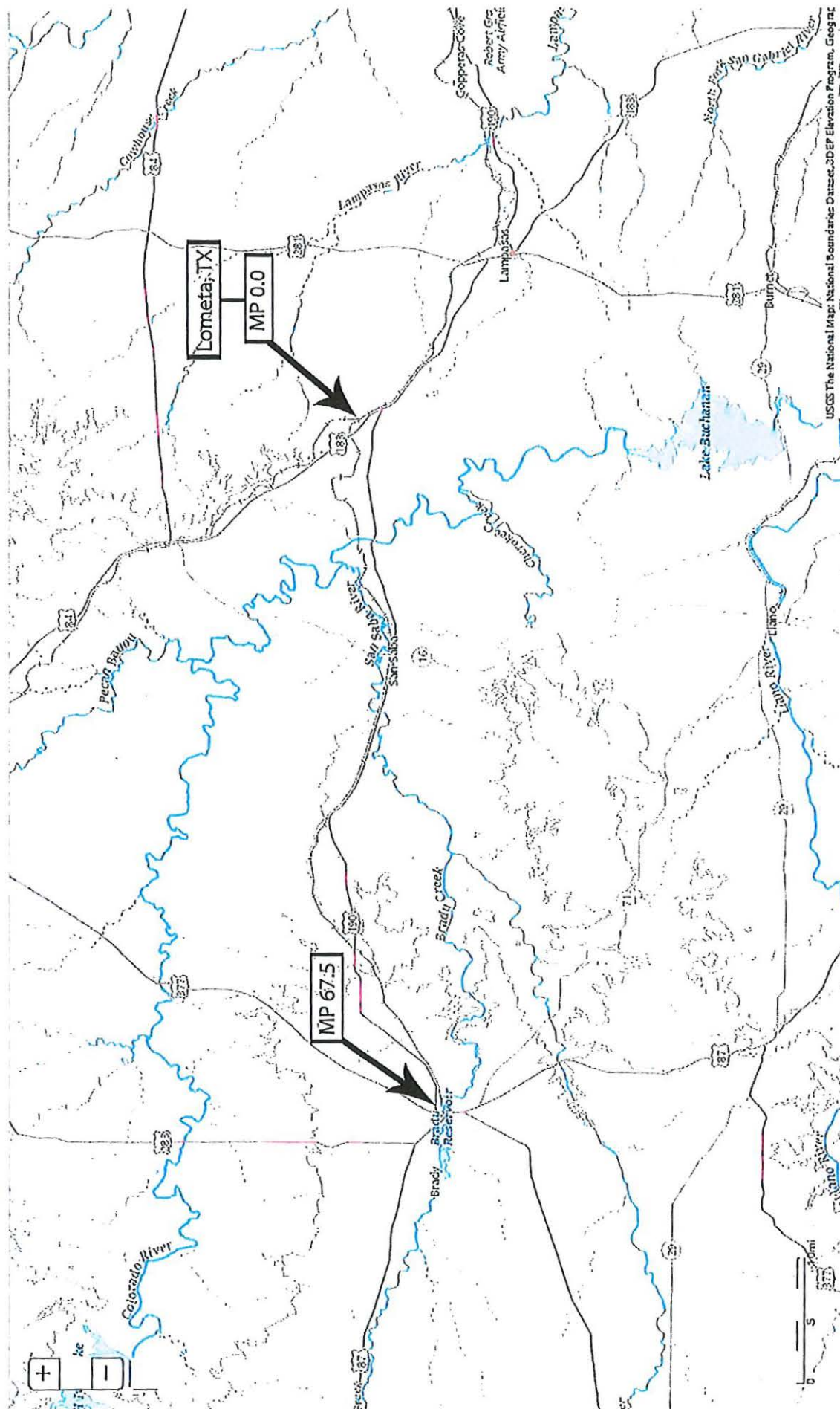
Enclosure

Docket No. AB – 1272X

Central Texas & Colorado River Railway, LLC

- Proposed Abandonment -

In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix B-1:

-Response letter from Mills County Judge, Ed Smith



ED SMITH
Mills County Judge

June 11, 2019

Thomas J. Healey, Esq.
Fletcher & Slippel, LLC
29 N. Wacker Dr. Suite 800
Chicago, IL 60606-3208

Re Docket #AB-1272X, Central Texas & Colorado River Railway LLC

Dear Mr. Healey:

We are in receipt of your letter dated May 31, 2019 notifying Mills County of the proposed abandonment of the railroad's right of way between Lometa and Brady, Texas.

Only approximately .5 miles of the proposed 67.5-mile abandonment is in Mills County. The Mills County segment does not cross any county roads but does cross the Colorado River – an important waterway.

Without having access to view the right of way I don't know if the track, cross ties and ballast remain or have already been removed – nor do I know the condition of culverts, if any, where the road bed crosses seasonal drainageways or, and most importantly, the trestle across the Colorado River.

With those caveats, we have no objection to the abandonment as long as it includes the removal of the trestle across the Colorado River, is done in compliance with State and Federal regulations, does not create access problems or livestock control issues. We assume the abandonment includes the removal of the trestle from the river- if not we will actively object to the abandonment.

Mills County does not agree to be the subsequent owner of the right of way or any improvements, equipment or materials left in it. We are very concerned about the bridge across the Colorado River and ask that its removal be part of any abandonment as, unused and unmaintained, the trestle becomes an attractive nuisance, has no productive use other than as a railroad bridge and will create a flooding danger to both upstream and downstream property in the periodic flooding of the Colorado River.

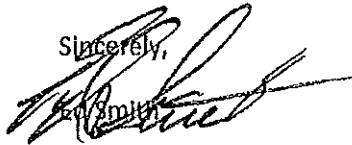
I am not aware of environmental or endangered species issues in that segment of Mills County other than bald eagles which are known to nest along the Colorado River. The area around the river crossing is likely both flood plain and wetlands. The river valley is a flyway for migratory birds.

Mills County requests permission and instruction on how best to enter the rail ROW for inspection purposes relating to the following:

- Potential impact on runoff
- Possible fencing and gate requirements to restore the right of way to the surrounding agricultural uses.
- Condition of the river crossing and headwalls if any
- Other issues that may come to light with an inspection

Please keep Mills County notified of scheduled hearings and send copies of or links to all relevant materials.

Sincerely,


Ed Smith

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix C:

-Concho Valley Council of Governments Correspondence

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

May 31, 2019

Concho Valley Council of Governments
2801 W. Loop 306, Suite A
San Angelo, TX 76904

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Sir/Madam:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

In accordance with the STB's environmental regulations, 49 C.F.R. § 1105, CTEXR is advising you of the proposed abandonment so that you may assist us in identifying any potential effects it may have on the following (to the extent they are within your area of expertise or authority):

1. Regional and/or local use plans;
2. Regional or local transportation systems and patterns, including alternative transportation modes;
3. Energy consumption and efficiency;
4. Air emissions and noise levels;
5. Bodies of water and overall water quality under applicable federal, state or local standards;
6. Designated wetlands and 100-year old flood plains;
7. Endangered or threatened species and critical habitats;
8. Wildlife sanctuaries or refuges and national or state parks or forests;
9. Prime agricultural land, and soil and natural resource conservation;
10. Existing or potential safety hazards;
11. Coastal Zone Management Areas; and
12. The need for permits under Sections 402 or 404 of the Clean Water Act.

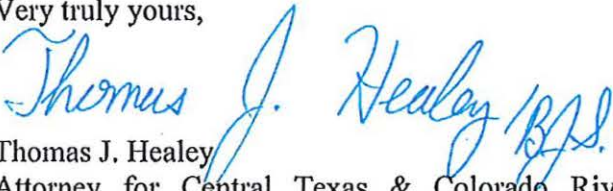
FLETCHER & SIPPEL LLC

Concho Valley Council of Governments
May 31, 2019
Page | 2

Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

A copy of the Environmental/Historic Report will be forwarded to you at least twenty days before CTXR's petition is filed at the STB. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance.

Very truly yours,


Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

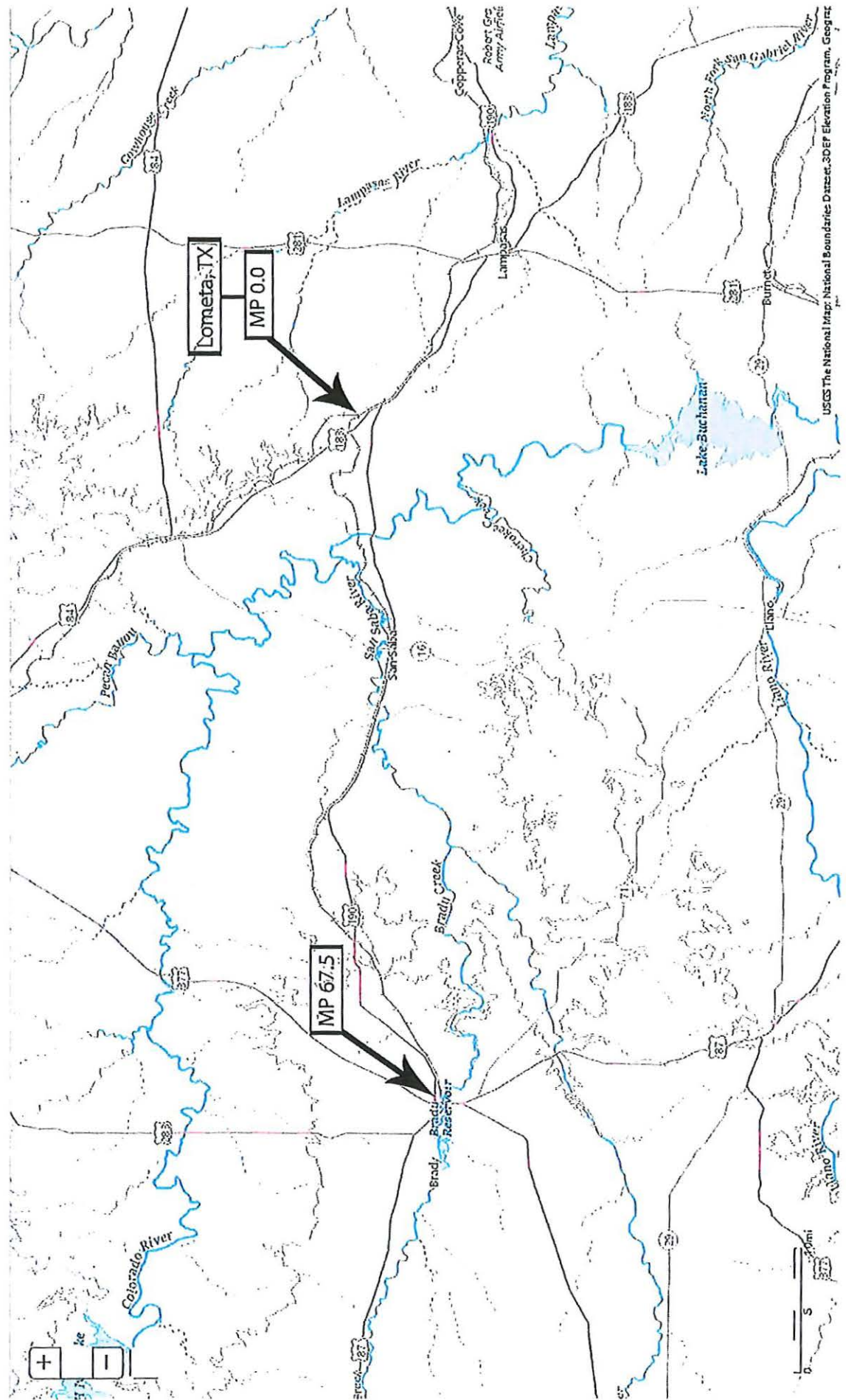
Enclosure

Docket No. AB – 1272X

Central Texas & Colorado River Railway, LLC

- Proposed Abandonment -

In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix C-1:

-Concho Valley Council of Governments' Declination of Participation



CONCHO VALLEY COUNCIL OF GOVERNMENTS

2801 W. Loop 306, Ste A
P.O. Box 60050
San Angelo Texas 76904

325/944-9666
Fax 325/944-9925

June 6, 2019

Fletcher & Sippel LLC
Thomas J. Healey, Attorney
29 N. Wacker Drive, Suite 800
Chicago, IL 60606-3208

RE: Proposed Abandonment – In McCulloch, San-Saba, Mills and Lampasas Counties, Texas

Thank you for contacting the Concho Valley Council of Governments (CVCOG) regarding Review and Comment under Federal Executive Order 12372 (EO 12372).

The Texas Review and Comment System (TRACS) was originally instituted to comply with Federal Executive Order 12372. TRACS was designed to facilitate the sharing of information related to grant funding between federal, state and local governments. However, technological advances such as email and internet have provided tools for disseminating information quickly and efficiently, making TRACS obsolete. On March 6, 2011 the Office of the Governor adopted an amendment to §3.9405 that removes the requirement and authority of COGs to review grant applications.

Therefore, as the CVCOG no longer has any formal authority for review and comment, the CVCOG is waiving any future review and comment of any applications for grants in aid until such time that formal authority be reestablished.

For those funding entities that still require compliance with EO 12372, this letter will demonstrate your compliance with that obligation.

If you have any questions, please feel free to contact us.

Sincerely,


Tracy Ogle
Director of Administration

cc: TRACS File

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix D:

-Texas Department of Transportation, Rail Division, Correspondence

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

Phone: (312) 252-1500
Fax: (312) 252-2400
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THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

May 31, 2019

Texas Department of Transportation
Rail Division
125 E. 11th St.
Austin, TX 78701-2483

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Sir/Madam:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

In accordance with the STB's environmental regulations, 49 C.F.R. § 1105, CTXR is advising you of the proposed abandonment so that you may assist us in identifying any potential effects it may have on the following (to the extent they are within your area of expertise or authority):

1. Regional and/or local use plans;
2. Regional or local transportation systems and patterns, including alternative transportation modes;
3. Energy consumption and efficiency;
4. Air emissions and noise levels;
5. Bodies of water and overall water quality under applicable federal, state or local standards;
6. Designated wetlands and 100-year old flood plains;
7. Endangered or threatened species and critical habitats;
8. Wildlife sanctuaries or refuges and national or state parks or forests;
9. Prime agricultural land, and soil and natural resource conservation;
10. Existing or potential safety hazards;
11. Coastal Zone Management Areas; and
12. The need for permits under Sections 402 or 404 of the Clean Water Act.

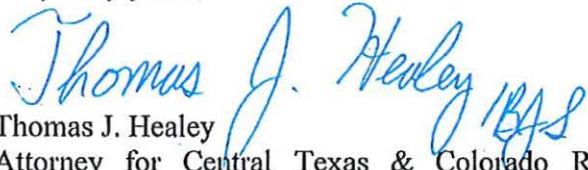
FLETCHER & SIPPEL LLC

Texas Department of Transportation
Rail Division
May 31, 2019
Page | 2

Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

A copy of the Environmental/Historic Report will be forwarded to you at least twenty days before CTXR's petition is filed at the STB. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance.

Very truly yours,



Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

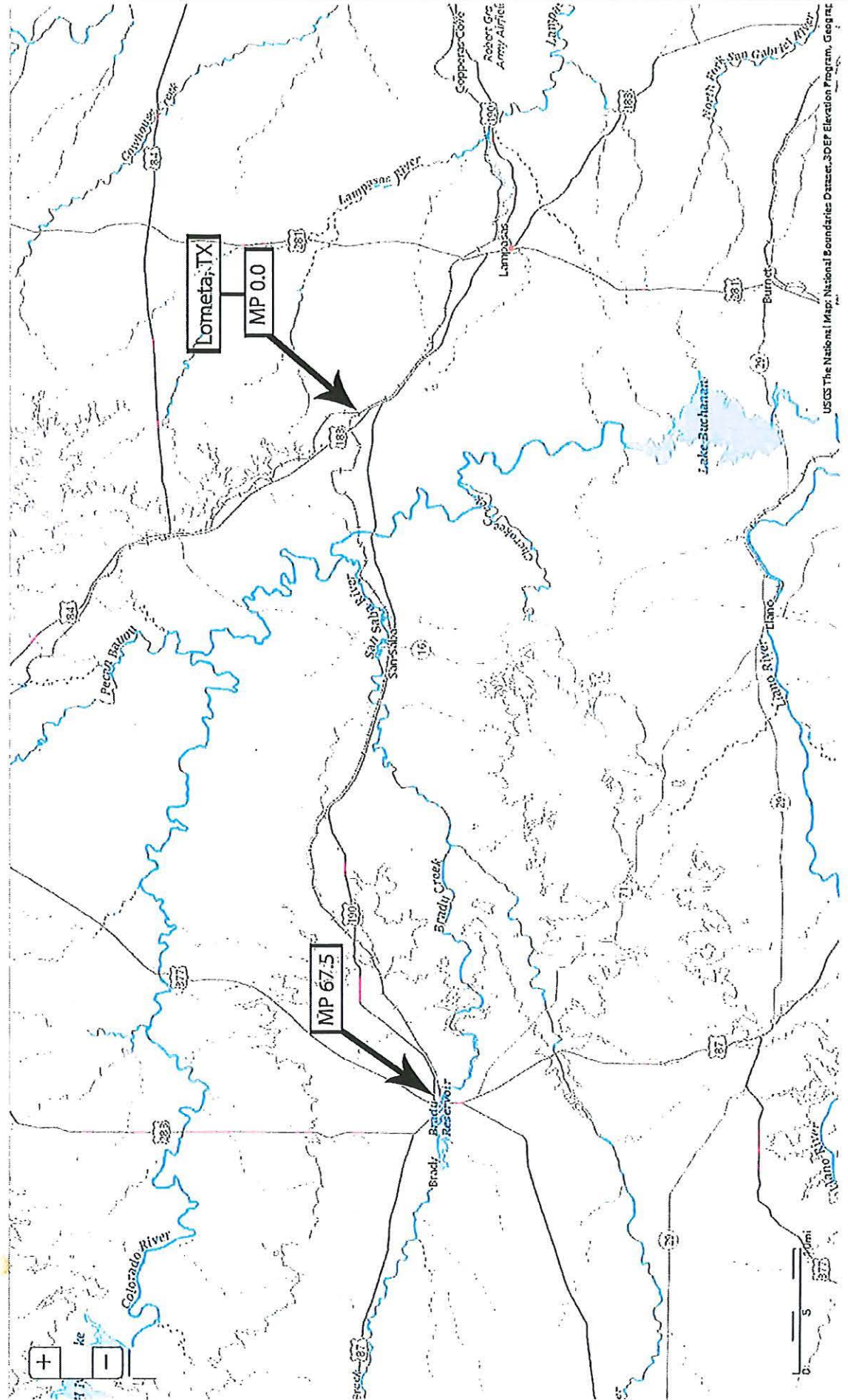
Enclosure

Docket No. AB – 1272X

Central Texas & Colorado River Railway, LLC

- Proposed Abandonment -

In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix D-1:

- Texas Department of Transportation, Rail Division's Response

June 19, 2019

Thomas J. Healey
Fletcher & Sippel, LLC
29 North Wacker Drive, Suite 800
Chicago, Illinois 60606-3208

RE: Docket AB-1272X
Central Texas & Colorado River Railway, LLC – Proposed Abandonment – In McCulloch, San
Saba, Mills, and Lampasas Counties, Texas Dept. of Transportation

Dear Mr. Healey,

Please accept the following in response to your May 31, 2019 letter regarding the proposed abandonment of 67.5 miles of railroad line by the Central Texas and Colorado River Railway, LLC (CTXR).

As requested, we have reviewed the matter and offer the following comments:

- The rail line, being proposed for abandonment, has moved on average 2,270 carloads a year from 2013 to 2017. Loss of this transportation mode could adversely impact the industries using this line by forcing them to ship their products by truck, or not at all. An increase in truck traffic could in turn negatively impact the region's roadway network. Furthermore, a loss of this rail service could negatively impact future opportunities for the region to expand or attract new industry.
- If the abandonment is approved, the Texas Department of Transportation (TxDOT) requests all public at grade crossings on the line be removed and the road service restored within one year of abandonment. TxDOT will need to work with CTXR to receive salvage credits for a recently completed crossbuck and yield sign project or have them installed on other OmniTrack railroads in the state.

If you have additional questions or would like to like to further discuss this matter, please contact me at (512) 416-2056 or Peter.Espy@txdot.gov.

Sincerely,



Peter Espy
Rail Division Director

cc: Marc D. Williams, P.E., Deputy Executive Director, TxDOT
Misty Barham, Associate General Counsel, TxDOT

OUR VALUES: People • Accountability • Trust • Honesty

OUR MISSION: Through collaboration and leadership, we deliver a safe, reliable, and integrated transportation system that enables the movement of people and goods.

An Equal Opportunity Employer

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix E:

- National Geodetic Survey Correspondence

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

Phone: (312) 252-1500
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www.fletcher-sippel.com

THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

May 31, 2019

National Geodetic Survey Information Services
Office of Ocean and Coastal Resource Management
NOAA Ocean Service
1305 East-West Highway
Silver Springs, Maryland 20910

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Sir/Madam:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

In accordance with the STB's environmental regulations, 49 C.F.R. § 1105, CTXR is advising you of the proposed abandonment so that you may assist us in identifying any potential effects it may have on the following (to the extent they are within your area of expertise or authority):

1. Regional and/or local use plans;
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3. Energy consumption and efficiency;
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5. Bodies of water and overall water quality under applicable federal, state or local standards;
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9. Prime agricultural land, and soil and natural resource conservation;
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11. Coastal Zone Management Areas; and
12. The need for permits under Sections 402 or 404 of the Clean Water Act.

FLETCHER & SIPPEL LLC

National Geodetic Survey Information Services
Office of Ocean and Coastal Resource Management
May 31, 2019
Page | 2

Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

A copy of the Environmental/Historic Report will be forwarded to you at least twenty days before CTXR's petition is filed at the STB. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance.

Very truly yours,


Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

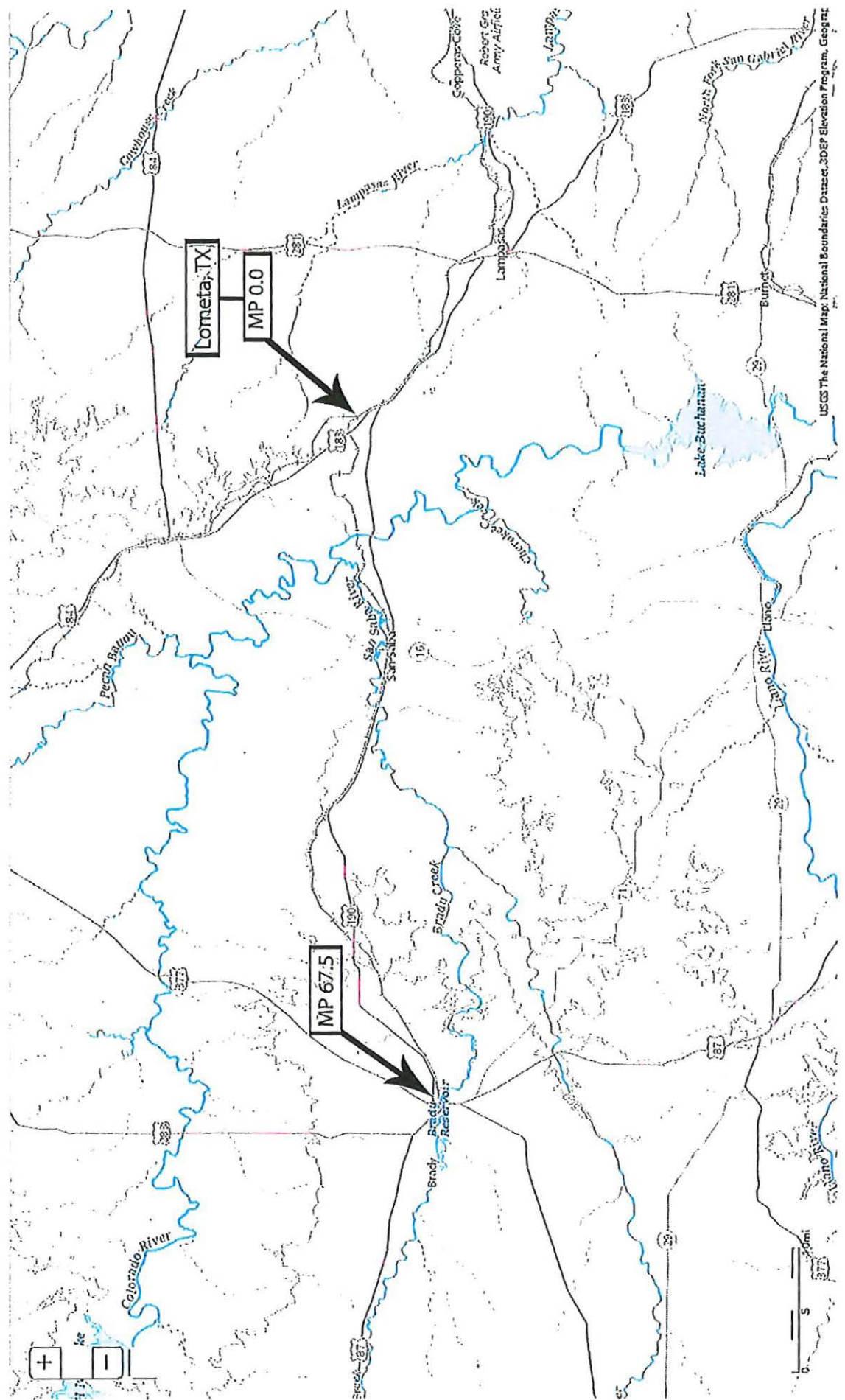
Enclosure

Docket No. AB – 1272X

Central Texas & Colorado River Railway, LLC

- Proposed Abandonment -

In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix F:

- United States Soil Conservation Service Correspondence

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

May 31, 2019

United States Soil Conservation Service
101 South Main Street
Temple, TX 76501

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Sir/Madam:

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11. Coastal Zone Management Areas; and
12. The need for permits under Sections 402 or 404 of the Clean Water Act.

FLETCHER & SIPPEL LLC

United States Soil Conservation Service

May 31, 2019

Page | 2

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Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

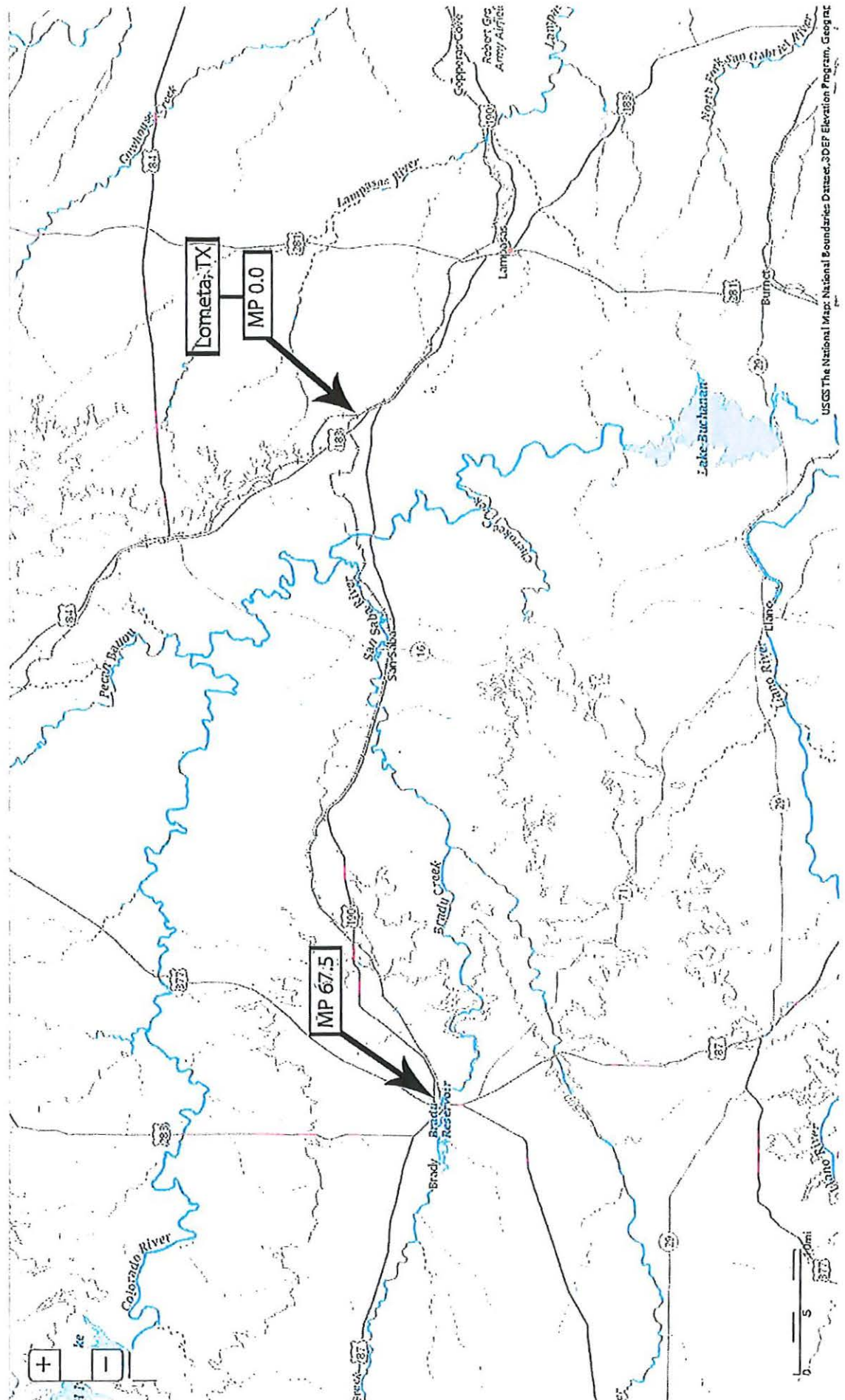
Enclosure

Docket No. AB – 1272X

Central Texas & Colorado River Railway, LLC

- Proposed Abandonment -

In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix G:

- Texas General Land Office, Coastal Management Program, Correspondence

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

May 31, 2019

Texas General Land Office
Coastal Management Program
PO Box 12873
Austin, TX 78711-2873

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Sir/Madam:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

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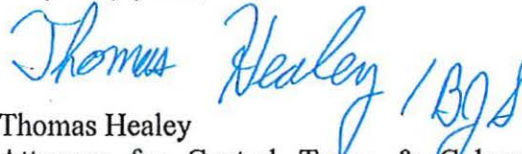
FLETCHER & SIPPEL LLC

Texas General Land Office
Rail Division
May 31, 2019
Page | 2

Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

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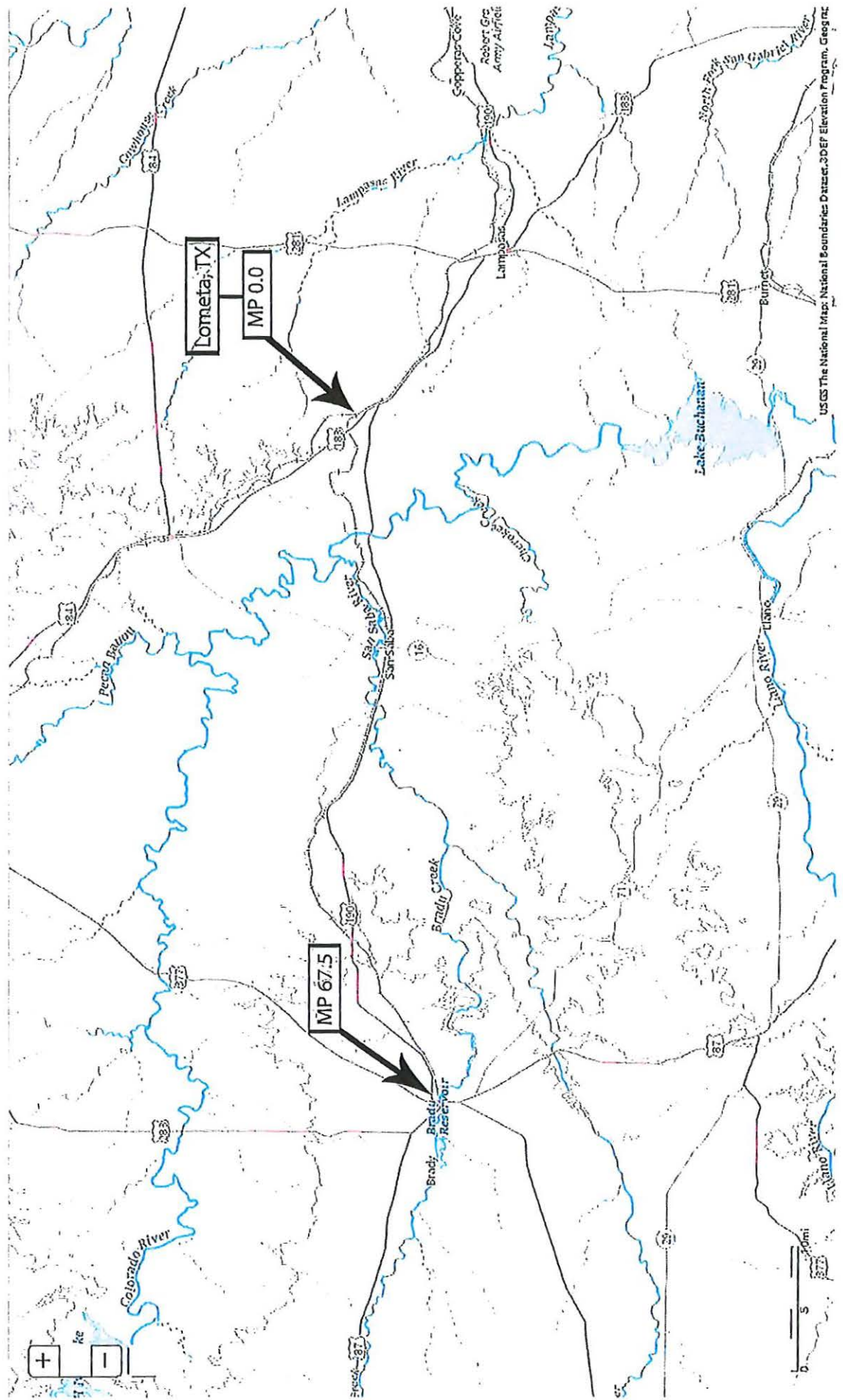
Very truly yours,



Thomas Healey
Attorney for Central Texas & Colorado River
Railway, LLC

Enclosure

Docket No. AB – 1272X
 Central Texas & Colorado River Railway, LLC
 - Proposed Abandonment -
In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix G-1:

- Texas General Land Office, Coastal Management Program's Response



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

July 29, 2019

Surface Transportation Board
Office of Environmental Analysis
395 E Street SW, Room 1106
Washington, DC 20423-0001

**Re: Docket No. AB 1272X
Central Texas & Colorado River Railway, LLC
Proposed Abandonment in McCullough, San Saba, Mills, and Lampasas Counties
Texas
CMP#: 19-1380-F5**

Dear Sir/Madam:

It has been determined that the project referenced above is outside the Texas Coastal Management Program (CMP) boundary. Therefore, it is not subject to consistency review under the Texas CMP.

Thank you for the opportunity to comment.

If you have any questions or concerns, please contact me at (409) 741-4057 or at federal.consistency@glo.texas.gov

Sincerely,

Allison Buchtien
Natural Resource Specialist
Texas General Land Office

CC: Thomas J. Healy, Fletcher & Sippel LLC

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix H:

-United States Environmental Protection Agency Correspondence

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
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Fax: (312) 252-2400
www.fletcher-sippel.com

THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

May 31, 2019

Regional Administrator
EPA Region 6 Main Office
1445 Ross Avenue, Suite 1200
Dallas, Texas 75202

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Sir/Madam:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

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11. Coastal Zone Management Areas; and

FLETCHER & SIPPEL LLC

Regional Administrator
EPA Region 6 Main Office
May 31, 2019
Page | 2

12. The need for permits under Sections 402 or 404 of the Clean Water Act.

Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

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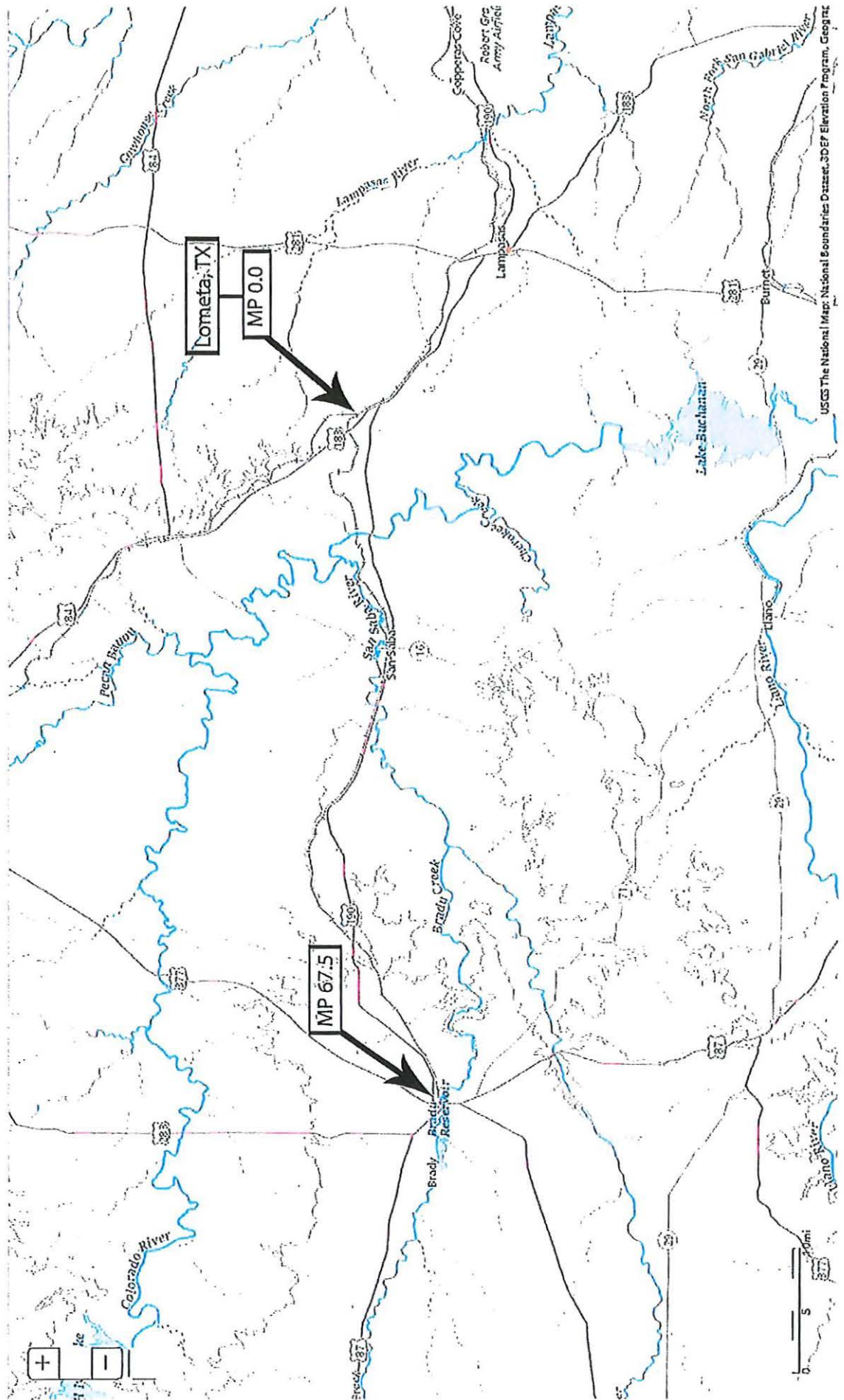
Very truly yours,



Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

Enclosure

Docket No. AB – 1272X
 Central Texas & Colorado River Railway, LLC
 - Proposed Abandonment -
In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix I:

- Texas Commission on Environmental Quality Correspondence

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

May 31, 2019

Texas Commission on Environmental Quality
Attention: Executive Director
MC 109
CEQ
P.O. Box 13087
Austin, TX 78711-3087

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Sir/Madam:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

In accordance with the STB's environmental regulations, 49 C.F.R. § 1105, CTXR is advising you of the proposed abandonment so that you may assist us in identifying any potential effects it may have on the following (to the extent they are within your area of expertise or authority):

1. Regional and/or local use plans;
2. Regional or local transportation systems and patterns, including alternative transportation modes;
3. Energy consumption and efficiency;
4. Air emissions and noise levels;
5. Bodies of water and overall water quality under applicable federal, state or local standards;
6. Designated wetlands and 100-year old flood plains;
7. Endangered or threatened species and critical habitats;
8. Wildlife sanctuaries or refuges and national or state parks or forests;
9. Prime agricultural land, and soil and natural resource conservation;
10. Existing or potential safety hazards;

FLETCHER & SIPPEL LLC

Texas Commission on Environmental Quality

May 31, 2019

Page | 2

11. Coastal Zone Management Areas; and
12. The need for permits under Sections 402 or 404 of the Clean Water Act.

Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

A copy of the Environmental/Historic Report will be forwarded to you at least twenty days before CTXR's petition is filed at the STB. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance.

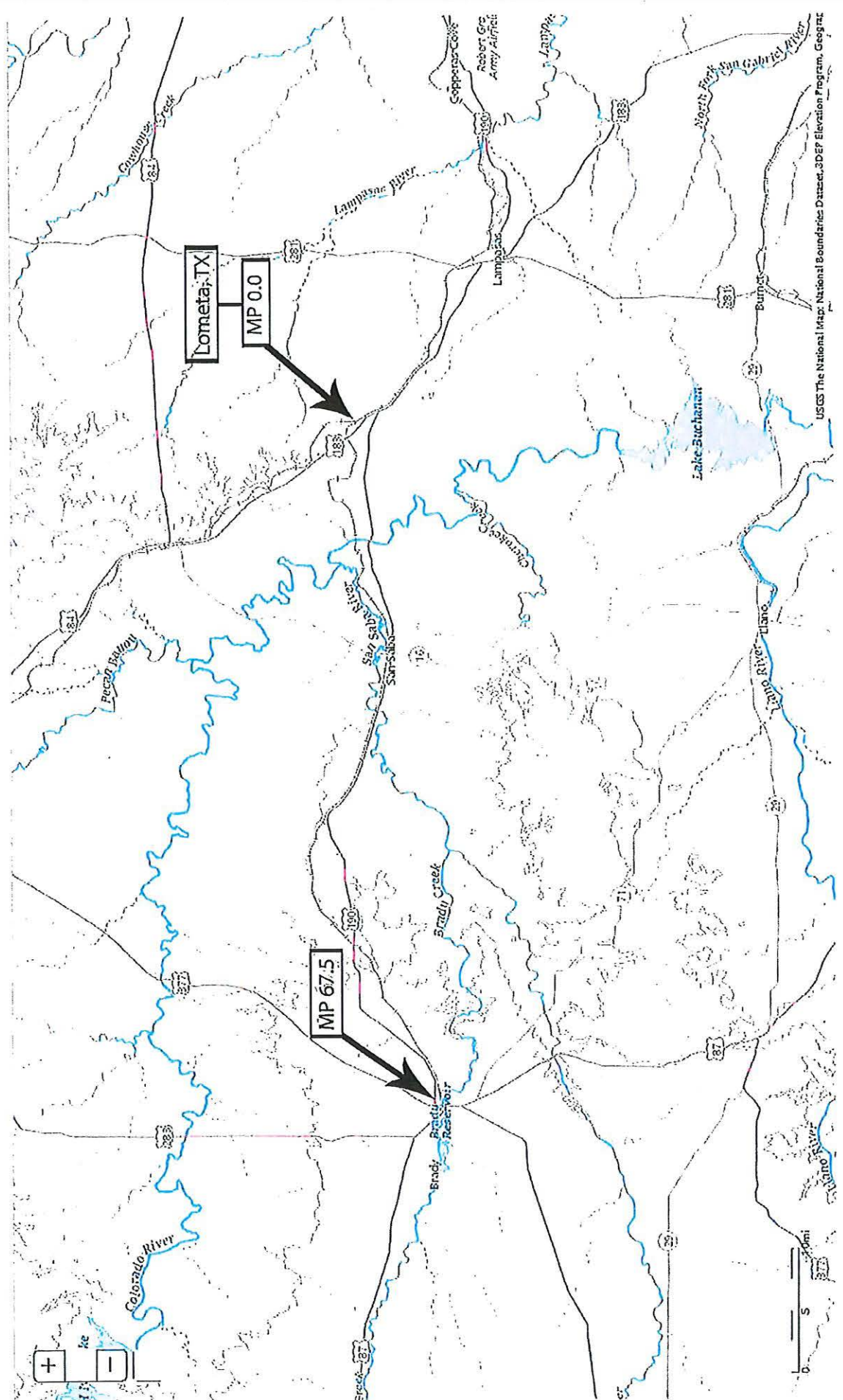
Very truly yours,



Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

Enclosure

Docket No. AB – 1272X
 Central Texas & Colorado River Railway, LLC
 - Proposed Abandonment -
In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix I-1:

-Texas Commission on Environmental Quality Responses



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 21, 2019

Thomas Healey
Attorney
Central Texas & Colorado River Railway LLC
29 North Wacker Drive Suite 800
Chicago, Illinois 60606

Via: Mail

Re: TCEQ NEPA Request #2019-158. Abandonment of 67.5 miles of Railroad. San Saba, McCulloch, Mills and Lampasas Counties.

Dear Mr. Healey,

The Texas Commission on Environmental Quality (TCEQ) has reviewed the above-referenced project and offers the following comments:

In accordance with the General Conformity regulations in 40 CFR Part 93, this proposed action was reviewed for air quality impact. The proposed action is located in San Saba, McCulloch, Mills and Lampasas Counties., which is currently designated as attainment/unclassified for the National Ambient Air Quality Standards for all six criteria air pollutants. General conformity requirements do not apply.

The Office of Water does not anticipate significant long term environmental impacts from this project as long as construction and waste disposal activities associated with it are completed in accordance with applicable local, state, and federal environmental permits, statutes, and regulations. We recommend that the applicant take necessary steps to ensure that best management practices are used to control runoff from construction sites to prevent detrimental impact to surface and ground water.

Any debris or waste disposal should be at an appropriately authorized disposal facility.

Thank you for the opportunity to review this project. If you have any questions, please contact the agency NEPA coordinator at (512) 239-3500 or NEPA@tceq.texas.gov

Sincerely,

A handwritten signature in black ink, appearing to read "R. Vise".

Ryan Vise,
Division Director
External Relations

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

August 7, 2019

Thomas J. Healey
Surface Transportation Board
Office of Environmental Analysis
395 E Street, S.W. Room 1106
Washington, DC 20423

Via: E-Mail

Re: TCEQ NEPA Request #2019-205. Proposed railroad abandonment from Lometa to Brady (67.5 miles) McCullough, San Saba, Mills and Lampasas Counties.

Dear Mr. Healey,

The Texas Commission on Environmental Quality (TCEQ) has reviewed the above-referenced project and offers the following comments:

In accordance with the General Conformity regulations in 40 CFR Part 93, this proposed action was reviewed for air quality impact. The proposed action is located in McCullough, San Saba, Mills and Lampasas counties, which are currently designated as attainment/unclassified for the National Ambient Air Quality Standards for all six criteria air pollutants. General conformity requirements do not apply.

We are in support of the project. The environmental assessment addresses issues related to surface and groundwater quality.

Any debris or waste disposal should be at an appropriately authorized disposal facility.

Thank you for the opportunity to review this project. If you have any questions, please contact the agency NEPA coordinator at (512) 239-3500 or NEPA@tceq.texas.gov

Sincerely,

A handwritten signature in black ink, appearing to read "R. Vise".

Ryan Vise,
Division Director
External Relations

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix J:

- United States Fish and Wildlife Service Correspondence

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

May 31, 2019

US Fish and Wildlife Service
Southwest Region
P.O. Box 1306
Albuquerque, NM 87103-1306

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Sir/Madam:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

In accordance with the STB's environmental regulations, 49 C.F.R. § 1105, CTXR is advising you of the proposed abandonment so that you may assist us in identifying any potential effects it may have on the following (to the extent they are within your area of expertise or authority):

1. Regional and/or local use plans;
2. Regional or local transportation systems and patterns, including alternative transportation modes;
3. Energy consumption and efficiency;
4. Air emissions and noise levels;
5. Bodies of water and overall water quality under applicable federal, state or local standards;
6. Designated wetlands and 100-year old flood plains;
7. Endangered or threatened species and critical habitats;
8. Wildlife sanctuaries or refuges and national or state parks or forests;
9. Prime agricultural land, and soil and natural resource conservation;
10. Existing or potential safety hazards;
11. Coastal Zone Management Areas; and
12. The need for permits under Sections 402 or 404 of the Clean Water Act.

FLETCHER & SIPPEL LLC

US Fish and Wildlife Service

May 31, 2019

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Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

A copy of the Environmental/Historic Report will be forwarded to you at least twenty days before CTXR's petition is filed at the STB. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance.

Very truly yours,



Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

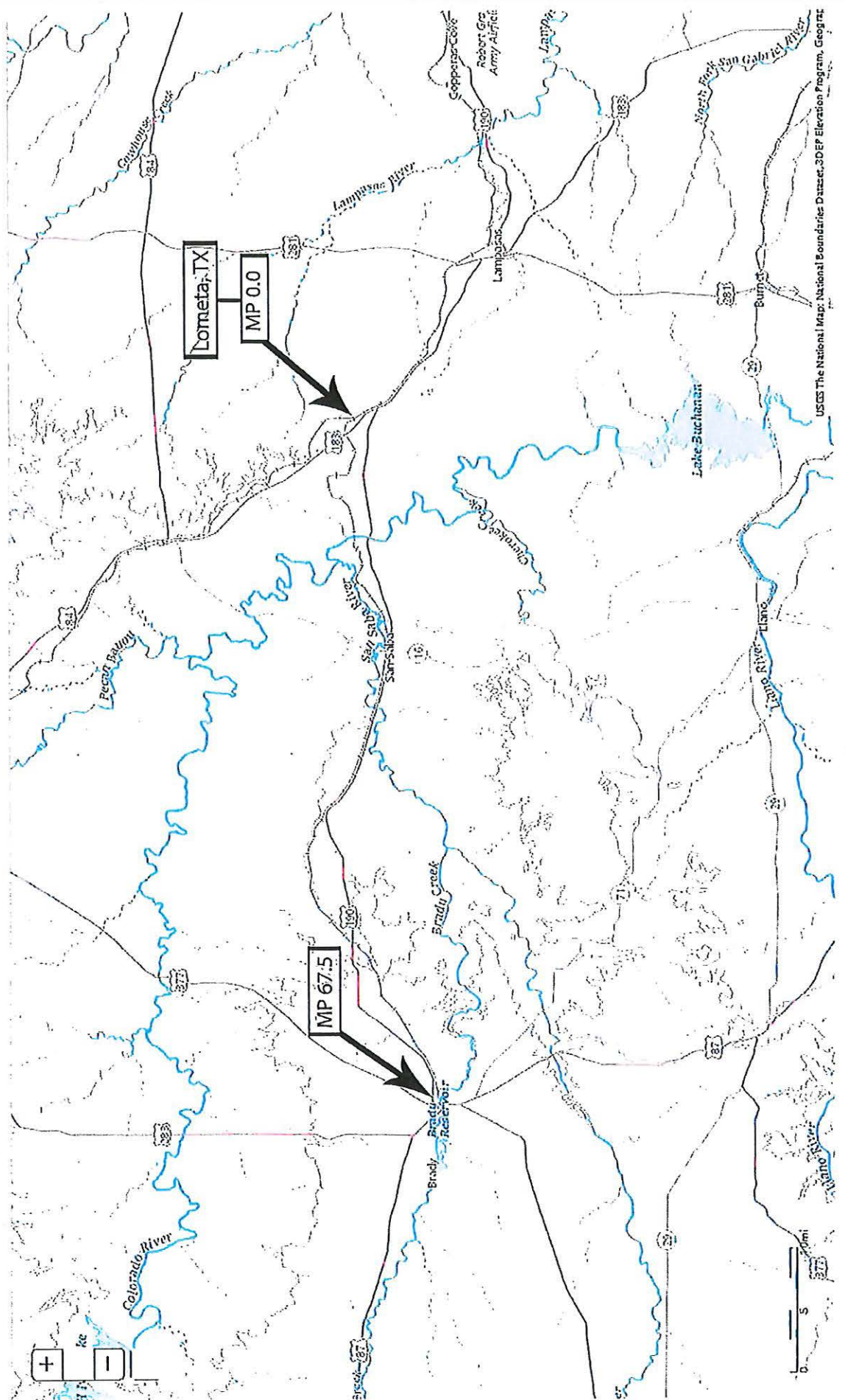
Enclosure

Docket No. AB – 1272X

Central Texas & Colorado River Railway, LLC

- Proposed Abandonment -

In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix K:

- National Park Service Correspondence

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

May 31, 2019

Kate Hammond, Acting Regional Director
National Park Service
12795 Alameda Parkway
Denver, CO 80225

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Ms. Hammond:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

In accordance with the STB's environmental regulations, 49 C.F.R. § 1105, CTXR is advising you of the proposed abandonment so that you may assist us in identifying any potential effects it may have on the following (to the extent they are within your area of expertise or authority):

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6. Designated wetlands and 100-year old flood plains;
7. Endangered or threatened species and critical habitats;
8. Wildlife sanctuaries or refuges and national or state parks or forests;
9. Prime agricultural land, and soil and natural resource conservation;
10. Existing or potential safety hazards;
11. Coastal Zone Management Areas; and
12. The need for permits under Sections 402 or 404 of the Clean Water Act.

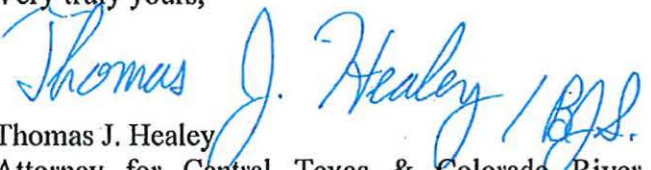
FLETCHER & SIPPEL LLC

Kate Hammond, Acting Regional Director
National Park Service
May 31, 2019
Page | 2

Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

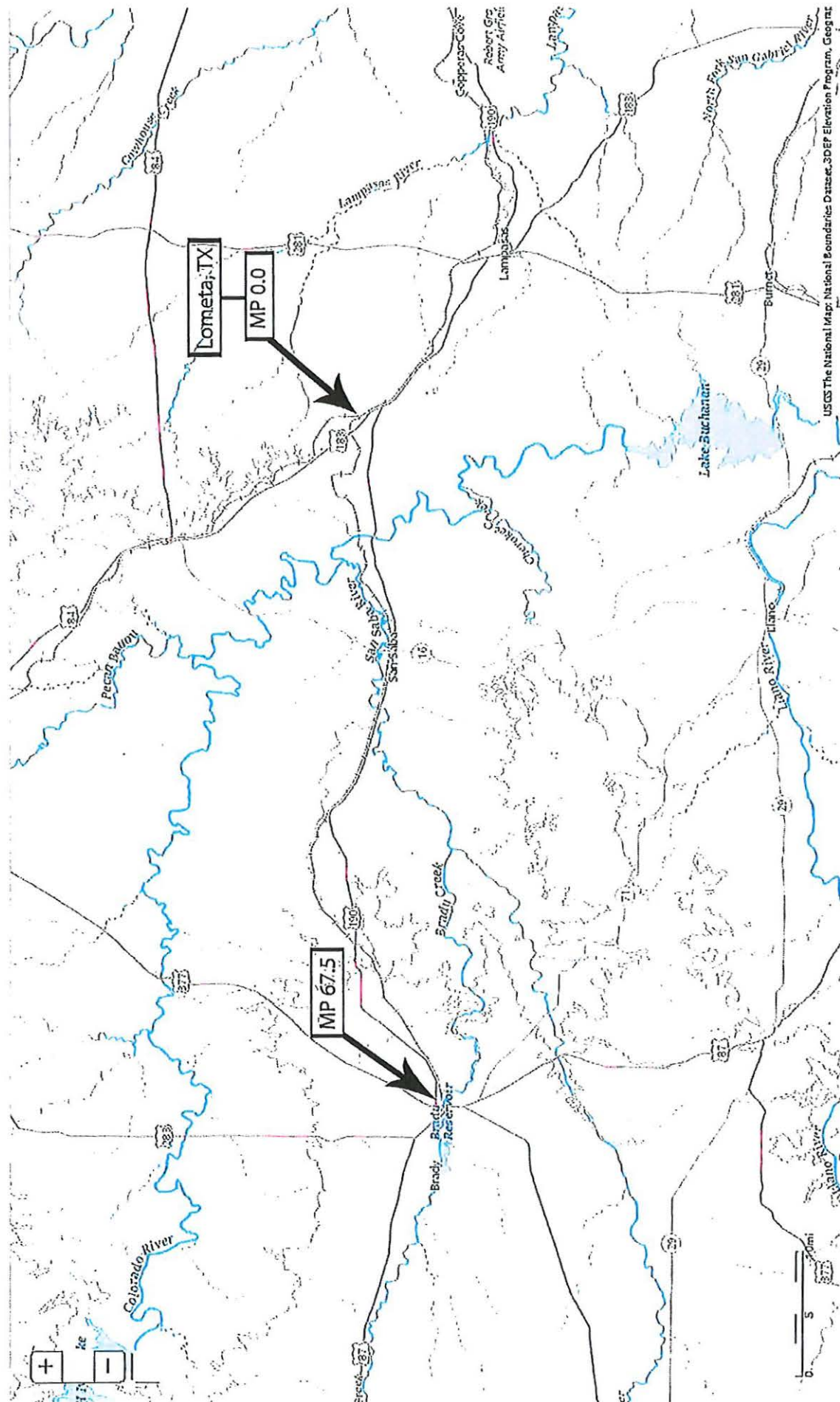
A copy of the Environmental/Historic Report will be forwarded to you at least twenty days before CTXR's petition is filed at the STB. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance.

Very truly yours,


Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

Enclosure

Docket No. AB – 1272X
 Central Texas & Colorado River Railway, LLC
 - Proposed Abandonment -
In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix L:

- United States Army Corps of Engineers Correspondence

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

May 31, 2019

US Army Corps of Engineers
Southwestern Division
1100 Commerce Street, Suite 831
Dallas, TX 75242-1317

Re: **Docket AB-1272X**
Central Texas & Colorado River Railway, LLC — Proposed
Abandonment — In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Sir/Madam:

Central Texas & Colorado River Railway LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("STB") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). The petition for exemption will be filed pursuant to 49 C.F.R. Part 1152, Subpart G. A map showing the location of the Line is attached for your reference.

In accordance with the STB's environmental regulations, 49 C.F.R. § 1105, CTXR is advising you of the proposed abandonment so that you may assist us in identifying any potential effects it may have on the following (to the extent they are within your area of expertise or authority):

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2. Regional or local transportation systems and patterns, including alternative transportation modes;
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6. Designated wetlands and 100-year old flood plains;
7. Endangered or threatened species and critical habitats;
8. Wildlife sanctuaries or refuges and national or state parks or forests;
9. Prime agricultural land, and soil and natural resource conservation;
10. Existing or potential safety hazards;
11. Coastal Zone Management Areas; and
12. The need for permits under Sections 402 or 404 of the Clean Water Act.

FLETCHER & SIPPEL LLC

US Army Corps of Engineers
Southwestern Division
May 31, 2019
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Because of the limited nature of the proposed action, we foresee no adverse environmental effects. Nevertheless, we would appreciate your review and any comments you may wish to offer. We request a written response as soon as possible so that we may include it in the Environmental/Historic Report which will be prepared in connection with this abandonment in accordance with 49 C.F.R. § 1105.7. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

A copy of the Environmental/Historic Report will be forwarded to you at least twenty days before CTXR's petition is filed at the STB. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance.

Very truly yours,


Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

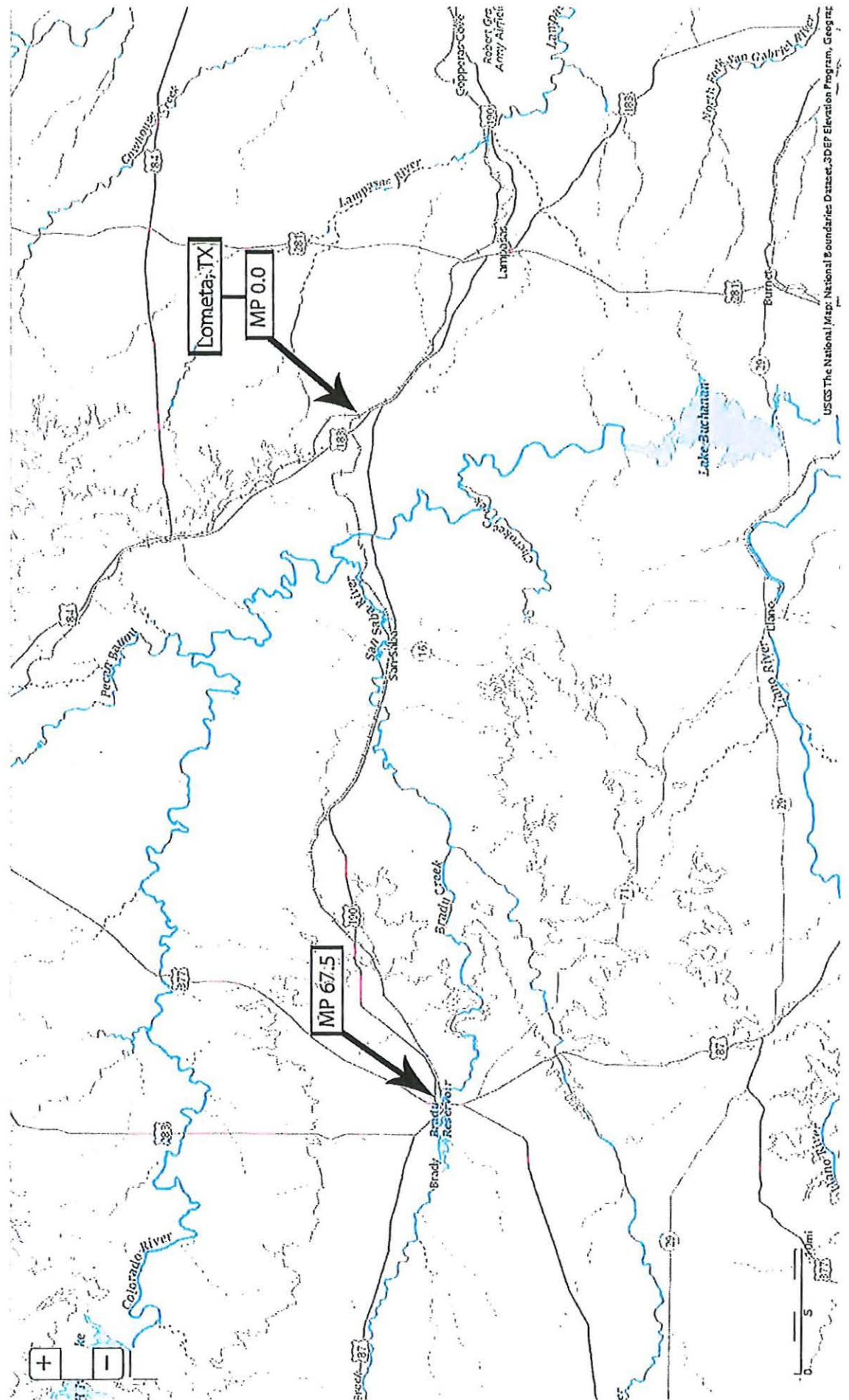
Enclosure

Docket No. AB – 1272X

Central Texas & Colorado River Railway, LLC

- Proposed Abandonment -

In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix L-1:

- United States Army Corps of Engineers Acknowledgement



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS, FORT WORTH DISTRICT
P.O. BOX 17300
FORT WORTH, TX 76102-0300

August 2, 2019

Regulatory Division

SUBJECT: Project Number SWF-2019-00274, Abandonment Exemption in McCulloch, San Saba, Mills, and Lampasas Counties, Texas

Mr. Thomas Healey
Fletcher & Sippel LLC Attorneys at Law
29 North Wacker Drive, Suite 800
Chicago, Illinois 60606-3208

Dear Mr. Healey:

Thank you for your letter received August 1, 2019, concerning a proposal by Central Texas & Colorado River Railway, LLC to abandon approximately 67.5 miles of railroad from MP 0.0 to MP 67.5 located in McCulloch, San Saba, Mills and Lampasas Counties, Texas. Ms. Katie Roeder has been assigned as the regulatory project manager. The project has been assigned Project Number SWF-2019-00274, please include this number in all future correspondence concerning this project.

Ms. Katie Roeder has been assigned as the regulatory project manager for your request and will be evaluating it as expeditiously as possible.

You may be contacted for additional information about your request. For your information, please reference the Fort Worth District Regulatory Division homepage at www.swf.usace.army.mil/Missions/Regulatory and particularly guidance on submittals at www.media.swf.usace.army.mil/pubdata/enviro/regulatory/introduction/submittal.pdf and mitigation at www.usace.army.mil/Missions/Regulatory/Permitting/Mitigation that may help you supplement your current request or prepare future requests.

If you have any questions about the evaluation of your submittal or would like to request a copy of one of the documents referenced above, please refer to our website at <http://www.swf.usace.army.mil/Missions/Regulatory> or contact Ms. Katie Roeder at the address above or telephone (817) 886-1740 and refer to your assigned project number. Please note that it is unlawful to start work without a Department of the Army permit if one is required.

Please help the regulatory program improve its service by completing the survey on the following website: http://corpsmapu.usace.army.mil/cm_apex/f?p=regulatory_survey

Stephen L Brooks
Chief, Regulatory Division

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix M:

- Inventory of Historic Track Structures

Docket No. AB-1272X, Central Texas & Colorado River Railway, LLC—Proposed Abandonment—In McCulloch, San-Saba, Mills, and Bridge Inventory

Line/Subdivision	Bridge Number	Section Number	Mile Post	Town/Station	State	Super Structure Type	Sub Structure Type	NO Spans	NO Tracks	Section Length	Avg. Span Length	Max. Height Est.	Deck Type	Year Const.	Feature Crossed	Latitude Longitude
Main Line	1.2	1	1.2	Lometa	TX	Rail Span	Timber	13	1	182	14	43	Open		Ditch	N 31 14.040 W 98 24.180
Main Line	2.0	1	2.0	Lometa	TX	ODPT	Timber	6	1	84	14	16	Open		Ditch	N 31 14.640 W 98 24.600
Main Line	2.3	1	2.3	Lometa	TX	Rail Span	Timber	4	1	56	14	15	Open		Ditch	N 31 14.700 W 98 24.960
Main Line	2.6	1	2.6	Lometa	TX	Rail Span	Timber	5	1	70	14	16	Open		Ditch	N 31 14.700 W 98 25.260
Main Line	3.2	1	3.2	Lometa	TX	ODPT	Timber	7	1	84	12	23	Open		Ditch	N 31 14.580 W 98 25.740
Main Line	3.7	1	3.7	Lometa	TX	Rail Span	Timber	4	1	56	14	12	Open		Ditch	N 31 14.340 W 98 26.280
Main Line	4.5	1	4.5	Lometa	TX	Archway	Concrete	1	1	6	6	7	Ballast		Cattle Pass	N 31 14.040 W 98 26.940
Main Line	5.9	1	5.9	Lometa	TX	Rail Span	Timber	5	1	70	14	13	Open		Ditch	N 31 14.400 W 98 28.260
Main Line	6.8	1	6.8	Lometa	TX	Rail Span	Timber	8	1	112	14	24	Open		Creek	N 31 14.880 W 98 28.800
Main Line	7.8	1	7.8	Lometa	TX	Rail Span	Timber	26	1	364	14	32	Open		Creek	N 31 15.720 W 98 28.860
Main Line	8.1	1	8.1	Lometa	TX	Rail Span	Timber	7	1	98	14	0	Open		Ditch	N 31 15.960 W 98 28.980
Main Line	8.6	1	8.6	Lometa	TX	Rail Span	Timber	6	1	84	14	18	Open		Ditch	N 31 15.960 W 98 29.520
Main Line	9.2	1	9.2	Lometa	TX	Beam Span	Steel	15	1	210	14	20	Open	2008	Pasture	N 31 15.840 W 98 30.060
Main Line	9.6	1	9.6	Lometa	TX	ODPT	Timber	5	1	70	14	13	Open		Ditch	N 31 15.720 W 98 30.420
Main Line	13.3	1	13.3	Lometa	TX	Archway	Concrete	1	1	4	4	6	Ballast		Ditch	N 31 14.160 W 98 33.300
Main Line	13.7	4	13.7	San Saba	TX	Concrete Tubs	Steel	23	1	700	30	60	Ballast	2014- 2015	Colorado River	N 31 14.100 W 98 33.720
Main Line	14.4	1	14.4	San Saba	TX	ODPT	Timber	7	1	98	14	19	Open		Dry Creek Bed	N 31 14.160 W 98 34.380
Main Line	15.1	1	15.1	San Saba	TX	Wooden Box Culvert		2	1	10	5	5	Ballast		Ditch	N 31 13.800 W 98 34.860
Main Line	15.5	1	15.5	San Saba	TX	Archway	Concrete	1	1	4	4	6	Ballast		Cattle Pass	N 31 13.740 W 98 35.280
Main Line	15.9	1	15.9	San Saba	TX	Archway	Concrete	1	1	6	6	7	Ballast		Ditch	N 31 13.680 W 98 35.640
Main Line	16.4	1	16.4	San Saba	TX	Beam Span/Rail Span	Steel	6	1	84	14	13	Ballast		Dry Creek Bed	N 31 13.560 W 98 36.000
Main Line	16.7	1	16.7	San Saba	TX	Archway	Concrete	1	1	8	8	9	Ballast		Cattle Pass	N 31 13.620 W 98 36.300
Main Line	17.2	1	17.2	San Saba	TX	Archway	Concrete	1	1	6	6	6	Ballast		Cattle Pass	N 31 13.860 W 98 36.720
Main Line	17.7	1	17.7	San Saba	TX	ODPT	Timber	3	1	42	14	8.5	Open		Farm Trail	N 31 14.040 W 98 37.260
Main Line	18.1	1	18.1	San Saba	TX	Archway	Concrete	1	1	4	4	5	Ballast		Cattle Pass	N 31 13.800 W 98 37.680
Main Line	18.4	1	18.4	San Saba	TX	ODPT	Timber	7	1	98	14	12	Open		County Road 128	N 31 13.680 W 98 37.740
Main Line	19.2	1	19.2	San Saba	TX	ODPT	Timber	3	1	42	14	3	Open		Ditch	N 31 13.200 W 98 38.400
Main Line	19.9	1	19.9	San Saba	TX	ODPT	Timber	8	1	112	14	12.5	Open		Ditch	N 31 12.900 W 98 38.940

Main Line	21.5	1	21.5	San Saba	TX	ODPT	Timber	7	1	98	14	15	Open		Ditch	N 31 12.120 W 98 40.260
Main Line	21.7	1	21.7	San Saba	TX	ODPT	Timber	22	1	308	14	32	Open		Ditch	N 31 12.120 W 98 40.500
Main Line	23.3	1	23.3	San Saba	WI	Archway	Concrete	1	1	6	6	7	Ballast		Ditch	N 31 11.820 W 98 42.120
Main Line	23.5	1	23.5	San Saba	TX	ODPT/ODFT	Timber	9	1	126	14	18	Open		Road	N 31 11.820 W 98 42.160
Main Line	23.8	1	23.8	San Saba	TX	ODPT	Timber	12	1	168	14	29	Open		San Saba River	N 31 11.880 W 98 42.660
Main Line	24.2	3	24.2	San Saba	TX	ODPT	Timber	2	1	28	14	9	Open		N. Live Oak Street	N 31 11.880 W 98 42.960
Main Line	24.3	1	24.3	San Saba	TX	Beam Span	Concrete/ Timber	2	1	60	30	16	Open		North High Street	N 31 11.940 W 98 43.080
Main Line	25.4	1	25.4	San Saba	TX	ODPT	Timber	8	1	112	14	10	Open		Chim Creek Road	N 31 12.060 W 98 44.220
Main Line	26.4	1	26.4	San Saba	TX	ODPT	Timber	5	1	70	14	8	Open		Ditch	N 31 12.240 W 98 45.240
Main Line	27.1	1	27.1	San Saba	TX	ODPT	Timber	4	1	56	14	8.5	Open		Ditch	N 31 12.300 W 98 45.840
Main Line	27.3	1	27.3	San Saba	TX	ODPT	Timber	12	1	168	14	12	Open		Ditch	N 31 12.360 W 98 46.140
Main Line	28.4	1	28.4	San Saba	TX	ODPT	Timber	36	1	504	14	20	Open		Ditch	N 31 12.540 W 98 47.220
Main Line	29.1	3	29.1	San Saba	TX	ODPT	Timber	49	1	686	14	18	Open		San Saba River	N 31 12.660 W 98 47.940
Main Line	29.5	1	29.5	San Saba	TX	ODPT	Timber	15	1	210	14	13	Open		Pasture	N 31 12.840 W 98 48.300
Main Line	30.8	1	30.8	San Saba	TX	ODPT	Timber	19	1	266	14	20	Open	1929	Ditch	N 31 13.080 W 98 49.500
Main Line	31.4	1	31.4	San Saba	TX	ODPT	Timber	4	1	56	14	4	Open		Ditch	N 31 13.260 W 98 50.100
Main Line	33.4	1	33.4	Richland Springs	TX	ODPT	Timber	3	1	42	14	2	Open		Creek	N 31 13.740 W 98 52.020
Main Line	34.3	1	34.3	Richland Springs	TX	Archway	Concrete	1	1	6	6	7	Ballast		Cattle Pass	N 31 14.040 W 98 52.920
Main Line	35.2	1	35.2	Richland Springs	TX	ODPT	Timber	8	1	112	14	16	Open		Ditch	N 31 14.340 W 98 53.700
Main Line	35.9	1	35.9	Richland Springs	TX	ODPT	Timber	5	1	70	14	10	Open		Ditch	N 31 14.700 W 98 54.360
Main Line	36.3	1	36.3	Richland Springs	TX	ODPT	Timber	9	1	126	14	24	Open		Ditch	N 31 14.520 W 98 54.720
Main Line	36.5	1	36.5	Richland Springs	TX	ODPT/Beam Span	Timber	6	1	84	14	15	Open	1924	Farm Road	N 31 15.000 W 98 54.900
Main Line	37.15	1	37.15	Richland Springs	TX	Wooden Box Culvert		3	1	15	5	2.5	Ballast		Ditch	N 31 15.300 W 98 55.380
Main Line	38.1	1	38.1	Richland Springs	TX	Wooden Box Culvert		3	1	15	5	3	Ballast		Ditch	N 31 16.020 W 98 55.920
Main Line	38.8	1	38.8	Richland Springs	TX	Rail Span	Timber/ Steel	10	1	140	14	12	Open		Ditch	N 31 16.320 W 98 56.520
Main Line	39.2	1	39.2	Richland Springs	TX	ODPT	Timber	4	1	56	14	5	Open		Ditch	N 31 16.500 W 98 56.880
Main Line	39.8	1	39.8	Richland Springs	TX	ODPT	Timber	4	1	56	14	1.5	Open		Ditch	N 31 16.860 W 98 57.360
Main Line	40.4	1	40.4	Richland Springs	TX	ODPT	Timber	7	1	98	14	10	Open		Ditch	N 31 17.040 W 98 57.900
Main Line	40.8	1	40.8	Richland Springs	TX	Wooden Box Culvert		2	1	10	5	4	Ballast		Ditch	N 31 17.040 W 98 58.200
Main Line	41.2	1	41.2	Richland Springs	TX	ODPT	Timber	6	1	84	14	14	Open		Ditch	N 31 17.160 W 98 58.620
Main Line	41.4	1	41.4	Richland Springs	TX	ODPT	Timber	4	1	56	14	10	Open		Ditch	N 31 17.280 W 98 58.800
Main Line	41.7	1	41.7	Richland Springs	TX	ODPT	Timber	12	1	168	14	12	Open		Ditch	N 31 17.400 W 98 59.040
Main Line	42.4	1	42.4	Richland Springs	TX	Wooden Box Culvert		2	1	10	5	3	Ballast		Ditch	N 31 17.520 W 98 59.700

Main Line	43.0	1	43.0	Richland Springs	TX	ODPT	Timber	5	1	70	14	5.5	Open		Ditch	N 31 17.460 W 99 0.300
Main Line	43.6	1	43.6	Richland Springs	TX	Rail Span	Timber/ Steel	15	1	210	14	10	Open	1925	Ditch	N 31 17.340 W 99 0.960
Main Line	44.0	1	44.0	Richland Springs	TX	ODPT	Timber	4	1	56	14	7	Open		Ditch	N 31 17.280 W 99 1.320
Main Line	44.4	3	44.4	Richland Springs	TX	ODPT	Timber	8	1	112	14	17	Open		Ditch	N 31 17.280 W 99 1.800
Main Line	44.7	1	44.7	Richland Springs	TX	Wooden Box Culvert		2	1	10	5	3	Ballast		Ditch	N 31 17.340 W 99 2.040
Main Line	45.0	1	45.0	Richland Springs	TX	ODPT	Timber	5	1	70	14	9	Open	1932	Ditch	N 31 17.340 W 99 2.340
Main Line	45.5	1	45.5	Richland Springs	TX	ODPT	Timber	10	1	140	14	17	Open		Ditch	N 31 17.220 W 99 2.820
Main Line	45.7	1	45.7	Richland Springs	TX	ODPT	Timber	6	1	84	14	9	Open		Ditch	N 31 17.160 W 99 3.000
Main Line	46.3	1	46.3	Richland Springs	TX	ODPT	Timber	4	1	70	14	6	Open		Ditch	N 31 16.920 W 99 3.600
Main Line	46.9	1	46.9	Richland Springs	TX	Rail Span	Timber	13	1	182	14	21	Open		Pasture	N 31 16.740 W 99 4.140
Main Line	47.3	1	47.3	Richland Springs	TX	ODPT	Timber	3	1	42	14	9	Open		Ditch	N 31 16.500 W 99 4.440
Main Line	48.6	1	48.6	Richland Springs	TX	ODPT	Timber	11	1	154	14	12	Open		Ditch	N 31 15.720 W 99 5.400
Main Line	49.2	1	49.2	Richland Springs	TX	ODPT	Timber	4	1	56	14	6	Open		Ditch	N 31 15.420 W 99 5.760
Main Line	49.7	1	49.7	Richland Springs	TX	Wooden Box Culvert		3	1	15	5	4	Ballast		Ditch	N 31 15.060 W 99 6.300
Main Line	50.3	1	50.3	East Sweden	TX	Rail Span	Timber	6	1	84	14	11	Open	1966	Creek	N 31 14.700 W 99 6.660
Main Line	51.2	1	51.2	East Sweden	TX	ODFT	Timber	8	1	112	14	9	Open	1933	Pasture	N 31 14.160 W 99 7.200
Main Line	51.9	1	51.9	East Sweden	TX	ODPT	Timber	4	1	56	14	8	Open		Pasture	N 31 16.680 W 99 7.680
Main Line	52.9	1	52.9	East Sweden	TX	ODPT/ODFT	Timber	5	1	70	14	10	Open		Pasture	N 31 13.140 W 99 8.520
Main Line	53.1	1	53.1	East Sweden	TX	Wooden Box Culvert		2	1	8	4	4	Ballast		Ditch	N 31 13.080 W 99 8.700
Main Line	53.5	1	53.5	East Sweden	TX	Wood Box Culvert		2	1	8	4	4	Ballast		Ditch	N 31 12.960 W 99 9.120
Main Line	54.6	1	54.6	East Sweden	TX	ODPT	Timber	12	1	168	14	11	Open	1935	Pasture	N 31 12.540 W 99 10.080
Main Line	55.7	1	55.7	East Sweden	TX	ODPT	Timber	12	1	168	14	16	Open	1934	Pasture	N 31 12.420 W 99 11.100
Main Line	56.7	1	56.7	East Sweden	TX	ODFT	Timber	4	1	56	14	6	Open	1933	Ditch	N 31 11.880 W 99 11.880
Main Line	58.5	1	58.5	East Sweden	TX	Beam Span	Timber	7	1	98	14	10.5	Open		Pasture	N 31 10.920 W 99 13.380
Main Line	59.1	1	59.1	East Sweden	TX	ODPT	Timber	14	1	196	14	16	Open	1925	Pasture	N 31 10.680 W 99 13.800
Main Line	59.3	1	59.3	East Sweden	TX	ODPT/ODFT	Timber	11	1	154	14	12	Open		Pasture	N 31 10.560 W 99 14.100
Main Line	59.7	1	59.7	East Sweden	TX	ODPT	Timber	6	1	84	14	6	Open		Farm Road	N 31 10.440 W 99 14.400
Main Line	61.3	1	61.3	East Sweden	TX	ODPT	Timber	6	1	84	14	9	Open		Ditch	N 31 9.720 W 99 15.840
Main Line	61.9	1	61.9	East Sweden	TX	ODPT	Timber	7	1	98	14	7	Open		Ditch	N 31 9.480 W 99 16.260
Main Line	62.5	1	62.5	East Sweden	TX	ODPT	Timber	5	1	70	14	9	Open		Ditch	N 31 9.180 W 99 16.860
Main Line	64.0	1	64.0	Brady	TX	ODPT	Timber	4	1	56	14	6	Open		Ditch	N 31 8.580 W 99 18.180
Main Line	65.0	1	65.0	Brady	TX	ODPT/ODFT	Timber	6	1	84	14	15	Open		Ditch	N 31 8.400 W 99 19.140
Main Line	65.4	1	65.4	Brady	TX	ODPT	Timber	10	1	140	14	34	Open		Ditch	N 31 8.340 W 99 19.620

Main Line	66.4 Main	1	66.4	Brady	TX	ODPT	Timber	11	1	154	14	30	Open		Ditch	N 31 8.340 W 99 20.520
Main Line	66.4 Siding	1	66.4	Brady	TX	ODPT	Timber	11	1	154	14	27	Open		Ditch	N 31 8.340 W 99 20.520
Sandhole Spur	0.2	1	0.2	Brady	TX	ODPT	Timber	10	1	140	14	25	Open		Ditch	N 31 8.340 W 99 19.620
Sandhole Spur	0.4	1	0.4	Brady	TX	ODPT	Timber	6	1	78	13	30	Open	1951	Road	N 31 8.100 W 99 19.500
Sandhole Spur	0.4	2	0.4	Brady	TX	DPG	Concrete	2	1	190	95	30	Open		Highway and River	N 31 8.100 W 99 19.500
Sandhole Spur	0.4	3	0.4	Brady	TX	ODPT	Timber	4	1	52	13	30	Open		Water	N 31 8.100 W 99 19.500
Sandhole Spur	Haller Phillips	1	1.0	Brady	TX	ODPT	Timber	1	1	11	11	2	Open		Ditch	N 31 7.860 W 99 19.500
Sandhole Spur	11th Street	1	2.0	Brady	TX	ODPT/Beam Span	Timber	7	1	91	13	15	Open		Ditch	N 31 7.260 W 99 19.500
Sandhole Spur (Out of Service)	3.5	1	3.5	Brady	TX	ODPT	Timber	8	1	112	14	15	Open		Stream	N 31 6.3383 W 99 19.4499

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix N:

- Texas Historical Commission Correspondence

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

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May 31, 2019

VIA EMAIL AND U.S. MAIL

Mr. Justin Kockritz
Lead Project Reviewer
Texas Historical Commission
P.O. Box 12276
Austin, TX 78711
Justin.Kockritz@thc.texas.gov

Re: **Docket No. AB-1272X**
Central Texas & Colorado River Railway, LLC—Proposed
Abandonment—In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Mr. Kockritz:

Central Texas & Colorado River Railway, LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("the Board") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). A map showing the location of the Line is enclosed for your reference.

In accordance with the Board's environmental and historic preservation regulations, 49 C.F.R. § 1105.8, we are advising you of the proposed abandonment of the Line so that you may determine whether this action will have any effect on any historic structures or sites. Attached is an inventory of bridges based on information within CTXR's possession. There appears to be one building erected more than 50 years ago: 504 N Bridge Street, Brady, Texas, 76925; photos are enclosed.

We would appreciate your review of the proposed action and provision of any comments you may have in a written response as soon as possible. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTXR.

FLETCHER & SIPPEL LLC

Mr. Justin Kockritz
May 31, 2019
Page 2

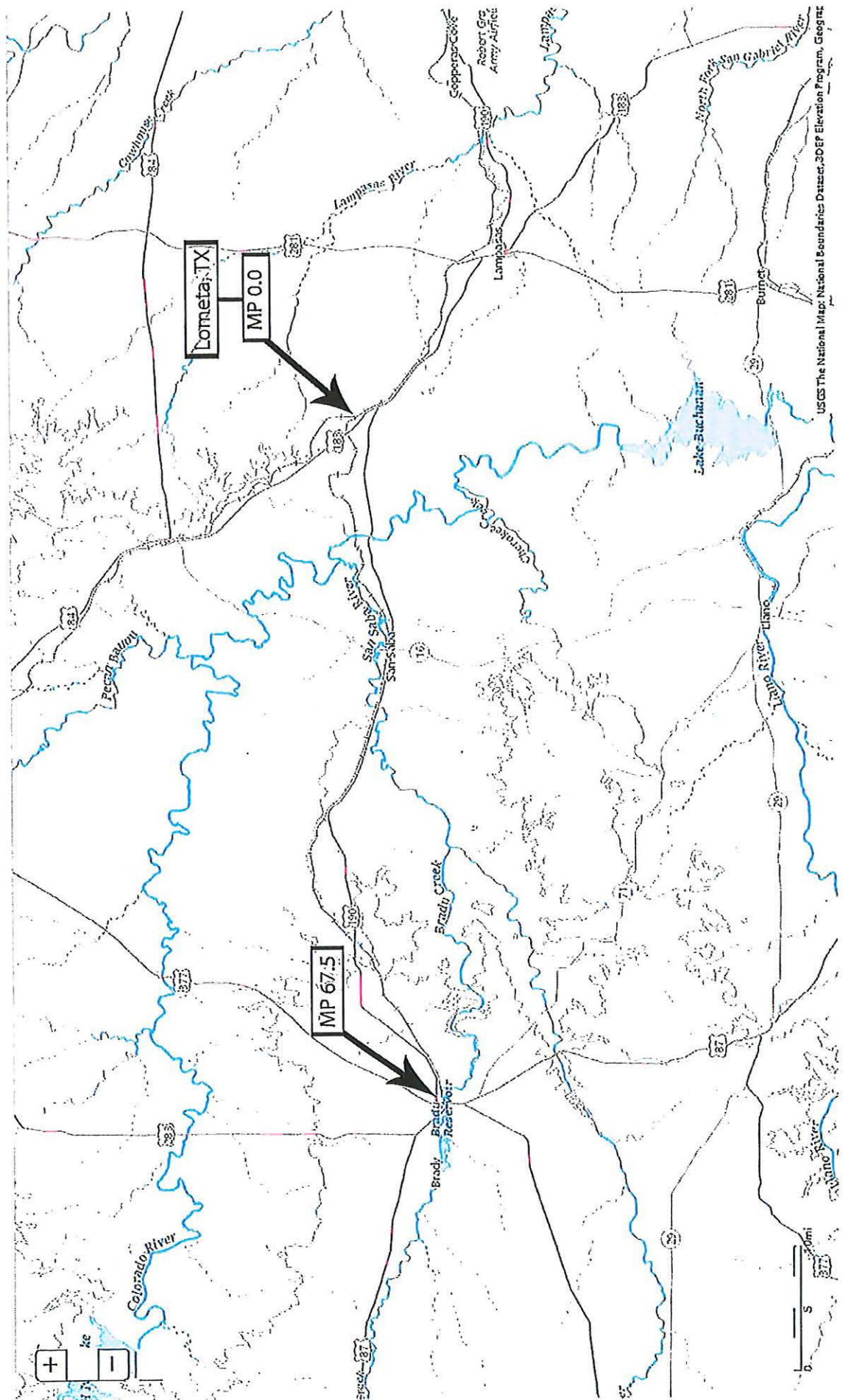
In accordance with the Board's regulations, a copy of the Environmental/Historic Report prepared in connection with this abandonment will be forwarded to you at least twenty days before CTR's petition for exemption is filed at the Board. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance on this matter.

Very truly yours,


Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

Enclosures

Docket No. AB – 1272X
 Central Texas & Colorado River Railway, LLC
 - Proposed Abandonment -
 In McCulloch, San Saba, Mills and Lampasas Counties, Texas.



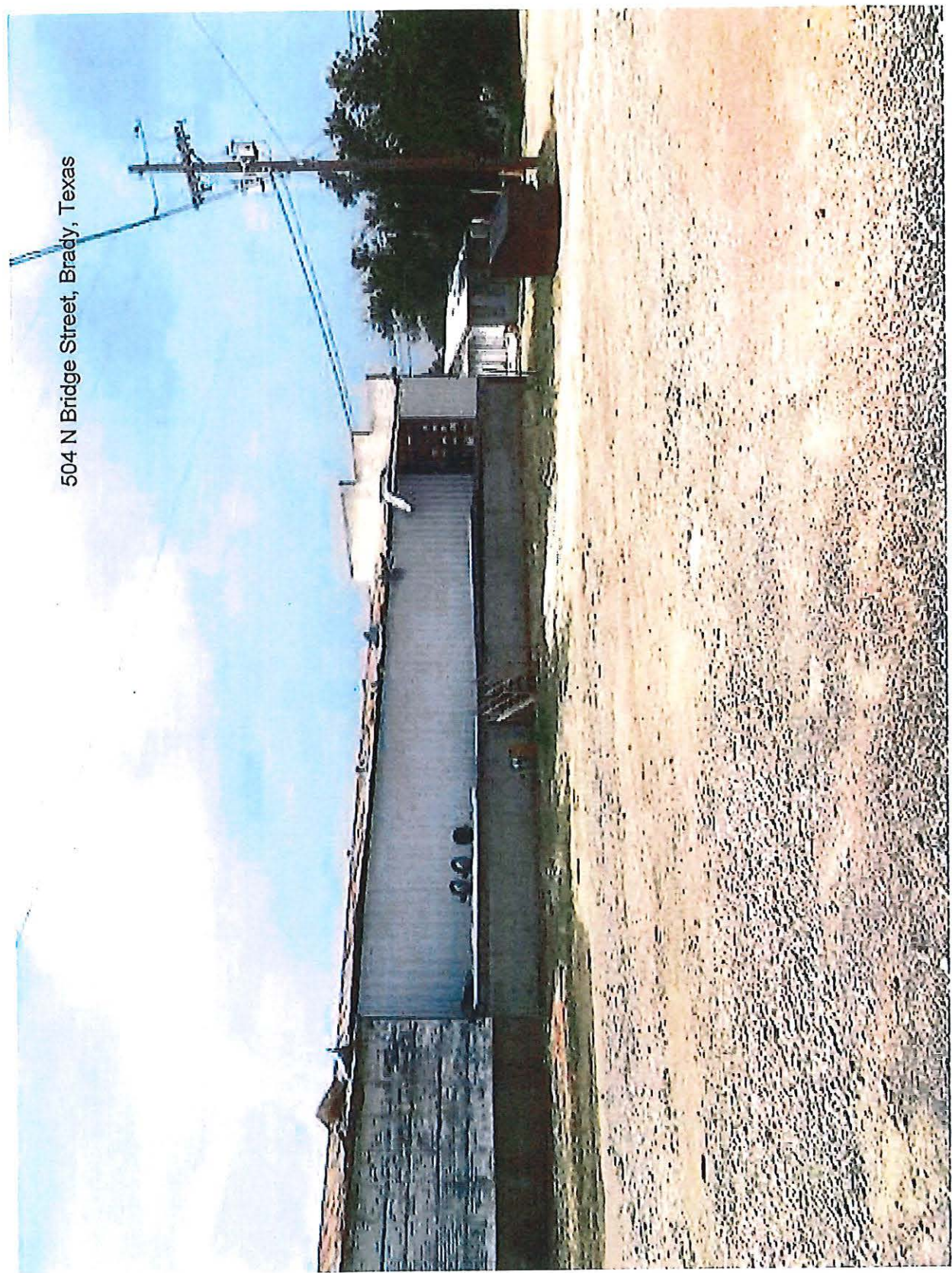
Docket No. AB-1272X, Central Texas & Colorado River Railway, LLC—Proposed Abandonment—In McCulloch, San-Saba, Mills, and Bridge Inventory

Line/Subdivision	Bridge Number	Section Number	Mile Post	Town/Station	State	Super Structure Type	Sub Structure Type	NO Spans	NO Tracks	Section Length	Avg. Span Length	Max. Height Est.	Deck Type	Year Const.	Feature Crossed	Latitude Longitude
Main Line	1.2	1	1.2	Lometa	TX	Rail Span	Timber	13	1	182	14	43	Open		Ditch	N 31 14,040 W 98 24 180
Main Line	2.0	1	2.0	Lometa	TX	ODPT	Timber	6	1	84	14	16	Open		Ditch	N 31 14,640 W 98 24 600
Main Line	2.3	1	2.3	Lometa	TX	Rail Span	Timber	4	1	56	14	15	Open		Ditch	N 31 14,700 W 98 24 960
Main Line	2.6	1	2.6	Lometa	TX	Rail Span	Timber	5	1	70	14	16	Open		Ditch	N 31 14,700 W 98 25 240
Main Line	3.2	1	3.2	Lometa	TX	ODPT	Timber	7	1	84	12	23	Open		Ditch	N 31 14,580 W 98 25 720
Main Line	3.7	1	3.7	Lometa	TX	Rail Span	Timber	4	1	56	14	12	Open		Ditch	N 31 14,540 W 98 26 280
Main Line	4.5	1	4.5	Lometa	TX	Archway	Concrete	1	1	6	6	7	Ballast		Cattle Pass	N 31 14,040 W 98 26 960
Main Line	5.9	1	5.9	Lometa	TX	Rail Span	Timber	5	1	70	14	13	Open		Ditch	N 31 14,400 W 98 28 260
Main Line	6.8	1	6.8	Lometa	TX	Rail Span	Timber	8	1	112	14	24	Open		Creek	N 31 14,580 W 98 28 800
Main Line	7.8	1	7.8	Lometa	TX	Rail Span	Timber	26	1	364	14	32	Open		Creek	N 31 15,720 W 98 28 860
Main Line	8.1	1	8.1	Lometa	TX	Rail Span	Timber	7	1	98	14	0	Open		Ditch	N 31 15,960 W 98 28 980
Main Line	8.6	1	8.6	Lometa	TX	Rail Span	Timber	6	1	84	14	18	Open		Ditch	N 31 15,960 W 98 29 520
Main Line	9.2	1	9.2	Lometa	TX	Beam Span	Steel	15	1	210	14	20	Open	2008	Pasture	N 31 15,840 W 98 30 060
Main Line	9.6	1	9.6	Lometa	TX	ODPT	Timber	5	1	70	14	13	Open		Ditch	N 31 15,720 W 98 30 420
Main Line	13.3	1	13.3	Lometa	TX	Archway	Concrete	1	1	4	4	6	Ballast		Ditch	N 31 14,160 W 98 33 300
Main Line	13.7	4	13.7	San Saba	TX	Concrete Tubs	Steel	23	1	700	30	60	Ballast	2014-2015	Colorado River	N 31 14,100 W 98 33 720
Main Line	14.4	1	14.4	San Saba	TX	ODPT	Timber	7	1	98	14	19	Open		Dry Creek Bed	N 31 14,160 W 98 34 380
Main Line	15.1	1	15.1	San Saba	TX	Wooden Box Culvert		2	1	10	5	5	Ballast		Ditch	N 31 13,500 W 98 34 860
Main Line	15.5	1	15.5	San Saba	TX	Archway	Concrete	1	1	4	4	6	Ballast		Cattle Pass	N 31 13,740 W 98 35 280
Main Line	15.9	1	15.9	San Saba	TX	Archway	Concrete	1	1	6	6	7	Ballast		Ditch	N 31 13,680 W 98 35 640
Main Line	16.4	1	16.4	San Saba	TX	Beam Span/Rail Span	Steel	6	1	84	14	13	Ballast		Dry Creek Bed	N 31 13,560 W 98 36,000
Main Line	16.7	1	16.7	San Saba	TX	Archway	Concrete	1	1	8	8	9	Ballast		Cattle Pass	N 31 13,620 W 98 36 300
Main Line	17.2	1	17.2	San Saba	TX	Archway	Concrete	1	1	6	6	6	Ballast		Cattle Pass	N 31 13,560 W 98 36 720
Main Line	17.7	1	17.7	San Saba	TX	ODPT	Timber	3	1	42	14	8.5	Open		Farm Trail	N 31 14,040 W 98 37 260
Main Line	18.1	1	18.1	San Saba	TX	Archway	Concrete	1	1	4	4	5	Ballast		Cattle Pass	N 31 13,800 W 98 37 680
Main Line	18.4	1	18.4	San Saba	TX	ODPT	Timber	7	1	98	14	12	Open		County Road 128	N 31 13,680 W 98 37 740
Main Line	19.2	1	19.2	San Saba	TX	ODPT	Timber	3	1	42	14	3	Open		Ditch	N 31 13,200 W 98 38 400
Main Line	19.9	1	19.9	San Saba	TX	ODPT	Timber	8	1	112	14	12.5	Open		Ditch	N 31 12,900 W 98 38 940

Main Line	21.5	1	21.5	San Saba	TX	ODPT	Timber	7	1	98	14	15	Open		Ditch	N 31 12.120 W 98 40.260
Main Line	21.7	1	21.7	San Saba	TX	ODPT	Timber	22	1	308	14	32	Open		Ditch	N 31 12.120 W 98 40.500
Main Line	23.3	1	23.3	San Saba	WI	Archway	Concrete	1	1	6	6	7	Ballast		Ditch	N 31 11.820 W 98 42.120
Main Line	23.5	1	23.5	San Saba	TX	ODPT/ODFT	Timber	9	1	126	14	18	Open		Road	N 31 11.820 W 98 42.360
Main Line	23.8	1	23.8	San Saba	TX	ODPT	Timber	12	1	168	14	29	Open		San Saba River	N 31 11.880 W 98 42.660
Main Line	24.2	3	24.2	San Saba	TX	ODPT	Timber	2	1	28	14	9	Open		N. Live Oak Street	N 31 11.880 W 98 42.960
Main Line	24.3	1	24.3	San Saba	TX	Beam Span	Concrete/ Timber	2	1	60	30	16	Open		North High Street	N 31 11.940 W 98 43.080
Main Line	25.4	1	25.4	San Saba	TX	ODPT	Timber	8	1	112	14	10	Open		China Creek Road	N 31 12.060 W 98 44.720
Main Line	26.4	1	26.4	San Saba	TX	ODPT	Timber	5	1	70	14	8	Open		Ditch	N 31 12.240 W 98 45.240
Main Line	27.1	1	27.1	San Saba	TX	ODPT	Timber	4	1	56	14	8.5	Open		Ditch	N 31 12.300 W 98 45.840
Main Line	27.3	1	27.3	San Saba	TX	ODPT	Timber	12	1	168	14	12	Open		Ditch	N 31 12.360 W 98 46.120
Main Line	28.4	1	28.4	San Saba	TX	ODPT	Timber	36	1	504	14	20	Open		Ditch	N 31 12.540 W 98 47.720
Main Line	29.1	3	29.1	San Saba	TX	ODPT	Timber	49	1	686	14	18	Open		San Saba River	N 31 12.660 W 98 47.940
Main Line	29.5	1	29.5	San Saba	TX	ODPT	Timber	15	1	210	14	13	Open		Pasture	N 31 12.840 W 98 48.300
Main Line	30.8	1	30.8	San Saba	TX	ODPT	Timber	19	1	266	14	20	Open	1929	Ditch	N 31 13.080 W 98 49.500
Main Line	31.4	1	31.4	San Saba	TX	ODPT	Timber	4	1	56	14	4	Open		Ditch	N 31 13.260 W 98 50.100
Main Line	33.4	1	33.4	Richland Springs	TX	ODPT	Timber	3	1	42	14	2	Open		Creek	N 31 13.740 W 98 52.020
Main Line	34.3	1	34.3	Richland Springs	TX	Archway	Concrete	1	1	6	6	7	Ballast		Cattle Pass	N 31 14.040 W 98 52.920
Main Line	35.2	1	35.2	Richland Springs	TX	ODPT	Timber	8	1	112	14	16	Open		Ditch	N 31 14.340 W 98 53.700
Main Line	35.9	1	35.9	Richland Springs	TX	ODPT	Timber	5	1	70	14	10	Open		Ditch	N 31 14.700 W 98 54.360
Main Line	36.3	1	36.3	Richland Springs	TX	ODPT	Timber	9	1	126	14	24	Open		Ditch	N 31 14.820 W 98 54.720
Main Line	36.5	1	36.5	Richland Springs	TX	ODPT/Beam Span	Timber	6	1	84	14	15	Open	1924	Farm Road	N 31 15.000 W 98 54.900
Main Line	37.15	1	37.15	Richland Springs	TX	Wooden Box Culvert		3	1	15	5	2.5	Ballast		Ditch	N 31 15.300 W 98 55.380
Main Line	38.1	1	38.1	Richland Springs	TX	Wooden Box Culvert		3	1	15	5	3	Ballast		Ditch	N 31 16.020 W 98 56.920
Main Line	38.8	1	38.8	Richland Springs	TX	Rail Span	Timber/ Steel	10	1	140	14	12	Open		Ditch	N 31 16.320 W 98 56.520
Main Line	39.2	1	39.2	Richland Springs	TX	ODPT	Timber	4	1	56	14	5	Open		Ditch	N 31 16.500 W 98 56.880
Main Line	39.8	1	39.8	Richland Springs	TX	ODPT	Timber	4	1	56	14	1.5	Open		Ditch	N 31 16.860 W 98 57.360
Main Line	40.4	1	40.4	Richland Springs	TX	ODPT	Timber	7	1	98	14	10	Open		Ditch	N 31 17.040 W 98 57.600
Main Line	40.8	1	40.8	Richland Springs	TX	Wooden Box Culvert		2	1	10	5	4	Ballast		Ditch	N 31 17.040 W 98 58.200
Main Line	41.2	1	41.2	Richland Springs	TX	ODPT	Timber	6	1	84	14	14	Open		Ditch	N 31 17.160 W 98 58.620
Main Line	41.4	1	41.4	Richland Springs	TX	ODPT	Timber	4	1	56	14	10	Open		Ditch	N 31 17.280 W 98 58.800
Main Line	41.7	1	41.7	Richland Springs	TX	ODPT	Timber	12	1	168	14	12	Open		Ditch	N 31 17.400 W 98 59.040
Main Line	42.4	1	42.4	Richland Springs	TX	Wooden Box Culvert		2	1	10	5	3	Ballast		Ditch	N 31 17.520 W 98 59.700

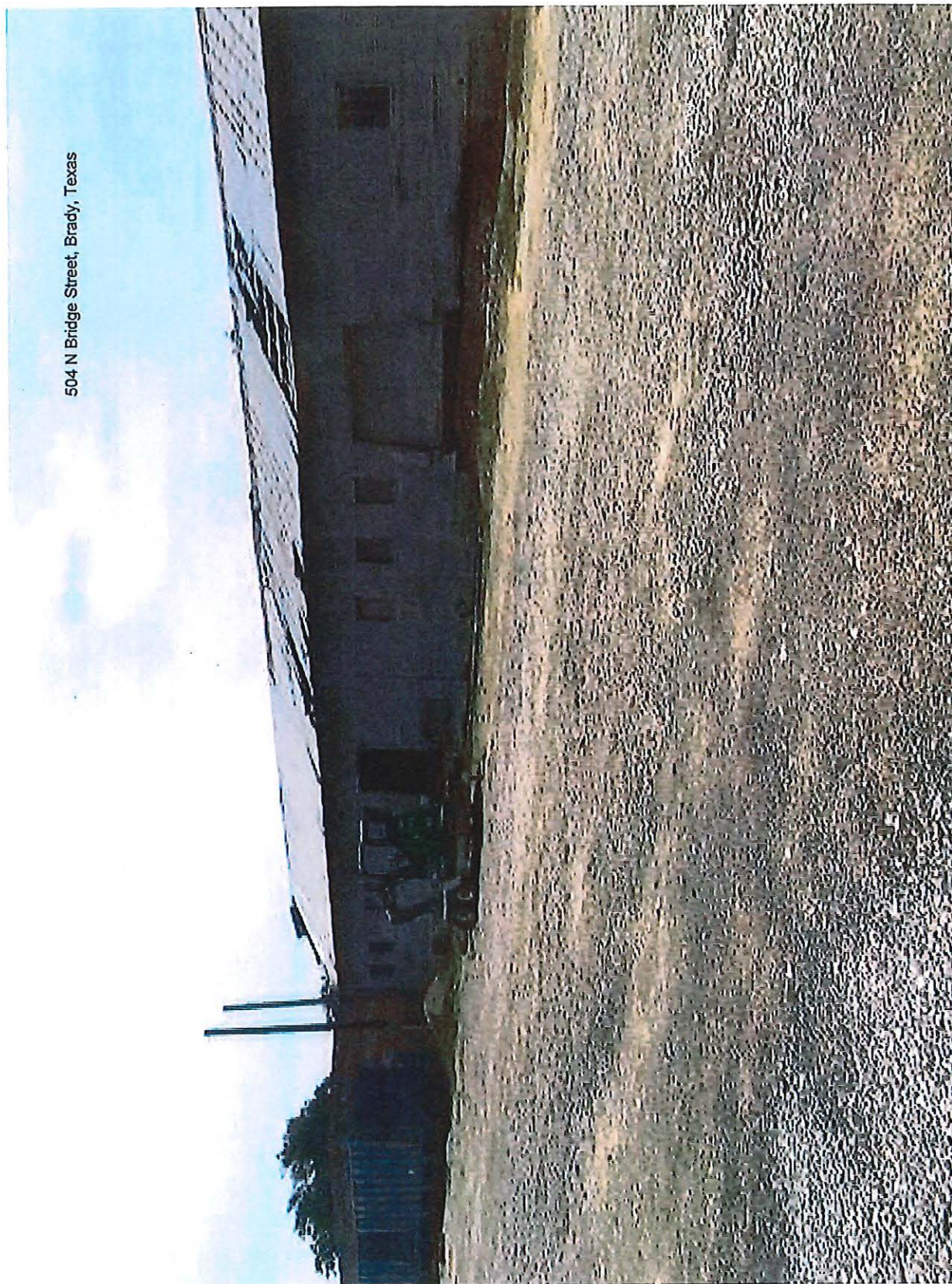
Main Line	43.0	1	43.0	Richland Springs	TX	ODPT	Timber	5	1	70	14	5.5	Open		Ditch	N 31 17,460 W 00 0.300
Main Line	43.6	1	43.6	Richland Springs	TX	Rail Span	Timber/ Steel	15	1	210	14	10	Open	1925	Ditch	N 31 17,540 W 00 0.060
Main Line	44.0	1	44.0	Richland Springs	TX	ODPT	Timber	4	1	56	14	7	Open		Ditch	N 31 17,280 W 00 1.520
Main Line	44.4	3	44.4	Richland Springs	TX	ODPT	Timber	8	1	112	14	17	Open		Ditch	N 31 17,280 W 00 1.800
Main Line	44.7	1	44.7	Richland Springs	TX	Wooden Box Culvert		2	1	10	5	3	Ballast		Ditch	N 31 17,340 W 00 2.040
Main Line	45.0	1	45.0	Richland Springs	TX	ODPT	Timber	5	1	70	14	9	Open	1932	Ditch	N 31 17,340 W 00 2.340
Main Line	45.5	1	45.5	Richland Springs	TX	ODPT	Timber	10	1	140	14	17	Open		Ditch	N 31 17,220 W 00 2.520
Main Line	45.7	1	45.7	Richland Springs	TX	ODPT	Timber	6	1	84	14	9	Open		Ditch	N 31 17,160 W 00 3.000
Main Line	46.3	1	46.3	Richland Springs	TX	ODPT	Timber	4	1	70	14	6	Open		Ditch	N 31 16,920 W 00 3.600
Main Line	46.9	1	46.9	Richland Springs	TX	Rail Span	Timber	13	1	182	14	21	Open		Pasture	N 31 16,740 W 00 4.140
Main Line	47.3	1	47.3	Richland Springs	TX	ODPT	Timber	5	1	42	14	9	Open		Ditch	N 31 16,500 W 00 4.440
Main Line	48.6	1	48.6	Richland Springs	TX	ODPT	Timber	11	1	154	14	12	Open		Ditch	N 31 15,720 W 00 5.400
Main Line	49.2	1	49.2	Richland Springs	TX	ODPT	Timber	4	1	56	14	6	Open		Ditch	N 31 15,420 W 00 5.760
Main Line	49.7	1	49.7	Richland Springs	TX	Wooden Box Culvert		3	1	15	5	4	Ballast		Ditch	N 31 15,060 W 00 6.500
Main Line	50.3	1	50.3	East Sweden	TX	Rail Span	Timber	6	1	84	14	11	Open	1966	Creek	N 31 14,700 W 00 6.660
Main Line	51.2	1	51.2	East Sweden	TX	ODFT	Timber	8	1	112	14	9	Open	1933	Pasture	N 31 14,160 W 00 7.200
Main Line	51.9	1	51.9	East Sweden	TX	ODPT	Timber	4	1	56	14	8	Open		Pasture	N 31 16,680 W 00 7.680
Main Line	52.9	1	52.9	East Sweden	TX	ODPT/ODFT	Timber	5	1	70	14	10	Open		Pasture	N 31 13,140 W 00 8.520
Main Line	53.1	1	53.1	East Sweden	TX	Wooden Box Culvert		2	1	8	4	4	Ballast		Ditch	N 31 13,080 W 00 8.700
Main Line	53.5	1	53.5	East Sweden	TX	Wood Box Culvert		2	1	8	4	4	Ballast		Ditch	N 31 12,960 W 00 9.120
Main Line	54.6	1	54.6	East Sweden	TX	ODPT	Timber	12	1	168	14	11	Open	1935	Pasture	N 31 12,540 W 00 10.080
Main Line	55.7	1	55.7	East Sweden	TX	ODPT	Timber	12	1	168	14	16	Open	1934	Pasture	N 31 12,420 W 00 11.100
Main Line	56.7	1	56.7	East Sweden	TX	ODFT	Timber	4	1	56	14	6	Open	1933	Ditch	N 31 11,880 W 00 11.880
Main Line	58.5	1	58.5	East Sweden	TX	Beam Span	Timber	7	1	98	14	10.5	Open		Pasture	N 31 10,920 W 00 12.280
Main Line	59.1	1	59.1	East Sweden	TX	ODPT	Timber	14	1	196	14	16	Open	1925	Pasture	N 31 10,680 W 00 13.800
Main Line	59.3	1	59.3	East Sweden	TX	ODPT/ODFT	Timber	11	1	154	14	12	Open		Pasture	N 31 10,560 W 00 14.100
Main Line	59.7	1	59.7	East Sweden	TX	ODPT	Timber	6	1	84	14	6	Open		Farm Road	N 31 10,440 W 00 14.400
Main Line	61.3	1	61.3	East Sweden	TX	ODPT	Timber	6	1	84	14	9	Open		Ditch	N 31 9,720 W 00 15.840
Main Line	61.9	1	61.9	East Sweden	TX	ODPT	Timber	7	1	98	14	7	Open		Ditch	N 31 9,480 W 00 16.260
Main Line	62.5	1	62.5	East Sweden	TX	ODPT	Timber	5	1	70	14	9	Open		Ditch	N 31 9,180 W 00 16.860
Main Line	64.0	1	64.0	Brady	TX	ODPT	Timber	4	1	56	14	6	Open		Ditch	N 31 8,580 W 00 18.180
Main Line	65.0	1	65.0	Brady	TX	ODPT/ODFT	Timber	6	1	84	14	15	Open		Ditch	N 31 8,400 W 00 19.140
Main Line	65.4	1	65.4	Brady	TX	ODPT	Timber	10	1	140	14	34	Open		Ditch	N 31 8,340 W 00 19.620

Main Line	66.4 Main	1	66.4	Brady	TX	ODPT	Timber	11	1	154	14	30	Open		Ditch	N 31 S.340 W 00 20.520
Main Line	66.4 Siding	1	66.4	Brady	TX	ODPT	Timber	11	1	154	14	27	Open		Ditch	N 31 S.340 W 00 20.520
Sandhole Spur	0.2	1	0.2	Brady	TX	ODPT	Timber	10	1	140	14	25	Open		Ditch	N 31 S.340 W 00 10.620
Sandhole Spur	0.4	1	0.4	Brady	TX	ODPT	Timber	6	1	78	13	30	Open	1951	Road	N 31 S.100 W 00 10.500
Sandhole Spur	0.4	2	0.4	Brady	TX	DPG	Concrete	2	1	190	95	30	Open		Highway and River	N 31 S.100 W 00 10.500
Sandhole Spur	0.4	3	0.4	Brady	TX	ODPT	Timber	4	1	52	13	30	Open		Water	N 31 S.100 W 00 10.500
Sandhole Spur	Haller Phillips	1	1.0	Brady	TX	ODPT	Timber	1	1	11	11	2	Open		Ditch	N 31 7.860 W 00 10.500
Sandhole Spur	11th Street	1	2.0	Brady	TX	ODPT/Beam Span	Timber	7	1	91	13	15	Open		Ditch	N 31 7.260 W 00 10.500
Sandhole Spur (Out of Service)	3.5	1	3.5	Brady	TX	ODPT	Timber	8	1	112	14	15	Open		Stream	N 31 6.3383 W 00 10.4400



504 N Bridge Street, Brady, Texas

504 N Bridge Street, Brady, Texas



504 N Bridge Street, Brady, Texas





504 N Bridge Street, Brady, Texas

504 N Bridge Streete, Brady, Texas



**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**DOCKET NO. AB-1272X
CENTRAL TEXAS & COLORADO RIVER RAILWAY, LLC
– ABANDONMENT EXEMPTION –
IN MCCULLOCH, SAN SABA, MILLS AND LAMPASAS COUNTIES, TEXAS**

Appendix N-1:

- Texas Historical Commission's Official Stamped Responses

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

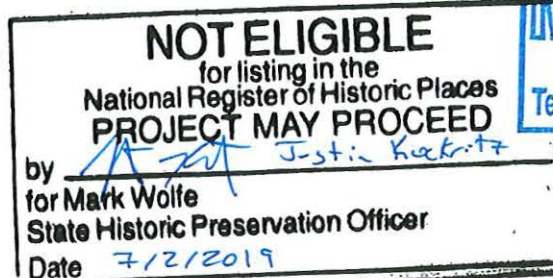
THOMAS J. HEALEY
(312) 252-1505
thealey@fletcher-sippel.com

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

May 31, 2019

VIA EMAIL AND U.S. MAIL

Mr. Justin Kockritz
Lead Project Reviewer
Texas Historical Commission
P.O. Box 12276
Austin, TX 78711
Justin.Kockritz@thc.texas.gov



Re: **Docket No. AB-1272X**
Central Texas & Colorado River Railway, LLC—Proposed
Abandonment—In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

Dear Mr. Kockritz:

Central Texas & Colorado River Railway, LLC ("CTXR") is planning to file a petition for exemption with the Surface Transportation Board ("the Board") to abandon approximately 67.5 miles of railroad from milepost 0.0 at Lometa, Texas, to milepost 67.5 at Brady, Texas ("the Line"). A map showing the location of the Line is enclosed for your reference.

In accordance with the Board's environmental and historic preservation regulations, 49 C.F.R. § 1105.8, we are advising you of the proposed abandonment of the Line so that you may determine whether this action will have any effect on any historic structures or sites. Attached is an inventory of bridges based on information within CTRX's possession. There appears to be one building erected more than 50 years ago: 504 N Bridge Street, Brady, Texas, 76925; photos are enclosed.

We would appreciate your review of the proposed action and provision of any comments you may have in a written response as soon as possible. Any written comments should reference Docket No. AB-1272X and be sent to the undersigned, as counsel for CTRX.

FLETCHER & SIPPEL LLC

Mr. Justin Kockritz
May 31, 2019
Page 2

In accordance with the Board's regulations, a copy of the Environmental/Historic Report prepared in connection with this abandonment will be forwarded to you at least twenty days before CTXR's petition for exemption is filed at the Board. If you have any questions or need additional information in the meantime, please feel free to contact me at 312-252-1500. Thank you for your assistance on this matter.

Very truly yours,


Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

Enclosures

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

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(312) 252-1505
thealey@fletcher-sippel.com

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

May 31, 2019

VIA EMAIL AND U.S. MAIL

Mr. Justin Kockritz
Lead Project Reviewer
Texas Historical Commission
P.O. Box 12276
Austin, TX 78711
Justin.Kockritz@thc.texas.gov

RECEIVED

JUN 03 2019

TEXAS HISTORICAL COMMISSION

Re: **Docket No. AB-1272X**
Central Texas & Colorado River Railway, LLC—Proposed
Abandonment—In McCulloch, San-Saba, Mills, and Lampasas
Counties, Texas

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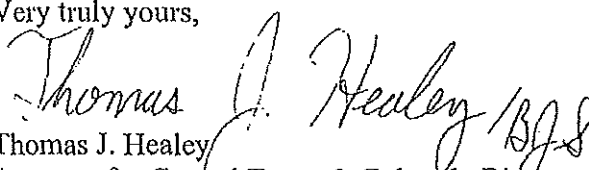
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FLETCHER & SIPPEL LLC

Mr. Justin Kockritz
May 31, 2019
Page 2

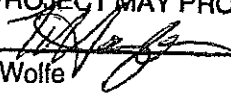
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Very truly yours,


Thomas J. Healey
Attorney for Central Texas & Colorado River
Railway, LLC

Enclosures

NO HISTORIC
PROPERTIES AFFECTED
PROJECT MAY PROCEED

By 
for Mark Wolfe
State Historic Preservation Officer
Date 6/26/19
Track # 201909189