

February 27, 2007

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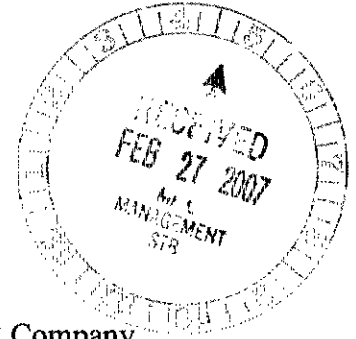
**SURFACE
TRANSPORTATION BOARD**

WRITER'S DIRECT LINE
202.672.5367
rvomeigen@foley.com EMAIL

CLIENT/MATTER NUMBER
043544-0106

Mr. Vernon Williams
Secretary
Surface Transportation Board
Room 700
1925 K Street, N.W.
Washington, D.C. 20423

218735



Subject: F.D. No. 35002 – Savage Bingham & Garfield Railroad Company
-Acquisition and Operation Exemption – Union Pacific Railroad
Company

Dear Secretary Williams:

Enclosed for filing in the above-identified application is the original and ten copies of the Verified Notice of Exemption filed on behalf of Savage Bingham & Garfield Railroad Company pursuant to 49 C.F.R. § 1150.31. Also enclosed is a copy of the requisite filing fee of \$1,500.00. Please date stamp the extra copy of this Notice provided and return with our messenger for our records.

Sincerely yours,

Robert P. vom Eigen
Robert P. vom Eigen

ENTERED
Office of Pro...
FEB 28
Part of
Public Rec.

RVE:dmo

Encls:

cc: Kelly Flint, Esq. (w/encl.)
Christine M. Smith, Esq. (w/encl.)

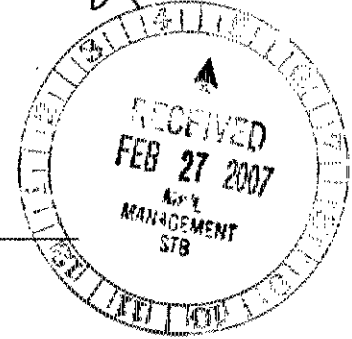
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Notice of Exemption



FINANCE DOCKET NO. 35002

SAVAGE BINGHAM & GARFIELD RAILROAD COMPANY
—ACQUISITION AND OPERATION EXEMPTION—
UNION PACIFIC RAILROAD COMPANY

FILED
FEB 27 2007
SURFACE
TRANSPORTATION BOARD

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

Savage Bingham & Garfield Railroad Company ("SBGR"), a non-carrier, files this Notice of Exemption pursuant to 49 U.S.C. 10901 and 49 C.F.R. Part 1150, Subpart D – Exempt Transactions, to permit SBGR to acquire from Union Pacific Railroad Company ("UP"), and to operate freight easements upon, over and across: (a) the lines of railroad between Milepost 4.66 at Welby and Milepost 17.10 at Magna ("Garfield Branch"), and between Milepost 0.00 at Kearns and Milepost 2.01 at Bacchus ("Bacchus Branch"); (b) the line of railroad between MP 0.18 and MP 6.60 on UP's Bingham Industrial Lead; and (c) various wye, yard and team tracks on the Bingham Industrial Lead in the vicinity of Midvale; and all in Salt Lake County, Utah.

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

1) **Full Name and Address of Applicant**

Savage Bingham & Garfield Railroad Company
6340 South 3000 East, Suite 600
Salt Lake City, UT 84121

ENTERED
Office of Proceedings

FEB 28 2007

Part of
Public Record

2) **Applicant's Representatives**

Robert P. vom Eigen
Sarah Sunday Key
Foley & Lardner LLP
3000 K Street, NW
Washington, D.C. 20007
(202) 672-5300

3) **Statement of Agreements**

SBGR and UP will shortly enter into a freight operating agreement and related agreements governing SBGR's operations over the Bacchus, and Garfield branches. In addition, as a result of a transaction between the Utah Transit Authority ("UTA") and UP, in which UP will convey the right-of-way its Bingham Industrial Lead to UTA, UP will reserve the rail freight easement over that line, and will convey it to SBGR. SBGR will enter into an Administration and Coordination Agreement with UTA governing the provision of freight rail services over the Bingham Industrial Lead during time separated periods when the planned UTA light rail services are not in operation.

4) **Operator of the Property**

SBGR will become the operator of the property.

5) **Summary of Proposed Transaction**

SBGR and UP will execute a freight operating agreement pursuant to which UP will quitclaim to SBGR a rail freight easement over and across (a) the Garfield and Bacchus Branches, and (b) various wye, yard and team tracks on UP's Bingham Industrial Lead in the vicinity of Midvale; all in Salt Lake County, Utah. In addition, UP will quitclaim a rail freight easement to SBGR over UP's Bingham Industrial Lead between MP 0.18 and MP 6.60 in Salt Lake County, Utah. Operations over the Bingham Industrial Lead will be governed by the Administration and Coordination Agreement between SBGR and UTA. Pursuant to this

agreement, UTA will agree to maintain the Bingham Industrial Lead as well as the Garfield and Bacchus branches. UP and SBGR will interchange traffic at UP's Roper, Utah rail yard.

- The name and address of the railroad transferring the subject property is:

Union Pacific Railroad Company
1400 Douglas Street
Omaha, Nebraska 68179

- The involved transaction is expected to become effective on the later of May 1, 2007 or the effective date of this notice.
- The mileposts of subject property are between Milepost 4.66 at Welby, and Milepost 17.10 at Magna on UP's Garfield Branch; between Milepost 0.00 at Kearns and Milepost 2.01 at Bacchus on UP's Bacchus Branch, and between MP 0.18 and MP 6.60 on UP's Bingham Industrial Lead, a total of 20.87 route miles over which SBGR will acquire freight easements.

6) Maps of the Subject Lines are Attached as Exhibit A

7) Certification Concerning Projected Revenues

SBGR hereby certifies that its projected revenues as a result of this transaction will not result in SBGR becoming a Class II or Class I rail carrier. SBGR further certifies that the projected annual revenue of SBGR will not exceed \$5 million. Accordingly, the requirements of 49 C.F.R. § 1150.32(e) do not apply to this transaction.

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

ENVIRONMENTAL ASSESSMENT

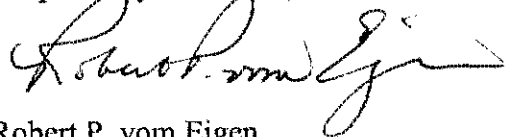
SBGR's acquisition will not result in significant changes in carrier operations. There will not be a diversion of: (1) more than 1,000 rail carloads a year to motor carriage; or (2) an average of 50 carloads per mile per year for any part of this line to motor carriage. Moreover, this transaction will not result in: (1) an increase in rail traffic of at least 100 percent or an increase of

at least eight trains a day on any segment of the line; (2) an increase of rail yard activity of at least 100 percent; or (3) an average increase in truck traffic of more than 10 percent of the average daily or 50 vehicles a day. SBGR's acquisition and operating rights will not affect a Class I or nonattainment area under the Clean Air Act. In any event, the thresholds of 49 C.F.R. § 1105.7(e)(5)(ii) will not be exceeded. Finally, the transportation of ozone depleting materials is not contemplated. Accordingly, an Environmental Assessment is not required pursuant to under 49 C.F.R. § 1105.6(c)(2).

HISTORIC REPORT

SBGR is acquiring operating rights over the involved rail lines for continued rail operations. Board approval is required for SBGR 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. Accordingly, this Notice of Exemption does not require an historic report pursuant to 49 C.F.R. § 1105.8.

Respectfully submitted,



Robert P. vom Eigen
Sarah Sunday Key
FOLEY & LARDNER LLP
3000 K Street, N.W.
Washington, D.C. 20007

Dated filed: February 27, 2007

EXHIBIT A

Maps

FILE PAGE
 LAST REVISED
 OCTOBER 20 2005
 BRIDGE 100110
 ALLU 10 2001
 BY KING/REDACTED
 FEBRUARY 4, 2002

CONSULTED BY THE DENVER AND RIO GRANDE WESTERN RT AS NARROW GAUGE - 1882, CHANGED TO STANDARD GAUGE - 1888
 DENVER AND RIO GRANDE WESTERN RR, ACQUIRED BY UNION PACIFIC CO - SA 11/18/86, 18760 EFFECTIVE SEPTEMBER 11, 1986
 BNSF HAS TRACKAGE RIGHTS OVER UPRR DENVER, CO TO SAN JOSE, CA PER AGREEMENT #186750 EFFECTIVE SEPTEMBER 12, 1986
 * FORMER PARK CITY BRANCH, NOW SUPERHIGHWAY (NO LEAD ABANDONED 7/22/05)
 * FORMER CROSSING OF SALT LAKE AND UTAH RR (ELEC.)

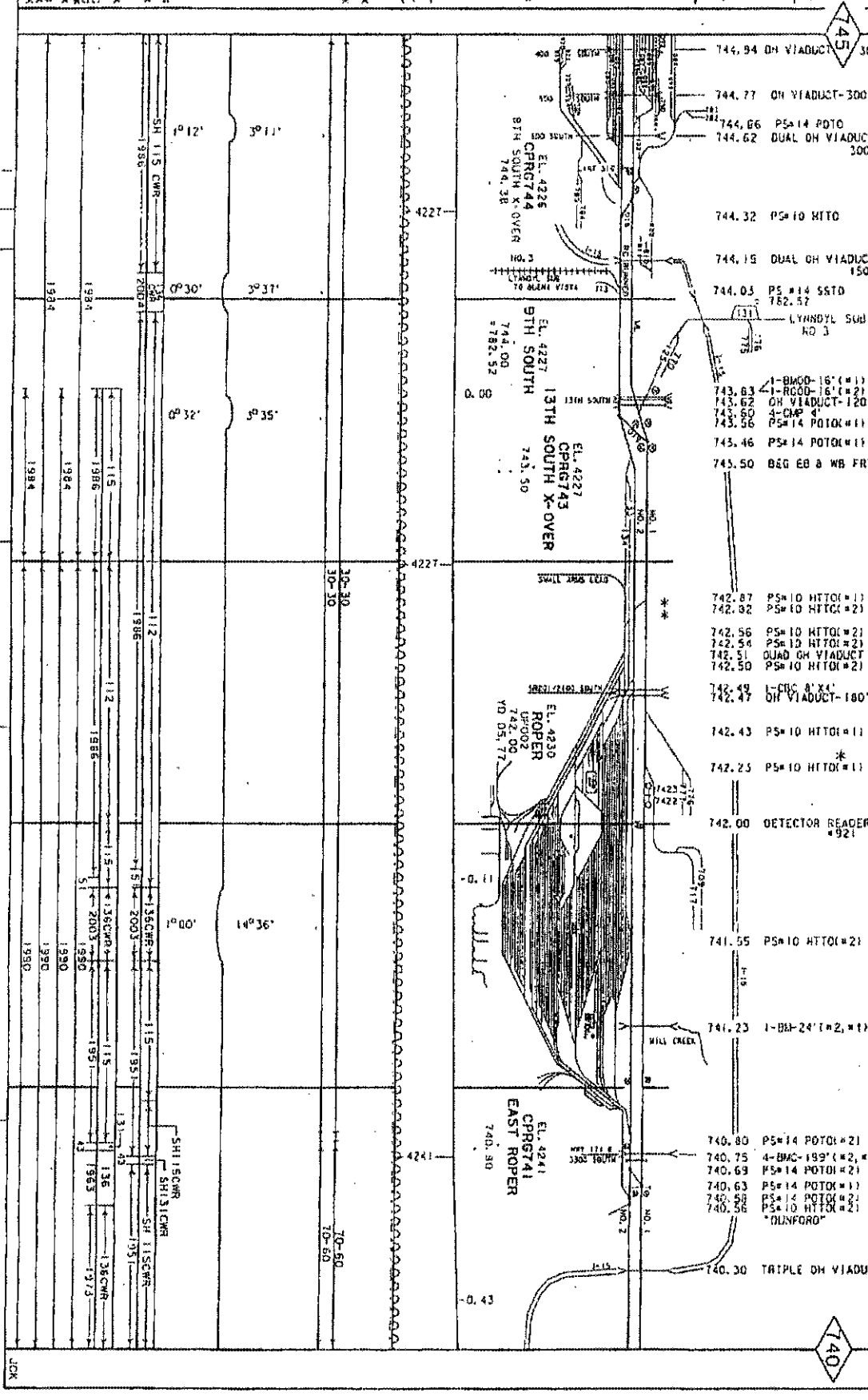
CONTIGUOUS YARD LIMITS
 141.20 TO 141.15
 141.15 TO 141.10

UTAH DIVISION
 PROVO SUBDIVISION
 213

YARD LIMIT
 ABSOLUTE SIG
 4E1 DETECTOR
 CRACKED WHEEL
 INDICATOR
 ORANGE LIGHT
 WHEEL DET.
 HIGH WATER DET.
 IMPACT DETECTOR
 INT. SIG. & NO.
 TEMP. WIND GAGE
 PWR. EL. SW.
 SPRING SW.
 DEPOT SYMBOL
 HISTORICAL MARKER

TOPOGRAPHY
 ELEV. TOP OF RAIL
 AT STATION N.O.
 CORNER POINTS &
 STATION NAMES
 CIRCULAR / HARBOR
 MILE POST LOCATION
 WITH ELEVATION OF SIDING
 (MILE ELEVATION OF SIDING)

SLIDE WARNING
 ELEVATION SET LEVEL
 FLANGE OF TIES
 C.I. C.
 A.B. S.
 NO. 1 TRACK
 NO. 2 TRACK
 SPEED ALLOWED
 NO. 1 TRACK
 NO. 2 TRACK
 AUTH. SUPER ELEV.
 TOTAL ANGLE
 ALL GRANT &
 FLANGE INDICATORS
 DEGREE OF CURVE
 SLOPES
 RAIL
 NO. 1 TRACK
 NO. 2 TRACK
 SURFACING & LINDING
 NO. 1 TRACK
 NO. 2 TRACK
 TIE GANG
 SLOPES
 NO. 1 TRACK
 NO. 2 TRACK
 GRADE TIEING DATA
 NO. 1 TRACK
 NO. 2 TRACK



MAX. GRADE PERCENT
 (SUB GRADE)

744.94 OH VIADUCT-300'
 744.77 OH VIADUCT-300'
 744.66 PS#14 POTO
 744.62 DUAL OH VIADUCT 100'
 744.32 PS#10 MITO
 744.15 DUAL OH VIADUCT 150'
 744.05 PS#14 SSTD
 742.57
 743.83
 743.62 OH VIADUCT-120'
 743.59
 743.56 PS#14 POTO#11
 743.46 PS#14 POTO#11
 743.50 B&G EB & WB FRT WNS
 742.87 PS#10 HTTO#11
 742.82 PS#10 HTTO#21
 742.56 PS#10 HTTO#21
 742.54 PS#10 HTTO#21
 742.51 DUAL OH VIADUCT 180'
 742.50 PS#10 HTTO#21
 742.49
 742.47
 742.43 PS#10 HTTO#11
 742.25 PS#10 HTTO#11
 742.00 DETECTOR READER #921
 741.55 PS#10 HTTO#21
 741.23 1-B&G-24' (2, #1)
 740.80 PS#14 POTO#21
 740.75 4-B&G-193' (#2, #1)
 740.69 PS#14 POTO#21
 740.63 PS#14 POTO#11
 740.59 PS#14 POTO#21
 740.56 PS#10 HTTO#21
 740.50
 740.30 TRIPLE OH VIADUCT-150'

740

JCK

141.20 SOUTH-1
 141.15 SOUTH-10
 141.10 SOUTH-CRSG
 1700 SOUTH-CRSG
 PRIVATE UPRR-1
 PRIVATE UPRR-5
 PRIVATE UPRR-5
 P.V.
 K.S.V.P. UTAH.DENVER.DEN

EXHIBIT B

Federal Register Caption Summary

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 35002

**SAVAGE BINGHAM & GARFIELD RAILROAD COMPANY
—ACQUISITION AND OPERATION EXEMPTION—
UNION PACIFIC RAILROAD COMPANY**

Savage Bingham & Garfield Railroad Company ("SBGR"), a non-carrier, has filed a verified notice of exemption under 49 C.F.R. Part 1150.31 to acquire from the Union Pacific Railroad Company ("UP") and to operate freight easements upon, over and across: (a) the lines of railroad between Milepost 4.66 at Welby and Milepost 17.10 at Magna ("Garfield Branch"), and between Milepost 0.00 at Kearns and Milepost 2.01 at Bacchus ("Bacchus Branch"); (b) various wye, yard and team tracks on UP's Bingham Industrial Lead in the vicinity of Midvale; and (c) the line of railroad between MP 0.18 and MP 6.60 on UP's Bingham Industrial Lead all in Salt Lake County, Utah.

SBGR certifies that its projected annual revenues as a result of this transaction will not result in the creation of a Class II or Class I rail carrier.

The transaction will be consummated on the later of May 1, 2007 or the effective date of this notice.

If the verified notice contains false or misleading information, the exemption is void *ab initio*. Petitions 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 the STB Finance Docket No. 35002, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Robert P. vom Eigen, Foley & Lardner LLP, 3000 K Street, NW, Washington, DC 20007, (202) 672-5300.