

221455

**LAW OFFICES OF
LOUIS E. GITOMER**

LOUIS E. GITOMER
LOU_GITOMER@VERIZON.NET

THE ADAMS BUILDING, SUITE 301
600 BALTIMORE AVENUE
TOWSON, MARYLAND 21204-4022
(202) 466-6532
FAX (410) 332-0885

January 29, 2008

Honorable Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423

RE: Finance Docket No. 35117, *Sacramento Valley Railroad, Inc.*—Operation
Exemption—McClellan Business Park LLC

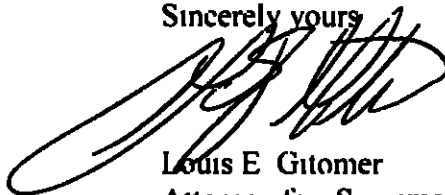
Dear Acting Secretary Quinlan:

Enclosed for filing are the original and 10 copies of a Verified Notice of Exemption under 49 C.F.R. 1150.31, a check covering the \$1,600.00 filing fee, and a CD with the file Notice of Exemption.

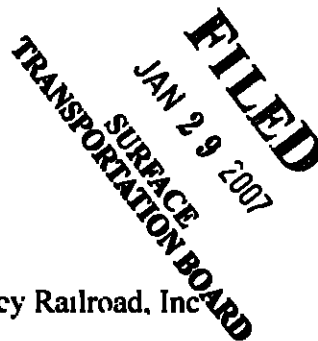
Please time and date stamp the extra copy of this letter and the Verified Notice of Exemption and return them with our messenger. Thank you for your assistance.

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

Sincerely yours,



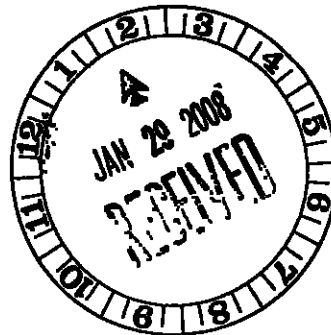
Louis E. Gitomer
Attorney for Sacramento Valley Railroad, Inc.



Enclosures

FEE RECEIVED
JAN 29 2007
SURFACE
TRANSPORTATION BOARD

ENTERED
Office of Proceedings
JAN 29 2008
Part of
Public Record



BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 35117



SACRAMENTO VALLEY RAILROAD, INC.—OPERATION EXEMPTION—
MCCLELLAN BUSINESS PARK LLC

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

ENTERED
Office of Proceedings
JAN 29 2008
Part of
Public Record

Louis E. Gitomer, Esq.
Law Offices of Louis E. Gitomer
600 Baltimore Avenue
Suite 301
Towson, MD 21204
(202) 466-6532

Attorney for SACRAMENTO VALLEY
RAILROAD, INC

Dated January 29, 2008

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO 35117

SACRAMENTO VALLEY RAILROAD, INC —OPERATION EXEMPTION—
MCCLELLAN BUSINESS PARK LLC

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

Sacramento Valley Railroad, Inc. (“SAVR”), a noncarrier, files this Notice of Exemption, pursuant to 49 C F R Part 1150, Subpart D – Exempt Transactions, with the Surface Transportation Board (the “Board”) to permit SAVR to obtain the exclusive occupancy and operating rights over about seven miles of unmarked railroad track within McClellan Business Park, in McClellan, Sacramento County, CA (the “Line”)

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

a. Full name and address of applicant.

**Sacramento Valley Railroad, Inc
c/o Patriot Rail Corp
One Boca Place
2255 Glades Road, Suite 342W
Boca Raton, FL 33431
(561) 443-5300**

b Applicant's Representatives:

**Louis E Gitomer, Esq
Law Offices of Louis E Gitomer
600 Baltimore Avenue, Suite 301
Towson, MD 21204
(202) 466-6532**

c SAVR, as operator, and McClellan Business Park, LLC ("MBP"), as seller, are negotiating a License and Operating Agreement that will be completed by March 1, 2008

d The operator of the property will be SAVR

e Summary of proposed transaction

1. The name and address of the railroad transferring the property is.

**McClellan Business Park LLC
5241 Arnold Avenue
McClellan, CA 95652**

MBP is not a carrier. MBP acquired McClellan Business Park as a result of its closing by the U.S Air Force and has developed it as a rail-served industrial park

2. The proposed time schedule for the consummation of the transaction is on or after March 1, 2008.

3. The mileposts of the subject property, including any branch lines There are no mileposts on the Line

4. SAVR will operate about seven route miles There will be no interchange

commitments or paper barriers in the License and Operating Agreement between SAVR and MBP

5 MBP's predecessor entered a License and Operating Agreement with the Yolo Shortline Railroad Company ("Yolo") on February 6, 2001.¹ Sierra Railroad Company acquired control of Yolo² and began operating the Line.³ MBP notified Yolo's successor that the License to Operate would not be renewed and put the operation of the Line out for bid. SAVR was the winning bidder.

SAVR understands that Yolo's successor has been asked by MBP to vacate the Line, but may or may not have filed for abandonment authority with the Board at the time this notice is filed. MBP has asked SAVR to be prepared to commence operations on March 1, 2008. SAVR does not know what Yolo's successor's response will be and if it will oppose SAVR's notice in this proceeding. SAVR wants to meet the needs of MBP and the shippers on the Line in McClellan Park. SAVR is willing to enter an operational protocol with Yolo's successor, if that becomes necessary, in order to meet the needs of MBP.

f. A map of the Line is attached as Exhibit C.

g. A Certificate of Compliance with the provisions of 49 CFR § 1150.33(g) is attached as Exhibit A.

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

¹ *Yolo Shortline Railroad Company—Acquisition and Operation Exemption—County of Sacramento, CA*, STB Finance Docket No. 34018 (STB served March 27, 2001).

² *Sierra Railroad Company—Acquisition of Control Exemption—Yolo Shortline Railroad Company*, STB Finance Docket No. 34351 (STB served June 11, 2003).

³ *Sierra Railroad Company—Corporate Family Transaction Exemption—Yolo Shortline Railroad Company*, STB Finance Docket No. 34360 (STB served June 23, 2003).

i No environmental documentation is required because there will be no operational changes that would exceed the thresholds established in 49 CFR §1105.7(e)(4) or (5) and there will be no action that would normally require environmental documentation. Hence, this Notice of Exemption does not require environmental documentation under 49 CFR §1105.6(b)(4) and (c)(2)(i).

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

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

Respectfully submitted,



Louis E. Gitomer, Esq.
Law Offices of Louis E. Gitomer
600 Baltimore Avenue
Suite 301
Towson, MD 21204
(202) 466-6532

Attorney for SACRAMENTO VALLEY
RAILROAD, INC

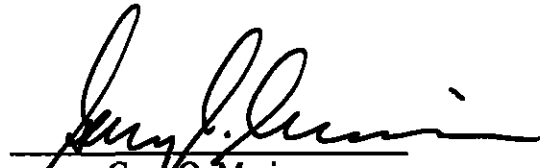
Dated: January 29, 2008

EXHIBIT A

CERTIFICATION

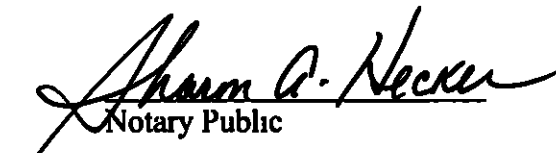
State of Florida)
) ss:
County of Palm Beach)

I, Gary O. Marino being duly sworn depose and state that I am President and Chief Executive Officer of the Sacramento Valley Railroad, Inc , a California corporation, and that the projected annual revenues from the rail operations would not exceed those that would make it a Class III carrier under 49 CFR Part 1201(1-1) and would not exceed \$ 5 million



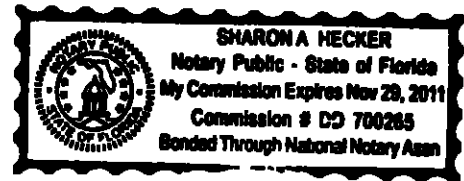
Gary O. Marino

Subscribed and sworn to before me this 28th day of January 2008



Notary Public
(SEAL)

My Commission Expires Nov. 29, 2011



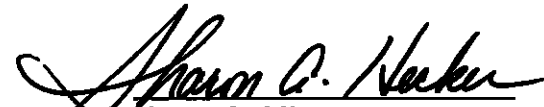
VERIFICATION

State of Florida)
) ss
County of Palm Beach)

I, Gary O Marino, being duly sworn, deposes and says that I am President and Chief Executive Officer of the Sacramento Valley Railroad, Inc , a California corporation, and that I have read the foregoing notice of exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information and belief


Gary O. Marino

Subscribed and sworn to before me this 28th day of January 2008.


Notary Public

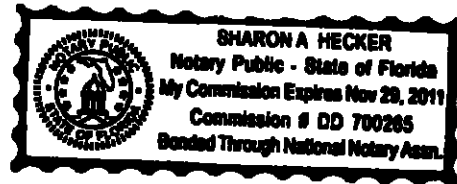


EXHIBIT B – CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

Notice of Exemption

FINANCE DOCKET NO 35117

**SACRAMENTO VALLEY RAILROAD, INC.—OPERATION EXEMPTION—
MCCLELLAN BUSINESS PARK LLC**

Sacramento Valley Railroad, Inc has filed a notice of exemption to obtain the exclusive occupancy and operating rights over seven miles of unmarked railroad track within McClellan Business Park, in McClellan, Sacramento County, CA .

The transaction is scheduled to take place on or after March 1, 2008

A class exemption for Patriot Rail, LLC (“PRL”), and its subsidiaries Patriot Rail Holdings LLC (“PRH”) and Patriot Rail Corp . to continue in control of Sacramento Valley Railroad, Inc . was concurrently filed in Finance Docket No 35118, *Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp Continuance in Control Exemption Sacramento Valley Railroad, Inc*

If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to reopen the proceeding to revoke the exemption under 49 U S C 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No 35118, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 395 E Street, S W . Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Louis E. Gitomer, Esq , Law Offices of Louis E Gitomer, 600 Baltimore Avenue, Suite 301, Towson, MD 21204, (202) 466-6532

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

Decided ____ __, 2008.

By the Board, David M Konschnik, Director, Office of Proceedings

Anne K Quinlan

Acting Secretary

EXHIBIT C—MAP

