

39042  
SEA

SERVICE DATE – MAY 30, 2008

SURFACE TRANSPORTATION BOARD

DECISION

STB Finance Docket No. 34284

SOUTHWEST GULF RAILROAD – CONSTRUCTION AND  
OPERATION EXEMPTION – IN MEDINA COUNTY, TX

Decided: May 30, 2008

**Agency:** Surface Transportation Board.

**Action:** Notice of Availability of a Final Environmental Impact Statement (FEIS).

**Summary:** On February 27, 2003, Southwest Gulf Railroad Company (SGR) filed a petition with the Surface Transportation Board (Board) pursuant to 49 U.S.C. 10502 for authority to construct and operate a rail line approximately seven miles long from a Vulcan Construction Materials, LP (VCM) proposed limestone quarry to a Union Pacific Railroad Company (UP) rail line near Dunlay, Texas. SGR proposed construction and operation of the rail line to transport limestone aggregate from VCM's proposed quarry to the UP rail line. SGR anticipates operating approximately four trains per day (comprising two inbound empty and two outbound loaded trains). Each train would consist of 100 railcars.

The Board's Section of Environmental Analysis (SEA) has prepared the FEIS pursuant to the National Environmental Policy Act of 1969 (NEPA), 42 United States Code (U.S.C.) 4231 *et seq.* Under NEPA, the Board must consider the environmental impacts of actions requiring Board authorization and complete its environmental review before making a final decision on a proposed action. SEA is the office within the Board that carries out the Board's responsibilities and related environmental laws and regulations, including the Council on Environmental Quality's (CEQ) regulations for implementing NEPA at 40 CFR Part 1500; the Board's environmental regulations at 49 CFR Part 1105; and the Section 106 National Historic Preservation Act of 1966 (NHPA) process.

**Date:** This notice is effective on May 30, 2008.

**Addresses:** Copies of the FEIS have been served on all interested parties and will be made available to additional parties upon request. The entire FEIS is also available for review on the Board's Web site ([www.stb.dot.gov](http://www.stb.dot.gov)) by clicking on the "Decisions and Notices" link, then "E-LIBRARY" and searching by the Service Date (May 30, 2008) or Docket Number (FD 34284).

Copies of the FEIS will also be available for public review at the following locations (hours vary, contact individual repositories for available times): the Hondo Public Library at

1011 19th Street, Hondo, Texas, telephone: (830) 426-5333; the Castroville Public Library, 802 London Street, Castroville, Texas, telephone: (830) 931-4095; and the San Antonio Central Library, 600 Soledad, San Antonio, Texas, telephone: (210) 207-2500.

**For Further Information Contact:** Diana Wood, Section of Environmental Analysis, Surface Transportation Board, 395 E Street, SW, Washington, DC 20423-0001, telephone (202) 245-0302, fax (202) 245-0454, or by e-mail at woodd@stb.dot.gov. Assistance for the hearing impaired is available through the Federal Information Relay Service at 1-800-877-8339.

**Supplementary Information:** SEA issued a Draft Environmental Impact Statement (DEIS) on November 5, 2004, for public review and comment. The DEIS evaluated the potential environmental impacts that could result from SGR's proposed rail line construction and operation, as well as four alternatives (including the No-Action Alternative) to SGR's Proposed Route and recommended mitigation that could be undertaken to reduce the potential impacts identified. In response to the DEIS, SEA received approximately 120 written comment letters, as well as oral comments submitted at two public meetings held in Hondo, Texas, on December 2, 2004. After carefully reviewing all comments received, as well as additional information about the project proposal submitted by SGR, SEA decided to prepare a Supplemental Draft Environmental Impact Statement (SDEIS).

The SDEIS focused on three specific matters: (1) to seek to avoid potential impacts to the historically sensitive Quihi area, it evaluated three Eastern Alternative rail routes that were not studied in detail in the DEIS and compared these three alternative routes to the four rail routes previously studied in the DEIS and to the No-Action Alternative; (2) it discussed the progress of additional historic property identification efforts following issuance of the DEIS; and (3) it provided an additional noise analysis that SEA performed based on updated operational data provided by SGR indicating that trains may operate during nighttime hours. The three eastern alternative rail routes evaluated in the SDEIS are (1) the Eastern Bypass Route, (2) the MCEAA Medina Dam Alternative, and (3) SGR's Medina Dam Modified Route. SEA also determined that a more detailed study of three rural historic landscape districts in the area (the Quihi Rural Historic District, the New Fountain Rural Historic District, and the Upper Quihi Rural Historic District) was warranted. This study was completed and included in the SDEIS. In response to the SDEIS, SEA received 237 written comments.

The FEIS provides a summary of all the comments received on the DEIS and SDEIS with SEA's corresponding responses. In response to concerns raised during the SDEIS process, the FEIS presents the Modified Eastern Bypass Route, a modification to the Eastern Bypass Route. The modification would follow the same right-of-way as the Eastern Bypass Route, but instead of bisecting the Weiblen property and Castoville West Subdivision, it would closely follow property lines to the extent practicable to minimize adverse impacts to the Weiblen and Castroville West properties, and finally connect to the Proposed Route in the southern end of the alignment before connecting to the UP main line.

SEA has concluded that the following Eastern Alternatives (the Eastern Bypass Route, the Modified Eastern Bypass Route, and the MCEAA Medina Dam Alternative) would be the environmentally preferred alignments. Should the Board authorize construction and operation of

the proposed rail line, SEA recommends that it authorize all of these routes, subject to the 91 environmental mitigation measures set out in this FEIS. These conditions, which address a number of environmental resource areas, such as groundwater; surface water and wetlands; traffic safety; noise and vibration; biological resources; air quality; land use; and historic preservation, would minimize the potential adverse environmental effects of the construction and operation of the proposal. One of the conditions requires compliance with a Programmatic Agreement, which has been signed by all the necessary parties, setting out a process for addressing potential impacts to historic sites under any of the Eastern Alternatives.

Issuance of this FEIS completes the Board's environmental review process. The Board will now make a final decision on the proposed project. In the interest of bringing this matter to closure, the Board will act as promptly as possible.

In making its final decision on the proposed project, the Board will consider the entire environmental record, including all public comments, the DEIS, the SDEIS, the FEIS, and SEA's final recommended mitigation. No project-related construction may begin until the Board's final decision has been issued and has become effective. Parties who wish to file an administrative appeal of the Board's final decision may do so in writing within 30 days from the publication of the notice of the FEIS. SEA anticipates that EPA will publish its Notice of Availability of the FEIS in the Federal Register on June 6, 2008 and that the deadline for filing administrative appeals will be July 7, 2008.

Decided: May 30, 2008.

By the Board, Victoria Rutson, Chief, Section of Environmental Analysis.

Anne K. Quinlan,  
Acting Secretary