



2601 SR 509 North Frontage Road

Tacoma, Washington 98421

TACOMA PUBLIC UTILITIES

217775

September 29, 2006

Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

FILED
OCT 10 2006
SURFACE
TRANSPORTATION BOARD



RE: Finance Docket No.34906, City of Tacoma, Department of Public
Utilities, Beltline Division, dba Tacoma Rail, Tacoma Municipal Beltline
or TMBL Operation Exemption—Union Pacific Railroad Company

Dear Secretary Williams:

Enclosed for filing are the original and ten copies of a Verified Notice of Exemption
under 49 CFR § 1150.41, a diskette with the notice and caption summary, and a check for
\$1,500.00 for the filing fee.

Please time and date stamp the extra copy of this letter and return it to us in the self-
address post pre-paid envelop provided.

If you have any questions, please call or email me.

Sincerely,

William C. Fosbre
Assistant City Attorney
(253) 502-8331
bill.fosbre@ci.tacoma.wa.us

Enclosures

FEE RECEIVED
OCT 10 2006
SURFACE
TRANSPORTATION BOARD

ENTERED
Office of Proceedings

OCT 10 2006

Part of
Public Record

217775

BEFORE THE
SURFACE TRANSPORTATION BOARD



Finance Docket No. 34906

CITY OF TACOMA, DEPARTMENT OF PUBLIC UTILITIES, BELTLINE
DIVISION, DBA TACOMA RAIL OR TACOMA MUNICIPAL BELTLINE OR
TMBL—OPERATION EXEMPTION—UNION PACIFIC RAILROAD
COMPANY IN PIERCE COUNTY, WASHINGTON

FEE RECEIVED
OCT 10 2006

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

FILED

OCT 10 2006

**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

ENTERED
Office of Proceedings

OCT 10 2006

**Part of
Public Record**

WILLIAM C. FOSBRE
Assistant City Attorney
CITY OF TACOMA
3628 South 35th Street
Tacoma, WA 98409-3115
(253) 502-8331

Attorney for Applicant

DATED: September 29, 2006

ORIGINAL

**BEFORE THE
SURFACE TRANSPORTATION BOARD**



Finance Docket No. 34906

**CITY OF TACOMA, DEPARTMENT OF PUBLIC UTILITIES, BELTLINE
DIVISION, DBA TACOMA RAIL OR TACOMA MUNICIPAL BELTLINE OR
TMBL—OPERATION EXEMPTION—UNION PACIFIC RAILROAD
COMPANY IN PIERCE COUNTY, 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 obtain from the Union Pacific
Railroad Company ("UP") joint operating rights to a certain rail line 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:

Paula Henry, Superintendent
City of Tacoma, Department of Public Utilities
Beltline Division
2601 SR 509 North Frontage Rd.
Tacoma, WA 98421
(253) 502-8894

William C. Fosbre
Assistant City Attorney
City of Tacoma
3628 South 35th Street
Tacoma, WA 98409-3115
(253) 502-8331

c. Statement of Agreement:

A written agreement has been reached between UP, as owner of the real estate and grantor of joint track rights, and TMBL, as user of the real estate and grantee of joint track 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:

Union Pacific Railroad Company
1400 Douglas Street
Omaha, NE 68179

2. Pursuant to 49 C.F.R. § 1150.42(e), TMBL served a notice of intent on the national offices of all labor unions representing employees on the affected line on July 24, 2006, posted notice of intent at the workplace of the employees on July 21, 2006, and filed certified service and posting with the STB on July 24, 2006. The transaction will be effective September 29, 2006, which is at least sixty days from the date TMBL gave

notice of intent to UP employees on the affected lines and served upon the relevant labor unions.

3. The UP grants to TMBL the nonexclusive trackage rights to use 602 feet of track between the former Dempsey Mill Spur and the Port of Tacoma's Belt Line Lead in Pierce County, Washington.

4. At total of 602 feet of route would be operated (but not acquired).

f. Map of the Subject Property:

Maps of the lines are attached as Exhibit D. The map is in color and will be the last page 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).

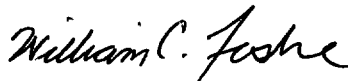
An historic report is not required because TMBL will operate the Lines, will require further Board approval to discontinue any service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older.

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

TMBL's annual revenues after consummation of the transaction will exceed \$5,000,000. Pursuant to 49 C.F.R. § 1150.42(e), TMBL posted the required notice to employees at the workplace of the affected line on July 21, 2006, served notice to the national offices of the labor unions with employees of the affected line on July 24, 2006, and filed the required certification with the Board on July 24, 2006, more than 60 days prior to proposed effective date. Attached as Exhibit C is a copy of the certification and notice.

Respectfully submitted,

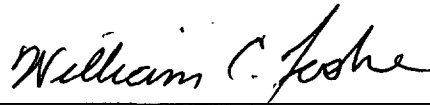
A handwritten signature in cursive script that reads "William C. Fosbre".

William C. Fosbre, Esq.
Assistant City Attorney
City of Tacoma
3628 South 35th Street
Tacoma, WA 98409-3115
(253) 502-8331

VERIFICATION

I, William C. Fosbre, 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 in Finance Docket No. 34906 and that its statements are true and correct to the best of my knowledge, information, and belief. Further, I certify that I am qualified and authorized to file this pleading.

Dated at Pierce County, Washington, this 29th day of September 2006.

A handwritten signature in cursive script that reads "William C. Fosbre". The signature is written in dark ink and is positioned above a horizontal line.

William C. Fosbre

EXHIBIT A – REVENUE CERTIFICATION

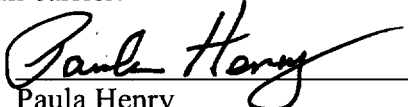
REVENUE CERTIFICATION

State of Washington)

) ss:

County of Pierce)

I, Paula Henry, 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, together with the result of the transaction (Finance Docket No. 34906), do not result in the creation of Class II or Class I rail carrier.


Paula Henry

Subscribed and sworn to before me this 29th day of September 2006.

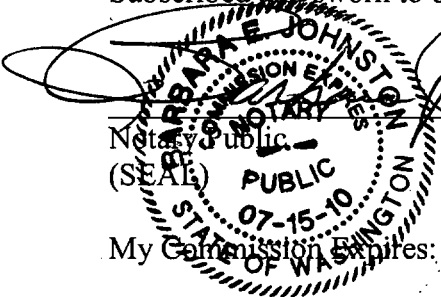

Notary Public
(SEAL) PUBLIC
My Commission Expires: 7-15-10

EXHIBIT B – CAPTION SUMMARY

CAPTION SUMMARY
BEFORE THE
SURFACE TRANSPORTATION BOARD
NOTICE OF EXEMPTION
STB FINANCE DOCKET NO. 34906

**THE CITY OF TACOMA, DEPARTMENT OF PUBLIC UTILITIES, BELTLINE
DIVISION, DBA TACOMA RAIL, TACOMA MUNICIPAL BELTLINE OR
TMBL—OPERATION EXEMPTION—UNION PACIFIC RAILROAD
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 for non-exclusive trackage rights to jointly use approximately 602 feet of track from Union Pacific Railroad Company. The track lies between the former Dempsey Mill Spur track and the Port of Tacoma's Belt Line Lead in Pierce County, Washington. The transaction will be effective September 29, 2006.

Comments must be filed with the Board and served on the representative of the TMBL, William C. Fosbre, Esq. City of Tacoma Public Utilities, 3628 So. 35th St., Tacoma WA 98409; 253-502-8167.

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.

Dated:

By the Board
Vernon A. Williams
Secretary

EXHIBIT C - LABOR CERTIFICATION AND NOTICE



2601 SR 509 North Frontage Road

Tacoma, Washington 98421

TACOMA PUBLIC UTILITIES

217179



July 24, 2006

Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423

RE: Finance Docket No. 34906, The City Of Tacoma, Department Of Public Utilities,
Beltline Division, DBA Tacoma Rail, Tacoma Municipal Belt Line Or TMBL—
Operation Exemption—Union Pacific Railroad Company

Dear Secretary Williams:

The Tacoma Municipal Belt Line ("TMBL") hereby certifies that on July 21, 2006, TMBL posted the attached Notice at the workplace of the employees on the rail line that is the subject of this transaction and that on July 24, 2006, served a copy of the Notice on the national offices of all labor unions with employees on the affected line. An original and ten copies of this letter and attachments are enclosed.

Please time and date stamp the extra copy of this letter and return it to us in the self-addressed, postage pre-paid envelope provided.

If you have any questions, please call or email me.

Sincerely,

William Fosbre
Assistant City Attorney
(253) 502-8331
bill.fosbre@ci.tacoma.wa.us

ENTERED
Office of Proceedings

JUL 31 2006

Part of
Public Record

Attachment: Notice of Intent
Certificate of Service
Certificate of Posting

RETURN
COPY

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

STB FINANCE DOCKET NO. 34906

**THE CITY OF TACOMA, DEPARTMENT OF
PUBLIC UTILITIES, BELTLINE DIVISION, DBA
TACOMA RAIL, TACOMA MUNICIPAL BELTLINE
OR TMBL—OPERATION EXEMPTION—UNION
PACIFIC RAILROAD COMPANY**

**NOTICE OF INTENT TO THE EMPLOYEES OF THE UNION PACIFIC
RAILROAD COMPANY**

Pursuant to Surface Transportation Board (STB) 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), a Class III carrier, hereby provides notice of its intent to acquire operating rights to jointly use 602 feet of track between the former Dempsey Mill Spur and the Port of Tacoma's Belt Line Lead to access Burlington Northern & Santa Fe Railroad's Tacoma yard. The agreement is intended to be effective on or after September 20, 2006, which is at least 60 days after certification of the posting of this notice is filed with the Surface Transportation Board.

As a result of this agreement with UP, Tacoma Rail does not expect to hire any new employees as a result of this transaction.

Tacoma Rail

Date: July 21, 2006

By:



Paula Henry

Superintendent

2601 SR 509 North Frontage Road
Tacoma, WA 98421

CERTIFICATE OF POSTING

**BEFORE THE
SURFACE TRANSPORTATION BOARD
STB FINANCE DOCKET NO. 34906**

**THE CITY OF TACOMA, DEPARTMENT OF
PUBLIC UTILITIES, BELTLINE DIVISION, DBA
TACOMA RAIL, TACOMA MUNICIPAL BELTLINE
OR TMBL—OPERATION EXEMPTION—UNION
PACIFIC RAILROAD COMPANY**

I, Paul J. Henry certify under penalty perjury that on
July 21, 2006, I posted a copy of the attached notice of intent to undertake the
proposed transaction at the workplace of the Union Pacific Railroad Company in
Tacoma, Washington. I further certify that I am qualified and authorized to file the
foregoing document.

Dated and signed in Tacoma, Washington on July 21, 2006

Paul J. Henry
Signature

Title: Supt. - COO

CERTIFICATE OF SERVICE

**BEFORE THE
SURFACE TRANSPORTATION BOARD
STB FINANCE DOCKET NO. 34906**

**THE CITY OF TACOMA, DEPARTMENT OF
PUBLIC UTILITIES, BELTLINE DIVISION, DBA
TACOMA RAIL, TACOMA MUNICIPAL BELTLINE
OR TMBL—OPERATION EXEMPTION—UNION
PACIFIC RAILROAD COMPANY**

I certify under penalty of perjury under the laws of the state of Washington that on July 24, 2006, I served a copy of the notice of intent to undertake the proposed transaction upon the following by U. S. First-Class mail, postage prepaid:

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

Mr. Freddie N. Simpson, President
Brotherhood of Maintenance of Way Employees
20300 Civic Center Drive, Suite 320
Southfield, MI 48076-4169

Mr. W. Dan Pickett, International President
Brotherhood of Railroad Signalmen - National Headquarters
917 Shenandoah Shores Road
Front Royal, VA 22630-6418

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

Dated at Tacoma, Washington, this 24th day of July 2006.



William Fosbre
Assistant City Attorney

EXHIBIT D – MAP

EXHIBIT "A-1"
UNION PACIFIC RAILROAD (UPRR)
AND
TACOMA RAIL (TMBL)

85971.0 P.D. = 1.547 (MAG 1848 TOL-1)

100-10-210
6-12-10 C
201-05-1-1

PUYALLUP
RIVER

_____ UPRR
 _____ BNSF RAILWAY
 _____ OTHER RAIL LINES

File: q:\schlbt\stacom\arav6.dgn
Date: January 09, 2006