to the record of decision on whether a CCF vessel has been reconstructed or a cargo preference vessel has been rebuilt. In response to question one as to which substantive standards MARAD should apply to determine whether a CCF vessel has been reconstructed or a cargo preference vessel has been rebuilt, the majority of commenters responded that there were already established precedents in the *Aquarius Marine Co.* case and MARAD's determinations in *Golden Monarch and Barge Connor;* two others suggested that MARAD adopt the Coast Guard's standard for rebuild/reconstruction determinations. MARAD will maintain the status quo by adhering to the established precedents. As to question number two regarding what procedures MARAD should adopt to inquire into whether a CCF vessel has been reconstructed or a cargo preference vessel has been rebuilt, a majority of the commenters felt participants in the CCF and cargo preference programs should seek advisory opinions from MARAD prior to having work performed outside the United States. One commenter suggested that MARAD enter into a Memorandum of Understanding with the Coast Guard to be notified of all applications for rebuild determinations and then make an independent determination based upon the application submitted to the Coast Guard. MARAD noted in its decision in *Barge Connor* that it would have provided an advisory decision to Moby Marine Corporation if asked prior to work having been performed in Colombia. MARAD is willing to provide advisory opinions and will do so when asked. Such advisory opinions will be published in the **Federal Register**.

As to the third question posed in the notice regarding what role, if any, that unrelated third parties should play in developing a record of decision on whether a CCF vessel has been reconstructed or a cargo preference vessel has been rebuilt, all commenters felt third parties should play a substantial role in developing the record.

A variety of comments were received in response to question four regarding public disclosure of records of decision. There was general consensus that MARAD should publish its final rulings in the **Federal Register**. MARAD currently does not publish its rulings in the **Federal Register**. Instead, previous final opinions and orders may be found on MARAD's Web site at *http://www.marad.dot.gov* in its Electronic Reading Room. However, MARAD will publish final decisions and orders relating to the rebuilding of vessels, as it pertains to programs administered by MARAD, in the future.

IV. Reason for Withdrawal

MARAD's procedures on foreign rebuilding for cargo preference purposes were affirmed in *Aquarius Marine Co.* in 1995 and reaffirmed in the *Barge Connor* (2005) and *Matson* (2008) decisions. This is a settled area of law. Also, MARAD received no objections to its practice that CCF reconstruction follow Coast Guard guidance. MARAD and the Coast Guard have different standards for rebuilding as discussed herein, but those standards have a very slight chance of overlapping or producing conflicting results. This is so because the differing standards address diverse segments of the vessel market. Thus, there is no need for a new rule or to amend the cargo preference regulations or the CCF regulations with respect to rebuild or reconstruction determination standards.

By Order of the Maritime Administrator.

Dated: October 25, 2010.

Christine Gurland,

Secretary, Maritime Administration.

[FR Doc. 2010–27812 Filed 11–3–10; 8:45 am]

BILLING CODE 4910–81–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35439]

Watco Holdings, Inc., Watco Companies, Inc., and Watco Transportation Services, Inc.—Corporate Family Transaction Exemption

Watco Holdings, Inc. (Holdings), Watco Companies, Inc. (Watco), Watco Transportation Services, Inc. (Transportation Services), and the rail carrier subsidiaries have jointly filed a verified notice of exemption under 49 CFR 1180.2(d)(3) for a corporate family transaction. Watco, a noncarrier, is a Kansas corporation that controls Transportation Services, also a noncarrier and a Kansas corporation. Watco indirectly controls 22 Class III railroads (the Watco Railroads): South Kansas and Oklahoma Railroad Company (SKO); Palouse River & Coulee City Railroad, Inc.; Timber Rock Railroad, Inc.; Stillwater Central Railroad, Inc.; Eastern Idaho Railroad, Inc; Kansas & Oklahoma Railroad, Inc.; Pennsylvania Southwestern Railroad, Inc.; Great Northwest Railroad, Inc.; Kaw River Railroad, Inc.; Mission Mountain Railroad, Inc; Mississippi Southern Railroad, Inc.; Yellowstone Valley Railroad, Inc.; Louisiana Southern Railroad, Inc.; Arkansas Southern Railroad, Inc.; Alabama Southern Railroad, Inc.; Vicksburg Southern Railroad, Inc.; Austin Western Railroad, Inc.; Baton Rouge Southern Railroad, LLC (BRSR); Pacific Sun Railroad, LLC (PSRR); Grand Elk Railroad; Alabama Warrior Railway, LLC (AWR); and Boise Valley Railroad, Inc.

Under the proposed transaction, all but 4 of the Watco Railroads, SKO, PSRR, AWR, and BRSR, will reorganize. Holdings, which is a new Kansas noncarrier holding company, will indirectly control all of the Watco Railroads. There are several steps to the proposed transaction. The existing stockholders of Watco will form Holdings, and Holdings will become the parent to Watco and thus will indirectly control the 22 Watco Railroads. In addition, Watco will convert from a Kansas corporation to a Delaware limited liability company and will continue to control Transportation Services. In turn, Transportation Services will convert from a Kansas corporation to a Kansas limited liability company and will continue to directly control 21 of the Watco Railroads: all but BRSR.[1] Further, each of the Watco Railroads except SKO, PSRR, AWR, and BRSR will be converted to either a limited liability company or a C corporation, depending on applicable State law. Each of the Watco Railroads will remain incorporated in the same state of its incorporation today.

The transaction is scheduled to be consummated on or after November 18, 2010, the effective date of the exemption (30 days after the notice was filed). The purpose of this transaction is to facilitate Watco's ability to obtain financing.

This is a transaction within a corporate family of the type specifically exempted from prior review and approval under 49 CFR 1180.2(d)(3). The parties state that the transaction will not result in adverse changes in service levels, significant operational changes, or any change in the competitive balance with carriers outside the Watco corporate family.

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under 49 U.S.C. 11324 and 11325 that involve only Class III rail

[1] The parties state that BRSR will continue to be controlled by separate, wholly owned subsidiaries of Watco.

carriers. Accordingly the Board may not impose labor protective conditions here because all of the carriers involved are Class III rail carriers.

If the 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. Petitions for stay must be filed no later than November 10, 2010 (at least 7 days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35439, must be filed with the Surface Transportation Board, 395 E Street, SW., Washington, DC 20423–0001. In addition, one copy of each pleading must be served on Karl Morell, Ball Janik LLP, 1455 F Street, NW., Suite 225, Washington, DC 20005.

Board decisions and notices are available on our Web site at *http://www.stb.dot.gov.*

Decided: November 1, 2010.

By the Board.

Rachel D. Campbell,

Director, Office of Proceedings.

Andrea Pope-Matheson,

Clearance Clerk.

[FR Doc. 2010–27938 Filed 11–3–10; 8:45 am]

BILLING CODE 4915–01–P

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

Draft Finding of No Significant Impact on the Tier 1 Ohio 3C Quick Start Passenger Rail Tier-1 Environmental Assessment

AGENCY: Federal Railroad Administration (FRA), United States Department of Transportation (DOT).

ACTION: Notice of availability; request for comments on draft Finding of No Significant Impact.

SUMMARY: In accordance with the National Environmental Policy Act of 1969 (NEPA) and the FRA's Procedures for Considering Environmental Impacts (FRA Environmental Procedures) (64 FR 28545, May 26, 1999), the FRA and the Ohio Department of Transportation (ODOT) and the Ohio Rail Development Commission (ORDC) prepared a Tier-1 Environmental Assessment (Tier-1 EA) that evaluates the impacts of the 3C Quick Start Passenger Rail Project. Based on the Tier-1 EA, the FRA has prepared a draft finding of no significant impact (draft FONSI) and is inviting the public to comment on the draft.

DATES: Written comments will be accepted on or before December 6, 2010. Copies of both the Tier-1 EA and draft FONSI are available on FRA's Web site at: *http://www.fra.dot.gov/Pages/249.shtml* and ODOT's Web site at *http://www.3CisMe.Ohio.gov*.

ADDRESSES: Please submit written comments on the draft FONSI to Ms. Judi Craig Parsons Brinckerhoff, 312 Elm Street, Suite 2500, Cincinnati, Ohio 45202.

FOR FURTHER INFORMATION CONTACT: For further information regarding the draft FONSI please contact Wendy Messenger, Environmental Protection Specialist, Federal Railroad Administration, 1200 New Jersey Ave., SE., Stop 20, Washington DC 20590, *Wendy.Messenger@dot.gov*.

SUPPLEMENTARY INFORMATION: The purpose of the 3C "Quick Start" Passenger Rail Project is to reestablish intercity conventional speed passenger rail service (up to 79 miles per hour) in the 3C Corridor and provide a reliable train system that links Ohio's three largest cities (Cleveland, Columbus and Cincinnati.) The service will deliver predictable and consistent travel times. It is intended to provide travel options and develop the passenger rail market for possible further development. To achieve these goals ORDC applied for Federal funding through the High Speed Intercity Passenger Rail Program (HSIPR Program) administered by the FRA and funded by the American Recovery and Reinvestment Act (Recovery Act). ORDC's application under the Recovery Act identified the transportation benefits of the project as providing citizens with additional mobility options and a new transportation choice for travelers with associated benefits. The FRA intends to provide funding under the HSIPR Program for this project.

In June 2009, the FRA released the HSIPR Program Guidance (Interim Guidance) that described the eligibility requirements and procedures for obtaining funding under the HSIPR Program. (74 FR 29900 (June 23, 2009)). The Interim Guidance split the funding opportunities into four separate tracks. The 3C Quick Start Project was submitted by ODOT for consideration for Track 2 funding. The Interim Guidance required Track 2 applicants to submit, with their application, a "corridor-wide 'service' NEPA study, such as a programmatic or Tier I EIS." (Interim Guidance Section 1.6.2). The Interim Guidance went on to explain that Tier 1 Environmental Impact Statements and some Environmental Assessments are programmatic and "[a]ddress[ ] actions at a broad level, such as a program concept for an entire corridor." (Interim Guidance Section 2.2).

In order to comply with the requirements of the Interim Guidance, ODOT and ORDC prepared a Tier-1 or "service" NEPA document that included the analysis of four route alternatives including the "No Build" and twelve communities with 32 possible station sites. The No Build Alternative analyzes what would happen if there are no improvements on the OH 3C Corridor. The alternatives analyses analyze the effect on the human and natural environments of the improvements that involve the four route alternatives, twelve communities and 32 possible station sites that meet the goals of the OH 3C Quick Start Project. The Tier-1 EA was completed in September, 2009 and was made available for comment between September 25, 2009 and October 6, 2009 at *http://www.3CisMe.Ohio.gov*. Approximately 7,500 comments were received.

At the Tier-1 level of review, the FRA finds that the 3C Quick Start Passenger Rail Project as presented and evaluated in the July 2010 Tier-1 EA, satisfies the requirements of FRA's "Procedures for Considering Environmental Impacts" and will not have a significant impact on the quality of the human or natural environment, following the implementation of the mitigation measures detailed in the FONSI and those which will be developed during the site-specific environmental documentation process for specific improvements.

Therefore, FRA has drafted a FONSI for the proposed improvements. This FONSI based on the Tier-1 EA has been prepared to comply with NEPA and the FRA's Environmental Procedures. FRA has concluded that the award of Federal funds to reestablish the intercity passenger rail service on the 3C corridor as described in the EA, constitutes a major Federal action within the meaning of Section 102(c) of NEPA (42 U.S.C. 4332). Prior to release of construction funding for this project, ODOT and ORDC will successfully complete applicable mitigation measures detailed in the draft FONSI and complete appropriate project-level NEPA evaluations, documentation and decision documents and the mitigation measures developed thereunder.

FRA Environmental Procedures require that a FONSI be made available to the public for not less than 30 days when the "nature of the proposed action is one without precedent." Because the nature of this project is unprecedented and this Tier-1 Level FONSI is