



BRUSSELS CINCINNATI CLEVELAND COLUMBUS DAYTON NEW YORK WASHINGTON, D.C.

September 20, 2004

Via Hand Delivery

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K St., N.W.
Washington, D.C. 20423

212043
ENTERED
Office of Proceedings

SEP 20 2004

Part of
Public Record



RE: STB Finance Docket No. 34555, City of Tacoma, Department of Public Utilities, Beltline Division, dba Tacoma Rail, Tacoma Municipal Beltline or TMBL—Acquisition And Operation Exemption—Lakeview Subdivision, Quadlok-St. Clair, And Belmore-Olympia Rail Lines In Pierce And Thurston Counties, Washington

Dear Secretary Williams:

Enclosed please find the original and ten (10) copies of the Verified Notice of Exemption of City of Tacoma, Department of Public Utilities, Beltline Division, dba Tacoma Rail, Tacoma Municipal Beltline or TMBL ("TMBL") for filing in the above referenced docket. A check in the amount of \$1,400.00, made payable to the Surface Transportation Board, is also enclosed to cover the related filing fee. Please note that the Original Verified Notice of Exemption contains **color images** attached at Exhibit D.

As a courtesy, electronic copies of this filing in Microsoft Word and Adobe Acrobat are contained on the enclosed diskette.

One additional copy of this filing is enclosed for stamping and return to our offices.

Should you have any questions regarding the foregoing, please do not hesitate to contact the undersigned.

Sincerely,

Michael H. Higgins

Jeffrey O. Moreno
Michael H. Higgins
Counsel for the Applicant

FILED

SEP 20 2004

SURFACE
TRANSPORTATION BOARD

FEE RECEIVED

SEP 20 2004

SURFACE
TRANSPORTATION BOARD

THOMPSON HINE LLP
ATTORNEYS AT LAW

1920 N Street, N.W.
Washington, D.C. 20036-1600

www.ThompsonHine.com
Phone 202.331.8800
Fax 202.331.8330

212043

BEFORE THE
SURFACE TRANSPORTATION BOARD



Finance Docket No. 34555

CITY OF TACOMA, DEPARTMENT OF PUBLIC UTILITIES, BELTLINE
DIVISION, DBA TACOMA RAIL OR TACOMA MUNICIPAL BELTLINE OR
TMBL—ACQUISITION AND OPERATION EXEMPTION—LAKEVIEW
SUBDIVISION, QUADLOK-ST. CLAIR, AND BELMORE-OLYMPIA RAIL
LINES IN PIERCE AND THURSTON COUNTIES, WASHINGTON

FILED
SEP 20 2004
SURFACE
TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41

ENTERED
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SEP 20 2004
SURFACE
TRANSPORTATION BOARD

CITY OF TACOMA, DEPARTMENT OF
PUBLIC UTILITIES, BELTLINE DIVISION,
DBA TACOMA RAIL OR TACOMA
MUNICIPAL BELTLINE OR TMBL
2601 SR 509 North Frontage Road
Tacoma, WA 98421

Applicant

Jeffrey O. Moreno
Michael H. Higgins
THOMPSON HINE LLP
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 331-8800

Anne L. Spangler
Chief Assistant City Attorney
CITY OF TACOMA
3628 South 35th Street
Tacoma, WA 98409-3115
(253) 502-8218

Attorneys for Applicant

DATE FILED: September 20, 2004

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

Finance Docket No. 34555

**CITY OF TACOMA, DEPARTMENT OF PUBLIC UTILITIES, BELTLINE
DIVISION, DBA TACOMA RAIL OR TACOMA MUNICIPAL BELTLINE OR
TMBL—ACQUISITION AND OPERATION EXEMPTION—LAKEVIEW
SUBDIVISION, QUADLOK-ST. CLAIR, AND BELMORE-OLYMPIA RAIL
LINES IN PIERCE AND THURSTON COUNTIES, WASHINGTON**

**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1150.41**

The CITY OF TACOMA, DEPARTMENT OF PUBLIC UTILITIES, BELTLINE DIVISION, DBA TACOMA RAIL, TACOMA MUNICIPAL BELTLINE OR TMBL ("TMBL"), a Class III carrier with projected revenues in excess of \$5 million, files this Verified Notice of Exemption pursuant to 49 C.F.R. Part 1150, Subpart E – Exempt Transactions Under 49 U.S.C. § 10902 for Class III Rail Carriers, with the Surface Transportation Board (the "Board") for TMBL to acquire from The Burlington Northern and Santa Fe Railway Company ("BNSF") and to operate certain rail lines and incidental trackage rights, as more fully described herein.

INFORMATION REQUIRED BY 49 C.F.R. § 1150.43

a. Full name and address of applicant:

City of Tacoma, Department of Public Utilities,
Beltline Division
2601 SR 509 North Frontage Rd.
Tacoma, WA 98421

b. Applicant's representatives:

Jeffrey O. Moreno
Michael H. Higgins
THOMPSON HINE LLP
1920 N Street, N.W., Suite 800
Washington, D.C. 20036
(202) 331-8800

Anne L. Spangler
Chief Assistant City Attorney
City of Tacoma
3628 South 35th Street
Tacoma, WA 98409-3115
(253) 502-8218

c. Statement of Agreement:

An agreement has been reached between BNSF, as seller and lessor of the real estate and grantor of incidental trackage rights, and TMBL, as buyer and lessee of the real estate and grantee of incidental trackage rights.

d. Operator of the Property:

The operator of the property will be TMBL.

e. Summary of proposed transaction:

1. The name and address of the railroad transferring the property rights are:

The Burlington Northern and Santa Fe Railway Company
2650 Lou Menk Drive
Fort Worth, Texas 76131

2. The proposed time schedule for the consummation of the transaction is September 30, 2004, effective October 1, 2004, based upon the notice TMBL gave to BNSF employees on the affected lines and served upon the relevant labor unions on July 30, 2004.

3. The mileposts of the subject properties upon which TMBL is acquiring a freight service easement from BNSF are (i) Milepost 2.15 at South Tacoma and Milepost 8.92 at Lakeview Junction, and (ii) Milepost 0.0 at West Lakeview and Milepost 10.98 at Nisqually (the Lakeview Subdivision), a total distance of 17.75 miles in Pierce County, Washington. The mileposts of the subject properties over which TMBL is leasing the right-of-way and operations from BNSF are between (i) Milepost 3.27 at Quadlok and Milepost 0.0 at St. Clair in Thurston County, Washington (the Quadlok-St. Clair line), a distance of 3.27 miles, and (ii) Milepost 16.0 at Belmore and Milepost 9.07 at Olympia in Thurston County, Washington (the Belmore-Olympia line), a distance of 6.93 miles. Pursuant to the foregoing transactions, TMBL will also obtain incidental trackage rights from BNSF from Milepost 23.0 at Nisqually to Milepost 36.06 at East Olympia; and assigned incidental trackage rights from BNSF over the Union Pacific Railroad Company's rail line from Milepost 0.0 at East Olympia to Milepost 9.07 at Olympia in Pierce and Thurston Counties, Washington.

4. TMBL is acquiring by lease or easement about 28 miles of rail line from BNSF. It will obtain incidental trackage rights over approximately 22 route miles.

f. Map of the Subject Property:

Maps of the lines are attached as Exhibit D. The maps are in color and will be the last pages of this pleading.

g. Revenue Certification:

A Certificate of Compliance with the provisions of 49 C.F.R. § 1150.43(g) is attached as Exhibit A.

h. Caption Summary:

A caption summary, as required by 49 C.F.R. § 1150.44, is attached as Exhibit B.

i. Environmental and Historic Certification:

No environmental documentation is required because there will be no operational changes that would exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5) and there will be no action that would normally require environmental documentation under 49 C.F.R. § 1105.6(b)(4) and (c)(2)(i).

An historic report is not required because TMBL will operate the Lines, will require further Board approval to discontinue any service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Hence, this Notice of Exemption does not require an historic report under 49 C.F.R. § 1105.8(b)(1).

j. Certification of Notice to Employees and Labor Unions

The Certification to the Board and a copy of the Notice posted at the workplace of employees on the affected lines and served on the national offices of all labor unions with affected employees are attached as Exhibit C.

Respectfully submitted,

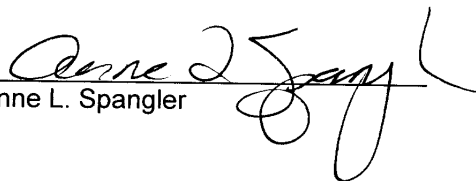
Michael H. Higgins

Jeffrey O. Moreno
Michael H. Higgins
THOMPSON HINE LLP
1920 N Street, N.W., Suite 800
Washington, D.C. 20036
(202) 331-8800

VERIFICATION

I, Anne L. Spangler, Chief Assistant City Attorney for the City of Tacoma, declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing Verified Notice of Exemption and that its statements are true and correct to the best of my knowledge, information, and belief. I further declare that I am qualified and authorized to submit this verification on behalf of the City of Tacoma, Department of Public Utilities, Beltline Division, d/b/a Tacoma Rail or Tacoma Municipal Beltline or TMBL. I know that willful misstatements or omissions of material facts constitute Federal criminal violations punishable under 18 U.S.C. § 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable as perjury under 18 U.S.C. § 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

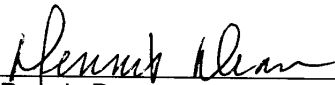
Dated at Pierce County , Washington, this 17th day of September 2004.


Anne L. Spangler

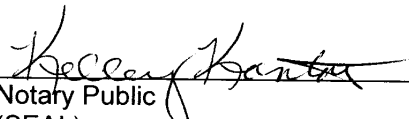
**EXHIBIT A
CERTIFICATION**

State of Washington)
) ss:
County of Pierce)

I, Dennis Dean, being duly sworn, depose and state that I am the Superintendent of the Beltline Division of the City of Tacoma, Department of Public Utilities, and that the projected annual revenues from the rail operations of the Tacoma Municipal Beltline Railroad would not exceed those that would make it a Class II carrier under 49 C.F.R. Part 1201(1-1).


Dennis Dean

Subscribed and sworn to before me this 17th day of September, 2004


Notary Public
(SEAL)

My Commission Expires: 12-22-06



**EXHIBIT B
CAPTION SUMMARY**

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

NOTICE OF EXEMPTION

STB FINANCE DOCKET NO. 34555

**THE CITY OF TACOMA, DEPARTMENT OF PUBLIC UTILITIES, BELTLINE
DIVISION, DBA TACOMA RAIL, TACOMA MUNICIPAL BELTLINE OR
TMBL—ACQUISITION AND OPERATION EXEMPTION—THE BURLINGTON
NORTHERN AND SANTA FE RAILWAY COMPANY**

The City of Tacoma, Department of Public Utilities, Beltline Division, dba Tacoma Rail, Tacoma Municipal Beltline or TMBL has filed a verified notice of exemption to acquire and operate approximately 28 miles of railroad line from The Burlington Northern and Santa Fe Railway Company. The lines consist of: (i) Milepost 2.15 at South Tacoma to Milepost 8.92 at Lakeview Junction, and (ii) Milepost 0.0 at West Lakeview to Milepost 10.98 at Nisqually, (the Lakeview Subdivision) in Pierce County, Washington; and (iii) Milepost 3.27 at Quadlok to Milepost 0.0 at St. Clair in Thurston County, Washington (the Quadlok-St. Clair line); and (iv) Milepost 16.0 at Belmore to Milepost 9.07 at Olympia in Thurston County, Washington (the Belmore-Olympia line). Pursuant to the foregoing transactions, TMBL will also obtain incidental trackage rights from BNSF from Milepost 23.0 at Nisqually to Milepost 36.06 at East Olympia; and assigned incidental trackage rights from BNSF over the Union Pacific Railroad Company's rail line from Milepost 0.0 at East Olympia to Milepost 9.07 at Olympia in Pierce and Thurston Counties, Washington. The transaction is scheduled to be consummated on September 30, 2004, which is 60 days from TMBL's notification

under the Board's rule at 49 C.F.R. § 1150.42(e), and made effective October 1, 2004.

Comments must be filed with the Surface Transportation Board, Office of the Secretary, 1925 K Street N.W., Washington, DC, 20423-0001, and served on: Anne L. Spangler, Chief Assistant City Attorney, City of Tacoma, 3628 South 35th Street, Tacoma WA, 98409-3115, (253) 502-8218 and Jeffrey O. Moreno, Thompson Hine LLP, 1920 N Street, N.W., Suite 800, Washington, D.C. 20036, (202) 331-8800.

This notice is filed under 49 C.F.R. § 1150.41. If the notice contains false or misleading information, the exemption is void ab initio. The filing of a petition to revoke will not automatically stay the transaction.

EXHIBIT C
LABOR CERTIFICATION AND NOTICE

(Please refer to pages 11 – 16)



2601 SR 509 North Frontage Road
Tacoma, Washington 98421

TACOMA PUBLIC UTILITIES

Via Federal Express

September 16, 2004

Vernon A. Williams, Secretary
Surface Transportation Board
Case Control Unit, Suite 713
1925 K Street, N.W.
Washington, DC 20423-0001

RE: Finance Docket No. 34555, City of Tacoma, Department of Public Utilities, Beltline Division, dba Tacoma Rail, Tacoma Municipal Beltline or TMBL
Acquisition Exemption—Lakeview Subdivision, Quadlok-St. Clair, and Belmore-Olympia Rail Lines in Pierce and Thurston Counties, Washington

Dear Secretary Williams:

The City of Tacoma, Department of Public Utilities, Beltline Division, dba Tacoma Rail, Tacoma Municipal Beltline or TMBL ("TMBL") here by certifies that on July 30, 2004, TMBL posted the attached Notice at the workplace of the employees on the rail line that is the subject of this transaction and served a copy of the Notice on the national offices of all labor unions with employees on the affected lines. An original and ten copies of this letter and attachment are enclosed.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Anne L. Spangler
Chief Assistant City Attorney
(253) 502-8218

Enclosure



2601 SR 509 North Frontage Road
Tacoma, Washington 98421

TACOMA PUBLIC UTILITIES

Via Federal Express

July 29, 2004

Mr. Don M. Hahs, President
Brotherhood of Locomotive Engineers &
Trainmen
1370 Ontario Street
Standard Building
Cleveland, OH 44113

Mr. Fred Simpson, President
Brotherhood of Maintenance of Way
Employees
2655 Evergreen Road, Suite 200
Southfield, MI 48076-4225

Mr. Danny Pickett, President
Brotherhood of Railroad Signalmen
601 West Golf Road
Mt. Prospect, IL 60056

Mr. Paul Thompson, President
United Transportation Union
14600 Detroit Avenue
Cleveland, OH 44107-4250

Dear Presidents:

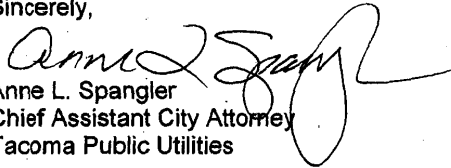
Attached to this letter please find a copy of a Notice to Employees that has been prepared by the City of Tacoma's Tacoma Municipal Belt Line (TMBL), relating to the TMBL's proposed acquisition of freight service on several of The Burlington Northern & Santa Fe's lines in the vicinity of Tacoma, Washington.

This notice was prepared to comply with 49 C.F.R. §1150.42, to be posted at the workplace of the employees and served on the national headquarters of the unions for the employees of the affected lines at least 60 days before the date the transfer is expected to be effective. It is my understanding that BNSF wishes to have the transaction completed by September 30, 2004. Therefore, we are required to have this notice posted and served no later than Friday, July 30, 2004.

We have separately sent a copy of this Notice to the BNSF Terminal in Tacoma, to the attention of Mr. Dan Burns, the Terminal Manager, and Ms. Barbara Seeburger, his assistant.

Please do not hesitate to contact me if you have any questions.

Sincerely,



Anne L. Spangler
Chief Assistant City Attorney
Tacoma Public Utilities

cc: Dennis Dean
Mark Crisson

July 29, 2004

City of Tacoma, Department of Public Utilities, Belt Line Division, also known as the Tacoma Municipal Belt Line, TMBL (dba Tacoma Rail)

NOTICE TO EMPLOYEES OF THE BURLINGTON NORTHERN & SANTA FE RAILROAD

Pursuant to Surface Transportation Board regulations at 49 C.F.R. § 1150.42(e), the City of Tacoma, Department of Public Utilities, Belt Line Division, also known as the Tacoma Municipal Belt Line, TMBL (dba Tacoma Rail), hereby provides notice to the employees of The Burlington Northern & Santa Fe Railroad (BNSF), that it intends to acquire by lease and easement and operate freight service on approximately 27 miles of BNSF's line of railroad as follows, effective September 30, 2004:

1. Tacoma Rail will acquire BNSF's freight rail easement on the Lakeview Subdivision between South Tacoma (MP 2.7) and Lakeview Junction (MP 7.9) and between West Lakeview Junction (MP 0.0) and Nisqually (MP 11.5), Washington State, BNSF to retain overhead trackage rights.
2. Tacoma Rail will lease BNSF's Quadlok (MP 3.27) to St. Claire (MP 0.0), and Belmore (MP 16.0) to East Olympia (MP 0.0), Washington, lines, including BNSF trackage rights over six miles of Union Pacific track, and trackage rights over the BNSF main line between Nisqually, St. Claire and East Olympia.

Tacoma Rail will assume the BNSF's rights and obligations under all existing rail freight transportation contract on the same terms as provided in these contract to the extent the contracts relate to rail service which is or could be provided over all or a portion of the rail line that has been acquired by Tacoma Rail.

As a result of its agreements, Tacoma Rail expects to hire approximately 5 employees, including 1 locomotive engineer, 1 conductor/switch supervisor, 1 switch operator, 1 track inspector/trackman, and 1 other operating employee. This estimate is preliminary and is subject to modification prior to commencing operations.

Employees will be provided wages and benefits in accordance with the City of Tacoma's ordinances and policies. Tacoma Rail will select employees in accordance with its regular civil service hiring procedures, and in accordance with all federal, state and local equal opportunity laws. Employees will be selected on the basis of skills and aptitudes required for each position. Successful candidates must have a stable work record and demonstrate a commitment to safety and customer service. Successful applicants will be required to pass a pre-employment drug and alcohol screen, and may be required to take a physical examination.

BNSF employees interested in seeking employment with Tacoma Rail should contact Mr. Dennis Dean at (253) 502-8891.



2601 SR 509 North Frontage Road

Tacoma, Washington 98421

TACOMA PUBLIC UTILITIES

Via Federal Express

July 29, 2004

Mr. Dan Burns, Terminal Manager
Ms. Barbara Seeburger, Assistant
BNSF Terminal Tacoma Washington-
605 Puyallup Ave.
Tacoma WA 98421

Dear Mr. Burns and Ms. Seeburger:

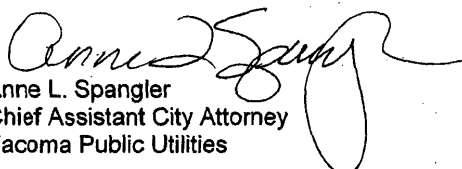
Attached to this letter please find a copy of a Notice to Employees that has been prepared by the City of Tacoma's Tacoma Municipal Belt Line (TMBL), relating to the TMBL's proposed acquisition of freight service on several of The Burlington Northern & Santa Fe's lines.

This notice was prepared to comply with 49 C.F.R. §1150.42, and must be posted at the workplace of the employees on the affected lines at least 60 days before the date the transfer is expected to be effective. It is my understanding that BNSF wishes to have the transaction completed by September 30, 2004. Therefore, we are required to have this notice posted no later than Friday, July 30, 2004.

I appreciate your assistance in having this notice posted for employees of the Brotherhood of Locomotive Engineers and Trainmen, the Brotherhood of Maintenance of Way Employees, the Brotherhood of Railroad Signalmen, and the United Transportation Union. We are separately service copies of this notice on the national headquarters of these unions.

Please do not hesitate to contact me if you have any questions.

Sincerely,


Anne L. Spangler
Chief Assistant City Attorney
Tacoma Public Utilities

cc: Dennis Dean
Mark Crisson

July 29, 2004

City of Tacoma, Department of Public Utilities, Belt Line Division, also known as the Tacoma Municipal Belt Line, TMBL (dba Tacoma Rail)

NOTICE TO EMPLOYEES OF THE BURLINGTON NORTHERN & SANTA FE RAILROAD

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BNSF employees interested in seeking employment with Tacoma Rail should contact Mr. Dennis Dean at (253) 502-8891.



Close Window

Track Shipments
Summary Results

Print

Single piece shipments

Tracking number	Status	Date/Time	Destination	Service type
✓ 790224364422	Delivered	Jul 30, 2004 8:47 am	SOUTHFIELD MI	FedEx Express
✓ 791899125133	Delivered	Jul 30, 2004 10:47 am	MOUNT PROSPECT IL	FedEx Express
✓ 792696871199	Delivered	Jul 30, 2004 8:59 am	CLEVELAND OH	FedEx Express
✓ 792696879487	Delivered	Jul 30, 2004 9:52 am	CLEVELAND OH	FedEx Express
✓ 792696887670	Delivered	Jul 30, 2004 10:07 am	TACOMA WA	FedEx Express



Close Window

Lines Acquired from BNSF
and Assigned Incidental Trackage Rights over UPRR



Incidental Trackage Rights over BNSF

