

E Environment Committee T Transportation Committee

Meeting date: January 8, 2008 (Environment)

January 14, 2008 (Transportation)

For Metropolitan Council Meeting January 23, 2008

ADVISORY INFORMATION

Date: January 1, 2008

Subject: Union Pacific Railroad Abandonment, Carver and Scott Counties

District(s), Member(s): District 4, Craig Peterson (incoming)

Policy/Legal Reference: 2030 Transportation Policy Plan

Staff Prepared/Presented: Bryce Pickart, MCES, 651-602-1091; Amy Vennewitz, MTS, 651-602-1058; Connie Kozlak, MTS; Charles Carlson, MTS, 651-602-1716

Division/Department: Environmental Services; Metropolitan Transportation Services

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to take appropriate action on behalf of the Council to facilitate a response to the railroad abandonment process on the Chaska Industrial Lead, Union Pacific Railroad [STB Docket AB-33 (Sub. No. 255)] and to begin negotiation of public and private use of the railroad corridor with appropriate public entities and Union Pacific Railroad.

Background

The Chaska Industrial Lead is a spur line of the Union Pacific Railroad. The line served one customer in the city of Chaska until March 2007, when a minor bridge (south of the Minnesota River crossing) along the rail line collapsed. The railroad is not interested in rebuilding the bridge, and instead seeks to abandon the railroad between Chaska and the existing railroad mainline in Scott County.

On December 11, 2007, Union Pacific Railroad filed an abandonment application with the Surface Transportation Board to abandon the spur. The filing began a 45-day window for public agencies to file a Public Use Condition or Notice of Interim Trail Use, which suspends the abandonment process to allow negotiation of a potential "rail banking" public use of the railroad proposed for abandonment. A Public Use Condition must be filed by January 25, 2008 or the railroad abandonment will proceed without the ability for "rail banking".

Upon receipt of a request for a Public Use Condition, the railroad can respond its willingness to negotiate a Public Use Condition. If it chooses to begin negotiations, a 180-day negotiation process begins. If an agreement is not reached, the railroad abandonment proceeds.

If the railroad abandonment proceeds, some parcels may revert to adjacent landowners and the railroad may choose to sell its parcels to public agencies or private entities. Title work is underway by the railroad to determine which parcels are reversionary, and the extent to which they affect the corridor.

Divisions of the Metropolitan Council and local governmental units seek to preserve the rail right-of-way for a variety of uses, including sanitary sewer pipeline, redevelopment, and recreational trail uses in both Carver and Scott Counties.

The Council may seek to pursue acquisition of right-of-way **after** the abandonment process is completed; the proposed action allows additional time for Council Staff to explore both "rail banking" and outright purchase as potential options for public uses along the rail right-of-way.

Rationale

The region's *2030 Transportation Policy Plan* includes a policy to preserve linear rights-of-way. The policy (#16) outlines the Council's role "to facilitate and promote cooperation among the implementing agencies regarding funding priorities, ownership, maintenance and near- and long-term use of linear right of way". The policy also states the Council will support an interagency approach to preserve abandoned railroad right-of-way for public use.

Based on correspondence with stakeholders, there are multiple interests for public use of the corridor.

- The potential for future transportation uses are somewhat limited. The rail corridor previously connected to Minneapolis, via the abandoned railroad corridor now used as the Minnesota River Bluffs LRT Regional Trail. This portion of the corridor is owned by Hennepin County Regional Rail Authority. A portion of the former rail corridor in Chaska has been redeveloped to private uses. This redevelopment activity limits the potential of the proposed abandonment for a future transportation use in the city of Chaska. In addition, new Highway 212 is a more feasible future transit corridor, should the need arise.
- Impacts to the region's freight system are limited. The sole rail customer is a liquid sugar distribution facility in Chaska, which received liquid sugar by railcar and distributed sugar by truck to customers in the region. Since rail service was interrupted the business has operated using stored inventory. Without rail, inbound delivery by truck is possible, but the company states truck service is not financially feasible for the business to operate. According to County staff, the sugar distribution property is currently for sale.
- Metropolitan Council Environmental Services has a regional sewer interceptor in the area, and plans to extend the sewer interceptor to Carver, potentially using the railroad right-of-way. South of the river, the rail corridor could be used for sanitary sewer and clean water discharge from a future wastewater treatment plant that could be sited in the area.
- The City of Chaska is interested in redevelopment of parcels in the city, if the railroad is abandoned.
- The *2030 Regional Parks Policy Plan* places an emphasis on interconnectivity between regional park and trail facilities and has identified the need for a crossing of the Minnesota River to connect regional trails in Carver and Scott County. Carver and Scott County Parks Departments are the implementing agencies for regional facilities in this area and have each expressed an interest in exploring trail opportunities in this corridor.

Funding

There is no funding request associated with this authorization to begin negotiations. As negotiations progress, Metropolitan Council Environmental Services has funds available in its authorized capital program for acquisition of interceptor right-of-way.

Known Support / Opposition

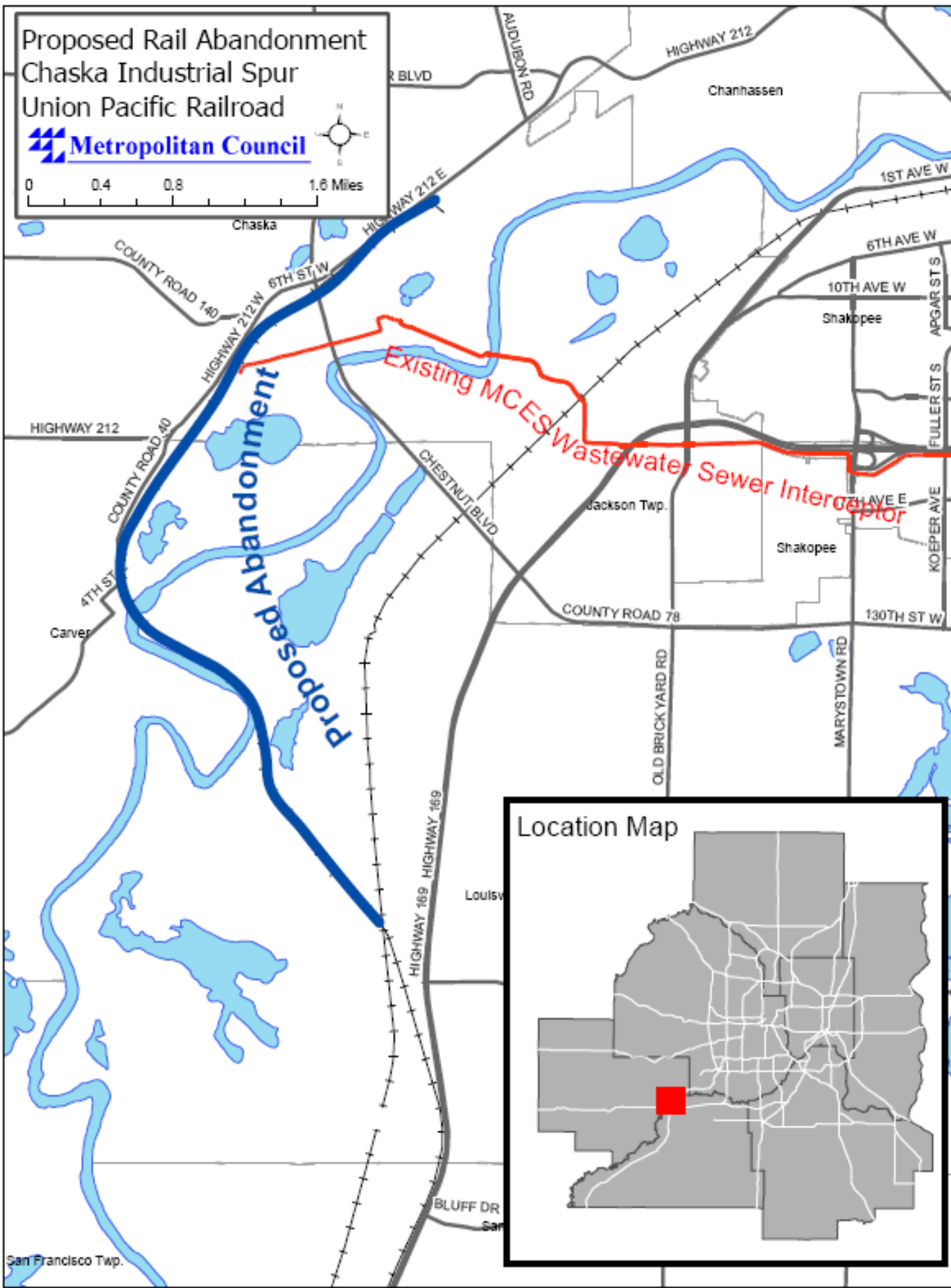
Stakeholders have indicated support for public uses on the corridor, including complementary uses such as sewer/trail joint use within the right-of-way. County, city, and township staff and elected officials, along with Metropolitan Council and MnDOT staff have met several times to discuss shared uses.

If a community or rail customer opposes a railroad's abandonment application, they may file a "protest" with the Surface Transportation Board. The rail customer, United Sugar, is expected to protest the abandonment application, encouraging the Surface Transportation Board to deny the railroad's abandonment request. The Minnesota State Rail Office is expected to support the protest, but does not anticipate subsidizing the railroad operation to repair the line and continue service. The Surface Transportation Board will consider information from both sides before making a determination on whether to allow the abandonment to proceed.

Proposed Rail Abandonment
Chaska Industrial Spur
Union Pacific Railroad



0 0.4 0.8 1.6 Miles



Location Map

