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214274

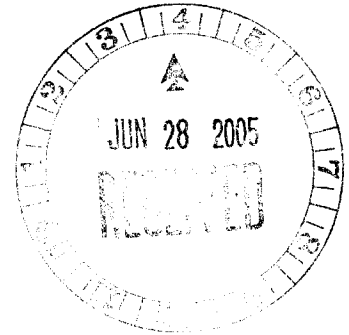
June 28, 2005

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

ENTERED
Office of Proceedings

JUN 28 2005

Part of
Public Record



RE: Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc.*—
Discontinuance of Service Exemption—in Kent County, MI

Dear Secretary Williams:

Enclosed are the original and 10 copies of a Petition for Exemption for abandonment in the above-entitled proceeding and a check for the filing fee of \$5,200. Also enclosed is a computer diskette in containing the Petition, Environmental Report, and Historic Report.

Please time and date stamp the additional copy of this letter and the Petition and return them with our messenger. Thank you for your assistance.

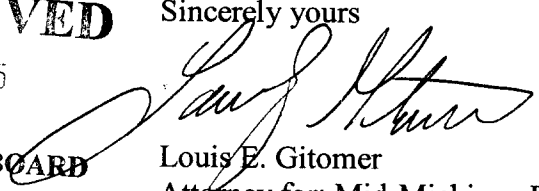
If you have any questions please call or email me.

FEE RECEIVED

JUN 28 2005

**SURFACE
TRANSPORTATION BOARD**

Sincerely yours


Louis E. Gitomer
Attorney for: Mid-Michigan Railroad, Inc.

Enclosures

FILED

JUN 28 2005

**SURFACE
TRANSPORTATION BOARD**

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BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB-364 (Sub-No. 10X)

MID-MICHIGAN RAILROAD, INC.—DISCONTINUANCE OF SERVICE EXEMPTION—
IN KENT COUNTY, MI

PETITION FOR EXEMPTION

FILED

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SURFACE
TRANSPORTATION BOARD

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SURFACE
TRANSPORTATION BOARD

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Attorneys for: MID-MICHIGAN
RAILROAD, INC.

Dated: June 28, 2005

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. AB-364 (Sub-No. 10X)

MID-MICHIGAN RAILROAD, INC.—DISCONTINUANCE OF SERVICE EXEMPTION—
IN KENT COUNTY, MI

PETITION FOR EXEMPTION

Mid-Michigan Railroad, Inc. ("MMRR") petitions the Surface Transportation Board ("Board") to exempt, under 49 U.S.C. § 10502 MMRR's discontinuance of service over a 1.50-mile rail line between milepost 157.97 on MMRR's main east-west rail line and the end of the line proposed for discontinuance of service all in the City of Grand Rapids, MI, in Kent County, MI (the "Line") from the prior approval requirements of 49 U.S.C. § 10903.

The Line was leased from the Central Michigan Railroad Company ("CMRY") by the Grand Rapids Eastern Railroad, Inc. ("GRE") in 1993.¹ GRE merged into MMRR.² CMRY continues to own the assets that MMRR operates over, including, but not limited to the track, ties, ballast, other track material and land. MMRR has no authority or ability to alter, remove or dispose of any of the assets that are on the Line.

The discontinuance of service is justified because The Grand Rapids Press ("GRP") located in downtown Grand Rapids, the only shipper on the Line, has stopped using the Line,

¹ *Grand Rapids Eastern Railroad, Inc.—Purchase, Lease and Operation Exemption—Rail Lines of Central Michigan Railroad Company*, ICC Finance Docket No. 32297 (ICC served July 26, 1993).

² *RailTex, Inc., Mid-Michigan Railroad, Inc., Michigan Shore Railroad, Inc., and Grand Rapids Eastern Railroad, Inc.—Corporate Family Transaction Exemption*, STB Finance Docket No. 33693 (STB served January 20, 1999).

moved its facility to Walker, MI, and does not oppose the discontinuance of service. There is no longer a demand for rail service.

PROPOSED TRANSACTION

MMRR proposes to discontinue service over a 1.50-mile rail line between milepost 157.97 on MMRR's main east-west rail line and the end of the line. The Line proposed for discontinuance of service lies entirely within the City of Grand Rapids, MI, in Kent County, MI. The Line traverses Zip Codes 49503 and 49504. A map of the Line is attached as Exhibit A. Exhibit B consists of the Environmental Report, including the letters transmitting the Environmental Report in Exhibit 2 thereto. The Historic Report is in Exhibit C, the draft Federal Register Notice is in Exhibit D, and copies of the newspaper publication and the required certification are in Exhibit E. The certificate of service is in Exhibit F.

Based on information in MMRR's possession, the Line does not contain federally granted right-of-way. Any documentation in MMRR's possession concerning title will be made available to those requesting it.

BACKGROUND

MMRR is the successor to Grand Rapids Eastern Railroad, Inc. ("GRE") as the result of a merger of the affiliated railroads in 1998.³ GRE leased the Line from CMRY and began

³ See *RailTex, Inc., Mid-Michigan Railroad, Inc., Michigan Shore Railroad, Inc., and Grand Rapids Eastern Railroad, Inc.—Corporate Family Transaction Exemption*, STB Finance Docket No. 33693 (STB served January 20, 1999).

operations in 1993.⁴ Prior to GRE's lease, CMRY operated the Line, which it had acquired from the Grand Trunk Western Railroad Company.

GRP was the only customer on the Line. Prior to GRP moving its publishing facility to Walker, MI, MMRR was serving GRP on an as needed basis. The last service MMRR provided to GRP was in June 2004. MMRR transported 145 carloads of inbound paper in 2004, 347 carloads in 2003, and 321 carloads in 2002 to GRP. The last service on the Line occurred on June 25, 2004. Due to GRP's move to another facility, there are no longer any active shippers on the Line.

There is no demand for service over the Line. The Line is listed as excepted track, although the first 1.25 miles may be in FRA Class I condition. The Line requires an immediate investment of about \$435,000 for rehabilitation if the entire line were to be upgraded to FRA Class I condition. Upon receipt of discontinuance authority, MMRR will discontinue service. CMRY is the owner of the Line and will determine the disposition of the Line once MMRR's service is discontinued.

ARGUMENT SUPPORTING THE DISCONTINUANCE OF SERVICE

MMRR seeks an exemption under 49 U.S.C. § 10502 from the applicable requirements of 49 U.S.C. § 10903 in order to discontinue service over the Line.

Under 49 U.S.C. § 10502, the Board must exempt a transaction from regulation when it finds that:

⁴ *Grand Rapids Eastern Railroad, Inc.—Purchase, Lease and Operation Exemption—Rail Lines of Central Michigan Railroad Company*, ICC Finance Docket No. 32297 (ICC served July 26, 1993 and affirmed February 16, 1995).

(1) regulation is not necessary to carry out the rail transportation policy of 49 U.S.C. § 10101; and

(2) either:

(a) the transaction is of limited scope, or

(b) regulation is not necessary to protect shippers from the abuse of market power.

The legislative history of Section 10502 reveals a clear Congressional intent that the Board should liberally use its exemption authority to free certain transactions from the administrative and financial costs associated with continued regulation. In enacting the Staggers Rail Act of 1980, Pub. L. No. 96-488, 94 Stat. 1895, Congress encouraged the Board's predecessor agency to liberally use the expanded exemption authority under former Section 10505:

The policy underlying this provision is that while Congress has been able to identify broad areas of commerce where reduced regulation is clearly warranted, the Commission is more capable through the administrative process of examining specific regulatory provisions and practices not yet addressed by Congress to determine where they can be deregulated consistent with the policies of Congress. The conferees expect that, consistent with the policies of this Act, the Commission will pursue partial and complete exemption from remaining regulation.

H.R. Rep No. 1430, 96th Cong. 2d Sess. 105 (1980). See also *Exemption From Regulation--Boxcar Traffic*, 367 I.C.C. 424, 428 (1983), vacated and remanded on other grounds, *Brae Corp. v. United States*, 740 F.2d 1023 (D.C. Cir 1984). Congress reaffirmed this policy in the conference report accompanying the ICC Termination Act of 1995, Pub. L. No. 104-88, 109 Stat. 803, which re-enacted the rail exemption provision as Section 10502. H.R. Rep. No. 422, 104th Cong., 1st Sess. 168-69 (1995).

A. The Application of 49 U.S.C. § 10903 Is Not Necessary to Carry Out the Rail Transportation Policy

Detailed scrutiny of this transaction is not necessary to carry out the rail transportation policy. An exemption would minimize the unnecessary expense associated with the preparation and filing of a formal discontinuance of service application, expedite regulatory decisions and reduce regulatory barriers to exit. 49 U.S.C. § 10101 (2) and (7). The discontinuance of service by MMRR will not result in a loss of rail service. GRP, the only shipper formerly on the Line, has moved its publishing facility to Walker, MI, and stopped using rail service on the Line. GRP has agreed not to oppose this discontinuance of service. Granting this exemption, therefore, fosters sound economic conditions and encourages efficient management by permitting the rationalization of an unnecessary rail line from the system of the railroad leasing the Line. 49 U.S.C. § 10101 (3), (5) and (9). Other aspects of the rail transportation policy are not adversely affected. For example, competition and the continuation of a sound rail transportation system are not affected since the public will not be deprived of any needed rail services.

B. This Transaction Is Of Limited Scope

The proposed transaction is of limited scope. MMRR seeks to discontinue service over a 1.50-mile line in one county and one city in Michigan.

C. This Transaction Will Not Result In An Abuse Of Market Power.

MMRR is discontinuing service over the Line. There are no shippers located on the Line. GRP, the only shipper on the Line, has moved its facility on the Line to Walker, MI, where it continues to receive rail service and has agreed not to oppose this discontinuance of service.

Since no shipper will lose service, MMRR does not anticipate any opposition to the proposed discontinuance of service.

ENVIRONMENTAL REPORT

An Environmental Report is in Exhibit B.

HISTORIC REPORT

A Historic Report is in Exhibit C.

FEDERAL REGISTER NOTICE

A draft Federal Register notice is attached hereto as Exhibit D.

LABOR PROTECTION

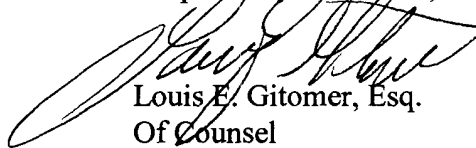
The interests of railroad employees of MMRR who may be adversely affected by the proposed discontinuance of service will be adequately protected by the labor protective conditions in *Oregon Short Line R. Co.--Abandonment--Goshen*, 360 I.C.C. 91 (1979).

CONCLUSION

Application of the regulatory requirements and procedures of 49 U.S.C. § 10903 is not required to carry out the rail transportation policy set forth in 49 U.S.C. § 10101, as previously shown. Nor is Board regulation required to protect shippers from the abuse of market power. Moreover, this discontinuance of service is of limited scope. Accordingly, MMRR respectfully urges the Board to grant the proposed discontinuance of service over the 1.50-mile Line.

Gary A. Laakso, Esq.
Vice President Regulatory Counsel
RailAmerica, Inc.
5300 Broken Sound Boulevard N.W.
Second Floor
Boca Raton, FL 33487
(561) 994-6015

Respectfully Submitted,



Louis E. Gitomer, Esq.
Of Counsel
BALL JANIK LLP
1455 F Street, N.W., Suite 225
Washington, D.C. 20005
(202) 638-3307

Attorneys for: MID-MICHIGAN
RAILROAD, INC.

Dated: June 28, 2005

EXHIBIT A-MAP

DOCKET NO. AB-364
(SUB-NO 10X)
MID-MICHIGAN RAILROAD, INC.

4000
 4000 4000

-----MP 157.97
BEGINNING OF LINE

END OF LINE

GRAND RAPIDS

IV ER

EXHIBIT B-ENVIRONMENTAL REPORT

ENVIRONMENTAL REPORT
(49 C.F.R. 1105.7)

Docket No. AB-364 (Sub-No. 10X)

**MID-MICHIGAN RAILROAD, INC.—DISCONTINUANCE OF SERVICE EXEMPTION—
IN KENT COUNTY, MI**

Dated: June 28, 2005

(1) Proposed Action and Alternatives. Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable, detailed map and drawings clearly delineating the project.

Mid-Michigan Railroad, Inc. ("MMRR") proposes to discontinue service over a 1.50-mile rail line between milepost 157.97 and the end of the line all in Grand Rapids, MI, in Kent County, MI (the "Line"). Upon receipt of discontinuance of service authority, MMRR will discontinue service on the Line.

The Line was leased from the Central Michigan Railroad Company ("CMRY") by the Grand Rapids Eastern Railroad, Inc. ("GRE") in 1993.¹ GRE merged into MMRR.² CMRY continues to own the assets that MMRR operates over, including, but not limited to the track, ties, ballast, other track material, and real estate. MMRR has no authority or ability to alter, remove or dispose of any of the assets that are on the Line.

¹ *Grand Rapids Eastern Railroad, Inc.—Purchase, Lease and Operation Exemption—Rail Lines of Central Michigan Railroad Company*, ICC Finance Docket No. 32297 (ICC served July 26, 1993).

² *RailTex, Inc., Mid-Michigan Railroad, Inc., Michigan Shore Railroad, Inc., and Grand Rapids Eastern Railroad, Inc.—Corporate Family Transaction Exemption*, STB Finance Docket No. 33693 (STB served January 20, 1999).

MMRR transported inbound paper to The Grand Rapids Press ("GRP") in downtown Grand Rapids until GRP moved its production facility to Walker, MI. The last shipment to GRP was in June 2004. There are no other customers on the Line.

The only alternative to discontinuance of service would be not to discontinue service over the Line. No service has been provided on the Line since GRP ceased receiving paper at its facility on the Line in June 2004. The Line is a stub end track and therefore has no overhead traffic. With no potential traffic, MMRR has decided to seek discontinuance of service over the Line.

A map of the proposed discontinuance is attached hereto as Exhibit 1.³

(2) Transportation System. Describe the effects of the proposed action on regional or local transportation systems and patterns. Estimate the amount of traffic (passenger or freight) that will be diverted to other transportation systems or modes as a result of the proposed action.

No passenger traffic will be diverted to other modes as a result of the proposed discontinuance of service. GRP was the only shipper on the line and has stopped shipments over the Line. Hence, no rail freight traffic will be diverted to motor carrier. Accordingly, the proposed discontinuance of service will have no adverse effects on regional or local transportation systems and patterns.

(3) Land Use. (i) Based on consultation with local and/or regional planning agencies and/or a review of the official planning documents prepared by such agencies, state whether the proposed action is consistent with existing land use plans. Describe any inconsistencies. (ii) Based on consultation with the U.S. Soil Conservation Service, state the effect of the proposed action on any prime agricultural land. (iii) If the action affects land or water uses within a designated coastal zone, include the coastal zone information required by 1105.9. (iv) If the proposed action is an abandonment, state whether or not the right-of-way is suitable for alternative public use under 49 U.S.C. § 10905 and explain why.

³ The copy of the map that accompanied the information-gathering letter has been removed from that letter. That map was the same as the map in Exhibit 1 accompanying this report.

(i) MMRR considers the proposed discontinuance of service to be consistent with existing land use plans. The land adjoining the Line is mainly urban in character.

Although MMRR has no authority or ability to alter, remove or dispose of any of the assets that are on the Line, MMRR bases its analysis upon a review of the City of Grand Rapids Master Plan 2002 (the "Master Plan"). The Master Plan, at page 69, recommends a change in land use along the riverfront north of I-196 and west of Monroe Avenue from industry to a mix of uses giving priority to: the addition of open space, continuous public access along the river edge, and medium and high-density residential development on the riverfront. The proposed discontinuance is consistent with the Master Plan.

MMRR contacted the City of Grand Rapids and Kent County, MI by letter dated June 2, 2005. See Exhibit 2. No response has been received as of this date. A copy of this Environmental Report has been mailed to the appropriate local and state agencies for their information and further comment.

(ii) Since the discontinuance of service is within an urban area, the City of Grand Rapids, MMRR does not believe that there is any prime agricultural land that will be affected. MMRR notified the United States Department of Agriculture ("USDA") Natural Resources Conservation Service (the agency succeeding to the responsibilities of the Soil Conservation Service) of the proposed discontinuance of service by letter dated June 2, 2005, and requested assistance in identifying any potential effects on prime agricultural land. See Exhibit 2. No response has been received to date. A copy of this report is being supplied to the USDA for its information and further comment.

(iii) The Line does not pass through a designated coastal zone.

(iv) The area traversed by the Line, as described in item (i) above, is most suitable for non-transportation use consistent with the Master Plan described above. However, future use of the Line will not be determined by MMRR, but by CMRY, the owner of the Line. An adequate road and highway network serves the area. Based on the Master Plan, there is little or no likelihood that the rail corridor is needed for a transit or highway corridor. However, the rail corridor may be needed for another public use.

(4) Energy. (i) Describe the effect of the proposed action on transportation of energy resources. (ii) Describe the effect of the proposed action on recyclable commodities. (iii) State whether the proposed action will result in an increase or decrease in overall energy efficiency and explain why. (iv) If the proposed action will cause diversions from rail to motor carriage of more than: (A) 1,000 rail carloads a year; or (B) an average of 50 rail carloads per mile per year for any part of the affected line, quantify the resulting net change in energy consumption and show the data and methodology used to arrive at the figure given.

(i) The proposed discontinuance of service will have no effect on the transportation of energy resources.

(ii) The proposed discontinuance of service will have no effect on the transportation of recyclable commodities.

(iii) The proposed discontinuance of service will have minimal effect on overall energy efficiency.

(iv) The proposed discontinuance of service will not cause the diversion more than 1,000 rail carloads a year; or an average of 50 rail carloads per mile per year for any part of the Line of rail traffic to motor carriage.

(5) Air. (i) If the proposed action will result in either: (A) An increase in rail traffic of at least 100 percent (measured in gross ton miles annually) or an increase of at least eight trains a day on any segment of rail line affected by the proposal, or (B) an increase in rail yard activity of at least 100 percent (measured by carload activity), or (C) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on any affected road segment, quantify the anticipated effect on air emissions. For a proposal under 49 U.S.C. § 10901 (or § 10505) to construct a new line or reinstitute service over a previously abandoned

line, only the eight train a day provision in sub-section (5)(i)(A) will apply. (ii) If the proposed action affects a class I or nonattainment area under the Clean Air Act, and will result in either: (A) an increase in rail traffic of at least 50 percent (measured in gross ton miles annually) or an increase of at least three trains a day on any segment of rail line; (B) an increase in rail yard activity of at least 20 percent (measured by carload activity); or (C) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day on a given road segment, then state whether any expected increased emissions are within the parameters established by the State Implementation Plan. However, for a rail construction under 49 U.S.C. § 10901 (or 49 U.S.C. § 10505), or a case involving the reinstitution of service over a previously abandoned line, only the three train a day threshold in this item shall apply. (iii) If transportation of ozone depleting materials (such as nitrogen oxide and freon) is contemplated, identify: the materials and quantity; the frequency of service; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents and spills; contingency plans to deal with accidental spills; and the likelihood of an accidental release of ozone depleting materials in the event of a collision or derailment.

(i) The proposed discontinuance of service will not result in meeting or exceeding the specified thresholds.

(ii) The proposed discontinuance of service will not result in meeting or exceeding the specified thresholds.

(iii) The proposed discontinuance of service will not affect the transportation of ozone depleting materials.

(6) Noise. If any of the thresholds identified in item (5)(i) of this section are surpassed, state whether the proposed action will cause: (i) an incremental increase in noise levels of three decibels Ldn or more; or (ii) an increase to a noise level of 65 decibels Ldn or greater. If so, identify sensitive receptors (e.g., schools, libraries, hospitals, residences, retirement communities, and nursing homes) in the project area, and quantify the noise increase for these receptors if the thresholds are surpassed.

Not applicable.

(7) Safety. (i) Describe any effects of the proposed action on public health and safety (including vehicle delay time at railroad grade crossings). (ii) If hazardous materials are expected to be transported, identify: the materials and quantity; the frequency of service; whether chemicals are being transported that, if mixed, could react to form more hazardous compounds; safety practices (including any speed restrictions); the applicant's safety record (to the extent available) on derailments, accidents and hazardous spills; the contingency plans to deal with accidental spills; and the likelihood of an accidental release of hazardous materials. (iii) If there are any known hazardous waste sites or sites where there have been known hazardous materials

spills on the right-of-way, identify the location of those sites and the types of hazardous materials involved.

(i) The proposed discontinuance of service will have no detrimental effects on public health and safety. MMRR will cease operating over the Line.

(ii) The proposed discontinuance of service will not affect the transportation of hazardous materials.

(iii) MMRR is not aware of any known hazardous material waste sites or sites where known hazardous material spills have occurred on or along the rail corridor of the Line.

(8) Biological Resources. (i) Based on consultation with the U.S. Fish and Wildlife Service, state whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects. (ii) State whether wildlife sanctuaries or refuges, National or State parks or forests will be affected, and describe any effects.

(i) MMRR does not believe that the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat. MMRR notified the U.S. Fish and Wildlife Service of the proposed discontinuance by letter dated June 2, 2005, and requested assistance in determining whether the proposed discontinuance of service will adversely affect endangered or threatened species or areas designated as a critical habitat. *See* Exhibit 2. A copy of this Report was supplied to the U.S. Fish and Wildlife Service ("USF&W") for its information and further comment. USF&W in a letter dated June 13, 2005 stated "We have researched our ownership interest in the vicinity and have determined we do not own any lands or interests in land in the vicinity of the proposed rail line abandonment. We do not have any concerns regarding real estate matters in the abandonment. *See* Exhibit 2.

(ii) MMRR is unaware of any wildlife sanctuaries or refuges, National or State parks or forests that would be adversely affected by the proposed discontinuance of service. MMRR

notified the National Parks Service of the proposed discontinuance of service by letter dated June 2, 2005, and requested assistance in identifying any potential effects on wildlife sanctuaries or refuges, National or State parks or forests. *See Exhibit 2.* To date, no response to this request has been received. A copy of this Report is being supplied to the National Park Service for its information and comment.

(9) Water. (i) Based on consultation with State water quality officials, state whether the proposed action is consistent with applicable Federal, State or local water quality standards. Describe any inconsistencies. (ii) Based on consultation with the U.S. Army Corps of Engineers, state whether permits under section 404 of the Clean Water Act (33 U.S.C. § 1344) are required for the proposed action and whether any designated wetlands or 100-year flood plains will be affected. Describe the effects. (iii) State whether permits under section 402 of the Clean Water Act (33 U.S.C. § 1342) are required for the proposed action.

(i) MMRR is confident that the proposed discontinuance of service will be consistent with applicable water quality standards. MMRR contacted the Michigan Department of Environmental Quality ("MIDEQ") and the United States Environmental Protection Agency ("USEPA") by letters dated June 2, 2005. *See Exhibit 2.* To date, no response to this request has been received. A copy of this Report has been supplied to the MIDEQ and USEPA for their information and comment.

(ii) MMRR believes that no permits under section 404 of the Clean Water Act are required for the proposed discontinuance of service and that no designated wetlands or 100-year flood plains will be affected by the proposed discontinuance of service. MMRR contacted the U.S. Army Corps of Engineers by letter dated June 2, 2005 and has received no response to date. *See Exhibit 2.* A copy of this Report has been supplied to the U.S. Army Corps of Engineers for its information and comment.

(iii) MMRR believes that no permit under section 402 of the Clean Water Act would be required for the discontinuance of service. MMRR contacted the MIDEQ and the USEPA by

letter dated June 2, 2005. *See* Exhibit 2. A copy of this Report has been supplied to the MIDEQ and USEPA for their information and further comment.

(10) Proposed Mitigation. Describe any actions that are proposed to mitigate adverse environmental impacts, indicating why the proposed mitigation is appropriate.

MMRR does not expect any adverse environmental impact from the proposed discontinuance of service and, therefore, see no need for any mitigating actions. MMRR will, of course, adhere to any remedial actions suggested by the recipients of this Report, which are required by the Board.

EXHIBIT 1 – MAP

STATE OF MICHIGAN

DOCKET NO. AB-364 (SUB-NO.10X)
MID-MICHIGAN RAILROAD, INC.

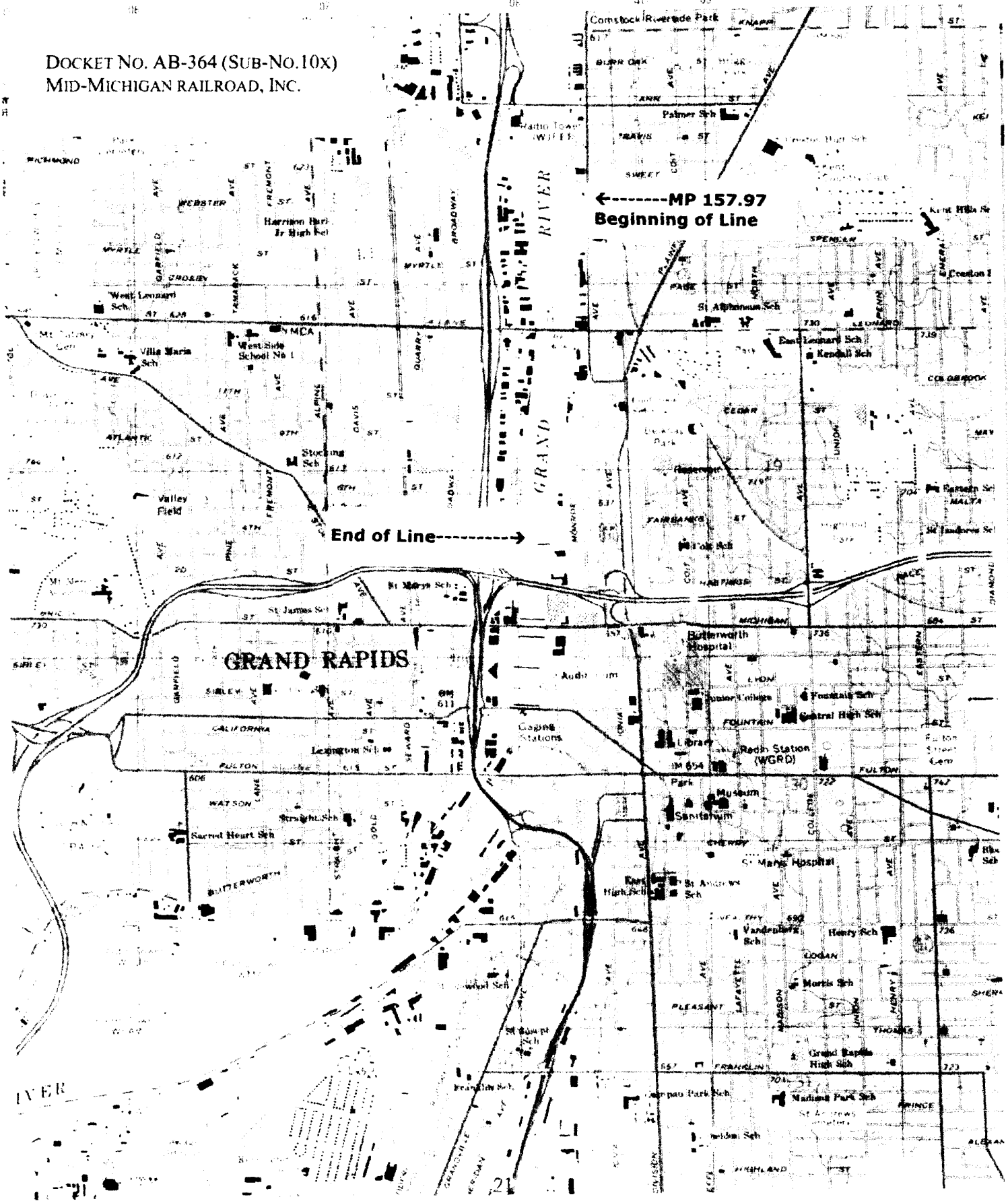


EXHIBIT 2 – LETTERS



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

June 2, 2005

National Oceanic and Atmospheric Administration
National Geodetic Survey
1315 East-West Highway
Silver Spring, MD 20910-3282

RE: Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc.—
Discontinuance of Service Exemption—in Kent County, MI*

Dear Sir/Madam:

On or about June 22, 2005, we expect to be filing with the Surface Transportation Board (“STB”) a petition for exemption seeking authority for Mid-Michigan Railroad, Inc. (“MMRR”) to discontinue service over a 1.50-mile rail line between milepost 157.97 on MMRR’s main east-west rail line and the end of the line proposed for discontinuance of service all in the City of Grand Rapids, MI, in Kent County, MI. MMRR is the tenant on the Line, which it leases from the Central Michigan Railroad Company.

Attached is an Environmental Report describing the proposed action and any expected environmental effects, as well as a map of the affected area. We are providing this report so that you may review the information that will form the basis for the STB's independent environmental analysis of this proceeding. If any of the information is misleading or incorrect, if you believe that pertinent information is missing, or if you have any questions about the STB's environmental review process, please contact the Section of Environmental Analysis (SEA), Surface Transportation Board, 1925 K Street, NW, Washington, DC 20423, telephone 202-565-1538 and refer to the above Docket No. AB-364 (Sub-No. 10X).



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

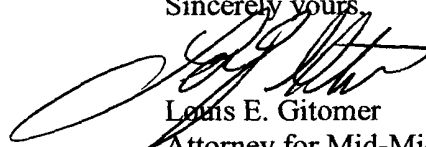
National Oceanic and Atmospheric Administration

June 2, 2005

Page 2

Because the applicable statutes and regulations impose stringent deadlines for processing this action, your written comments to SEA (with a copy to our representative) would be appreciated within 3 weeks. Your comments will be considered by the STB in evaluating the environmental impacts of the contemplated action. If there are any questions concerning this proposal, please contact our representative directly. Our representative in this matter is Louis E. Gitomer who may be contacted by telephone at 202-638-3307, email at lgitomer@dc.bjllp.com, or mail at Ball Janik LLP, 1455 F Street, N.W., Suite 225, Washington, DC 20005.

Sincerely yours,



Louis E. Gitomer

Attorney for Mid-Michigan Railroad, Inc.

Enclosure



A RailAmerica Company



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL OCEAN SERVICE
National Geodetic Survey
Silver Spring, Maryland 20910-3282

JUN 10 2005

Ms. Victoria J. Rutson
Chief, Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Dear Ms. Rutson:

The area in question on the map with the Environmental and Historic Reports for the proposed rail line discontinuance of the Mid-Michigan Railroad, Inc. for 1.50 miles of rail line between milepost 157.97 on MMRR main east-west rail line and the end of the line proposed for discontinuance of service all in the City of Grand Rapids, Kent County, Michigan, STB Docket No. AB-364 (Sub-No. 10X), has been reviewed within the areas of National Geodetic Survey (NGS) responsibility and expertise and in terms of the impact of the proposed actions on NGS activities and projects.

As a result of this review, no geodetic station markers have been identified that may be affected by the proposed discontinuance.

If further information is needed, contact Mr. Frank C. Maida. His address is NOAA, N/NGS2, Room 8736, 1315 East-West Highway, Silver Spring, Maryland 20910-3282, telephone: 301-713-3198, fax: 301-713-4324, e-mail: Frank.Maida@noaa.gov.

Sincerely,

For

Richard A. Snay
Chief, Spatial Reference System Division

Enclosures

cc: N/NGS1 - G. Mitchell
N/NGS1x1 - D. Rigney
Louis E. Gitomer, Attorney for Mid-Michigan Railroad, Inc.





MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

June 2, 2005

U.S. Fish and Wildlife Service
Region 3
One Federal Drive
BHW Federal Building
Fort Snelling
Twin Cities, MN 55111

RE: Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc.—
Discontinuance of Service Exemption—in Kent County, MI*

Dear Sir/Madam:

On or about June 22, 2005, we expect to be filing with the Surface Transportation Board (“STB”) a petition for exemption seeking authority for Mid-Michigan Railroad, Inc. (“MMRR”) to discontinue service over a 1.50-mile rail line between milepost 157.97 on MMRR’s main east-west rail line and the end of the line proposed for discontinuance of service all in the City of Grand Rapids, MI, in Kent County, MI. MMRR is the tenant on the Line, which it leases from the Central Michigan Railroad Company.

Attached is an Environmental Report describing the proposed action and any expected environmental effects, as well as a map of the affected area. We are providing this report so that you may review the information that will form the basis for the STB's independent environmental analysis of this proceeding. If any of the information is misleading or incorrect, if you believe that pertinent information is missing, or if you have any questions about the STB's environmental review process, please contact the Section of Environmental Analysis (SEA), Surface Transportation Board, 1925 K Street, NW, Washington, DC 20423, telephone 202-565-1538 and refer to the above Docket No. AB-364 (Sub-No. 10X).



A RailAmerica Company



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

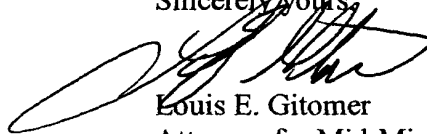
U.S. Fish and Wildlife Service

June 2, 2005

Page 2

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Sincerely yours,



Louis E. Gitomer

Attorney for Mid-Michigan Railroad, Inc.

Enclosure



A RailAmerica Company



United States Department of the Interior

FISH AND WILDLIFE SERVICE
Bishop Henry Whipple Federal Building
1 Federal Drive
Fort Snelling, MN 55111-4056

IN REPLY REFER TO:

FWS/NWRS-RE - General
Railroad Abandonments

June 13, 2005

Mr. Louis E. Gitomer
Ball Janik LLP
1455 F Street, N.W.
Suite 225
Washington, D.C. 20005

Dear Mr. Gitomer:

Thank you for the opportunity to comment on the proposed abandonment of a section of the Mid-Michigan Railroad, Inc., in the City of Grand Rapids, Kent County, Michigan; STB Docket No. AB-364 (Sub-No.10X).

We have researched our ownership in the vicinity and have determined we do not own any lands or interests in land in the vicinity of the proposed rail line abandonment. We do not have any concerns regarding real estate matters in the abandonment.

Sincerely,

For Patrick G. Carroll
Senior Realty Officer
Division of Realty



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

June 2, 2005

U.S. Environmental Protection Agency
Region 5
Metcalf Building
Office of Strategic Environmental Analysis
77 West Jackson Boulevard
Mailcode: B-19J
Chicago, IL 60604

RE: Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc.—
Discontinuance of Service Exemption—in Kent County, MI*

Dear Sir/Madam:

On or about June 22, 2005, we expect to be filing with the Surface Transportation Board ("STB") a petition for exemption seeking authority for Mid-Michigan Railroad, Inc. ("MMRR") to discontinue service over a 1.50-mile rail line between milepost 157.97 on MMRR's main east-west rail line and the end of the line proposed for discontinuance of service all in the City of Grand Rapids, MI, in Kent County, MI. MMRR is the tenant on the Line, which it leases from the Central Michigan Railroad Company.

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A RailAmerica Company



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

U.S. Environmental Protection Agency

June 2, 2005

Page 2

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Sincerely yours,

A handwritten signature in black ink, appearing to read 'Louis E. Gitomer', is written over a horizontal line.

Louis E. Gitomer

Attorney for Mid-Michigan Railroad, Inc.

Enclosure



A RailAmerica Company



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

June 2, 2005

USDA Natural Resources Conservation Service
3001 Coolidge Street
East Lansing, MI 48823-6350

RE: Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc.—
Discontinuance of Service Exemption—in Kent County, MI*

Dear Sir/Madam:

On or about June 22, 2005, we expect to be filing with the Surface Transportation Board (“STB”) a petition for exemption seeking authority for Mid-Michigan Railroad, Inc. (“MMRR”) to discontinue service over a 1.50-mile rail line between milepost 157.97 on MMRR’s main east-west rail line and the end of the line proposed for discontinuance of service all in the City of Grand Rapids, MI, in Kent County, MI. MMRR is the tenant on the Line, which it leases from the Central Michigan Railroad Company.

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MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

USDA Natural Resources Conservation Service

June 2, 2005

Page 2

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Sincerely yours,

A handwritten signature in black ink, appearing to read 'Louis E. Gitomer', written over the typed name.

Louis E. Gitomer

Attorney for Mid-Michigan Railroad, Inc.

Enclosure



A RailAmerica Company



**United States
Department of
Agriculture**

Natural
Resources
Conservation
Service

Michigan State
Office

3001 Coolidge
Road, Suite 250
East Lansing, MI
48823-6321
(P) 517-324-5270
(F) 517-324-5171
www.mi.nrcs.usda.gov

June 9, 2005

Section of Environmental Analysis (SEA)
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423

**RE: Docket No. AB-364 (Sub-No. 10X), Mid-Michigan Railroad, Inc.
Discontinuance of Service Exemption-in Kent County, Michigan**

To Whom It May Concern:

We have reviewed the proposal to discontinue service over a 1.5 mile line between milepost 157.97 on Mid-Michigan Railroad's main east-west rail line and the end of the line, all contained within the city of Grand Rapids, Michigan, in Kent County. Based on the current use of the line, NRCS has determined that this proposed abandonment will not have a negative impact on prime farmland.

Sincerely,

JOHN A. BRICKER
State Conservationist

cc:

Louis E. Gitomer, Ball Janik LLP, 1455 F Street, NW, Suite 225, Washington,
DC 20005
Steve Utic, District Conservtionist, NRCS, Grand Rapids, MI



The Natural Resources Conservation Service works in partnership with the
American people to conserve and sustain natural resources on private lands.

An Equal Opportunity Provider and Employer



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

June 2, 2005

Detroit District Headquarters
U.S. Army Corps of Engineers
Detroit District
477 Michigan Ave.
Detroit, MI 48226

RE: Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc.—
Discontinuance of Service Exemption—in Kent County, MI*

Dear Sir/Madam:

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MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

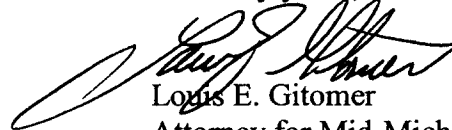
U.S. Army Corps of Engineers

June 2, 2005

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Sincerely yours,



Louis E. Gitomer

Attorney for Mid-Michigan Railroad, Inc.

Enclosure



A RailAmerica Company



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

June 2, 2005

Michigan Department of Environmental Quality
P.O. Box 30473-7973
Lansing, MI 48909

RE: Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc.—
Discontinuance of Service Exemption—in Kent County, MI*

Dear Sir/Madam:

On or about June 22, 2005, we expect to be filing with the Surface Transportation Board (“STB”) a petition for exemption seeking authority for Mid-Michigan Railroad, Inc. (“MMRR”) to discontinue service over a 1.50-mile rail line between milepost 157.97 on MMRR’s main east-west rail line and the end of the line proposed for discontinuance of service all in the City of Grand Rapids, MI, in Kent County, MI. MMRR is the tenant on the Line, which it leases from the Central Michigan Railroad Company.

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MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

Michigan Department of Environmental Quality

June 2, 2005

Page 2

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Sincerely yours,

Louis E. Gitomer

Attorney for Mid-Michigan Railroad, Inc. and
Central Michigan Railway Company

Enclosure



A RailAmerica Company



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

June 2, 2005

Mr. William Hoyt
Planning Director
City of Grand Rapids
City Hall, 9th Floor
300 Monroe Avenue, NW
Grand Rapids, MI 49503

RE: Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc.*—
Discontinuance of Service Exemption—in Kent County, MI

Dear Mr. Hoyt:

On or about June 22, 2005, we expect to be filing with the Surface Transportation Board (“STB”) a petition for exemption seeking authority for Mid-Michigan Railroad, Inc. (“MMRR”) to discontinue service over a 1.50-mile rail line between milepost 157.97 on MMRR’s main east-west rail line and the end of the line proposed for discontinuance of service all in the City of Grand Rapids, MI, in Kent County, MI. MMRR is the tenant on the Line, which it leases from the Central Michigan Railroad Company.

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A RailAmerica Company



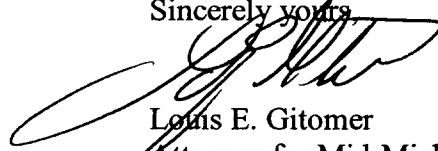
MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

Mr. William Hoyt
June 2, 2005
Page 2

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Sincerely yours,



Louis E. Gitomer

Attorney for Mid-Michigan Railroad, Inc.

Enclosure



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

June 2, 2005

Honorable George K. Heartwell
Mayor
City of Grand Rapids
Grand Rapids City Hall
300 Monroe Avenue NW
Grand Rapids, MI 49503-2206

RE: Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc.—
Discontinuance of Service Exemption—in Kent County, MI*

Dear Mayor Heartwell:

On or about June 22, 2005, we expect to be filing with the Surface Transportation Board (“STB”) a petition for exemption seeking authority for Mid-Michigan Railroad, Inc. (“MMRR”) to discontinue service over a 1.50-mile rail line between milepost 157.97 on MMRR’s main east-west rail line and the end of the line proposed for discontinuance of service all in the City of Grand Rapids, MI, in Kent County, MI. MMRR is the tenant on the Line, which it leases from the Central Michigan Railroad Company.

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MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

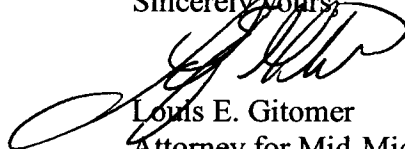
Honorable George K. Heartwell

June 2, 2005

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Sincerely yours,



Louis E. Gitomer

Attorney for Mid-Michigan Railroad, Inc.

Enclosure



A RailAmerica Company



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

June 2, 2005

Honorable Daryl J. Delabbio
County Administrator
Kent County
County Administration Building
300 Monroe Avenue, NW
Grand Rapids, MI 49503-2206

RE: Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc.—
Discontinuance of Service Exemption—in Kent County, MI*

Dear Mr. Delabbio:

On or about June 22, 2005, we expect to be filing with the Surface Transportation Board (“STB”) a petition for exemption seeking authority for Mid-Michigan Railroad, Inc. (“MMRR”) to discontinue service over a 1.50-mile rail line between milepost 157.97 on MMRR’s main east-west rail line and the end of the line proposed for discontinuance of service all in the City of Grand Rapids, MI, in Kent County, MI. MMRR is the tenant on the Line, which it leases from the Central Michigan Railroad Company.

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A RailAmerica Company



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

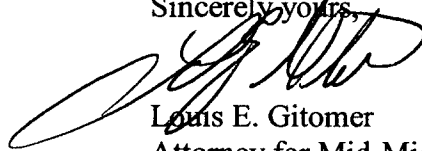
Honorable Daryl J. Delabbio

June 2, 2005

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Sincerely yours,



Louis E. Gitomer

Attorney for Mid-Michigan Railroad, Inc.

Enclosure



A RailAmerica Company



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

June 2, 2005

U.S. National Park Service
Midwest Region
1709 Jackson Street
Omaha, NE 68102

RE: Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc.—
Discontinuance of Service Exemption—in Kent County, MI*

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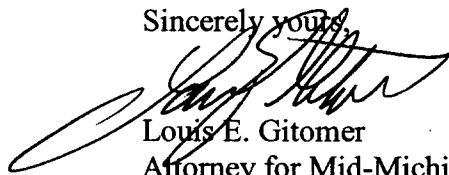
MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

U.S. National Park Service
June 2, 2005
Page 2

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Louis E. Gitomer

Attorney for Mid-Michigan Railroad, Inc.

Enclosure



A RailAmerica Company



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

June 2, 2005

Manager, Federal Project Review
Michigan Department of Commerce
Michigan Neighborhood Builders Alliance
P.O. Box 30242
Lansing, MI 48909

RE: Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc.*—
Discontinuance of Service Exemption—in Kent County, MI

Dear Sir/Madam:

On or about June 22, 2005, we expect to be filing with the Surface Transportation Board (“STB”) a petition for exemption seeking authority for Mid-Michigan Railroad, Inc. (“MMRR”) to discontinue service over a 1.50-mile rail line between milepost 157.97 on MMRR’s main east-west rail line and the end of the line proposed for discontinuance of service all in the City of Grand Rapids, MI, in Kent County, MI. MMRR is the tenant on the Line, which it leases from the Central Michigan Railroad Company.

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A RailAmerica Company



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

Manager, Federal Project Review

June 2, 2005

Page 2

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Sincerely yours,

Louis E. Gitomer

Attorney for Mid-Michigan Railroad, Inc.

Enclosure



A RailAmerica Company

EXHIBIT C—HISTORIC REPORT

HISTORIC REPORT

(49 C.F.R. 1105.8)

Docket No. AB-364 (Sub-No. 10X)

MID-MICHIGAN RAILROAD, INC.—DISCONTINUANCE OF SERVICE EXEMPTION— IN KENT COUNTY, MI

Dated: June 2, 2005

The Historic Report should contain the information required by 1105.7(e)(1) of the Environmental Report. The following is excerpted from the Environmental Report prepared for the proposed abandonment:

(1) Proposed Action and Alternatives. Describe the proposed action, including commodities transported, the planned disposition (if any) of any rail line and other structures that may be involved, and any possible changes in current operations or maintenance practices. Also describe any reasonable alternatives to the proposed action. Include a readable, detailed map and drawings clearly delineating the project.

Mid-Michigan Railroad, Inc. (“MMRR”) proposes to discontinue service over a 1.50-mile rail line between milepost 157.97 and the end of the line all in Grand Rapids, MI, in Kent County, MI (the “Line”). Upon receipt of discontinuance of service authority, MMRR will discontinue service on the Line.

The Line was leased from the Central Michigan Railroad Company (“CMRY”) by the Grand Rapids Eastern Railroad, Inc. (“GRE”) in 1993.¹ GRE merged into MMRR.² CMRY continues to own the assets that MMRR operates over, including, but not limited to the track,

¹ *Grand Rapids Eastern Railroad, Inc.—Purchase, Lease and Operation Exemption—Rail Lines of Central Michigan Railroad Company*, ICC Finance Docket No. 32297 (ICC served July 26, 1993).

² *RailTex, Inc., Mid-Michigan Railroad, Inc., Michigan Shore Railroad, Inc., and Grand Rapids Eastern Railroad, Inc.—Corporate Family Transaction Exemption*, STB Finance Docket No. 33693 (STB served January 20, 1999).

ties, ballast, other track material and real estate. MMRR has no authority or ability to alter, remove or dispose of any of the assets that are on the Line.

MMRR transported inbound paper to The Grand Rapids Press ("GRP") in downtown Grand Rapids until GRP moved its production facility to Walker, MI. The last shipment to GRP was in June 2004. There are no other customers on the Line.

The only alternative to discontinuance of service would be not to discontinue service over the Line. No service has been provided on the Line since GRP ceased receiving paper at its facility on the Line in June 2004. The Line is a stub end track and therefore has no overhead traffic. With no potential traffic, MMRR has decided to seek discontinuance of service over the Line.

A map of the proposed discontinuance is attached hereto as Exhibit 1.³

HISTORIC REPORT

1. A U.S.G.S. topographic map (or alternate map drawn to scale and sufficiently detailed to show buildings and other structures in the vicinity of the proposed action) showing the location of the proposed action, and the locations and approximate dimensions of railroad structures that are 50 years old or older and are part of the proposed action;

U.S. Geological Survey Maps have been supplied to the Michigan Historic Center ("MIHC"). See Exhibit 3.

2. A written description of the right of way (including approximate widths, to the extent known), and the topography and urban and/or rural characteristics of the surrounding area;

The right-of-way, which averages 100-feet in width, begins at the connection to MMRR's main east-west line in Grand Rapids, MI at milepost 157.97. The Line runs in a mainly north-south direction along the eastern shore of the Grand River in the city of Grand Rapids, MI for a

³ The copy of the map that accompanied the information-gathering letter has been removed from that letter. That map was the same as the map in Exhibit 1 accompanying this Historic Report.

distance of about 1.50 miles. The southern part of the wye branching off of the MMRR main line crosses Monroe Avenue. The Line runs south across Leonard Street, a four lane road that traverses Grand Rapids in an east-west direction. About one block south of Leonard Street, a small spur branches off the Line to the east for about 0.15 miles and crosses Monroe Street before it ends. The Line continues south along the east bank of the Grand River and crosses 6th Avenue before it ends about 0.10 miles south of 6th Avenue, which is north of I-196.

Being in a stream valley, the Line traverses a flat terrain.

3. Good quality photographs (actual photographic prints, not photocopies) of railroad structures on the property that are 50 years old or older and of the immediately surrounding area;

MMRR is the tenant on the Line. As a result of any discontinuance of service that may be approved by the Surface Transportation Board, MMRR has no authority or ability to alter, remove or dispose of any of the assets that are on the Line, including the bridges. Hence, MMRR is not providing pictures of bridges since its discontinuance of service will not allow MMRR to alter, remove or dispose of any of the bridges on the Line.

4. The date(s) of construction of the structure(s), and the date(s) and extent of any major alterations, to the extent such information is known;

MMRR is only discontinuing service over the Line. As the tenant, MMRR cannot remove any structures from the Line. Therefore no structures on the Line will be affected by MMRR's discontinuance of service.

MMRR contacted MIHC. *See Exhibit 2.* No response has been received. A copy of this Report has been mailed to MIHC.

5. A brief narrative history of carrier operations in the area, and an explanation of what, if any, changes are contemplated as a result of the proposed action;

MMRR served the GRP facility until GRP relocated its production facility to Walker, MI. The last delivery of paper to GRP in Grand Rapids occurred in June 2004. The proposed discontinuance of service will not result in a change of operations since there is no demand for rail service.

MMRR acquired the obligation to operate over the Line as a result of a merger with its corporate affiliate, the Grand Rapids Eastern Railroad, Inc. ("GRE") in 1998.⁴ GRE leased the Line from CMRY and began operations in 1993.⁵ Prior to GRE's lease, CMRY operated the Line, which it had acquired from the Grand Trunk Western Railroad Company.

6. A brief summary of documents in the carrier's possession, such as engineering drawings, that might be useful in documenting a structure that is found to be historic;

MMRR possesses the valuation maps of the Line, but is not aware of any other documentation in its possession.

7. An opinion (based on readily available information in the railroad's possession) as to whether the site and/or structures meet the criteria for listing on the National Register of Historic Places (36 C.F.R. 60.4), and whether there is a likelihood of archeological resources or any other previously unknown historic properties in the project area, and the basis for these opinions (including any consultations with the State Historic Preservation Office, local historical societies or universities);

MMRR believes that the bridges and structures on the Line are not unusual or noteworthy for inclusion on the National Register of Historic Places. It is also MMRR's opinion that there are no archeological resources or other railroad related historic properties in the project area.

Moreover, as tenant railroad, MMRR has no authority or ability to alter, remove or dispose of

⁴ See *RailTex, Inc., Mid-Michigan Railroad, Inc., Michigan Shore Railroad, Inc., and Grand Rapids Eastern Railroad, Inc.—Corporate Family Transaction Exemption*, STB Finance Docket No. 33693 (STB served January 20, 1999).

⁵ *Grand Rapids Eastern Railroad, Inc.—Purchase, Lease and Operation Exemption—Rail Lines of Central Michigan Railroad Company*, ICC Finance Docket No. 32297 (ICC served July 26, 1993 and affirmed February 16, 1995).

any of the assets that are on the Line.

8. A description (based on readily available information in the railroad's possession) of any known prior subsurface ground disturbance or fill, environmental conditions (naturally occurring or manmade) that might affect the archeological recovery of resources (such as swampy conditions or the presence of toxic waste), and the surrounding terrain.

MMRR believes that there are no existing records as to the nature of any known subsurface ground disturbance or fill, or environmental conditions that might affect the archeological recovery of any potential resources.

9. Within 30 days of receipt of the historic report, the State Historic Preservation Officer may request the following additional information regarding specific non railroad owned properties or groups of properties immediately adjacent to the railroad right-of-way: photographs of specified properties that can be readily seen from the railroad right-of-way (or other public rights-of-way adjacent to the property) and a written description of any previously discovered archeological sites, identifying the location and type of the site (*i.e.* prehistoric or native American).

MMRR does not foresee the likelihood that any additional information will need to be supplied in association with the proposed line discontinuance of service other than that information previously submitted. But, if any additional information is requested, MMRR will promptly supply the necessary information.

EXHIBIT 1

STATE OF MICHIGAN

DOCKET NO. AB-364 (SUB-NO. 10X)
MID-MICHIGAN RAILROAD, INC.

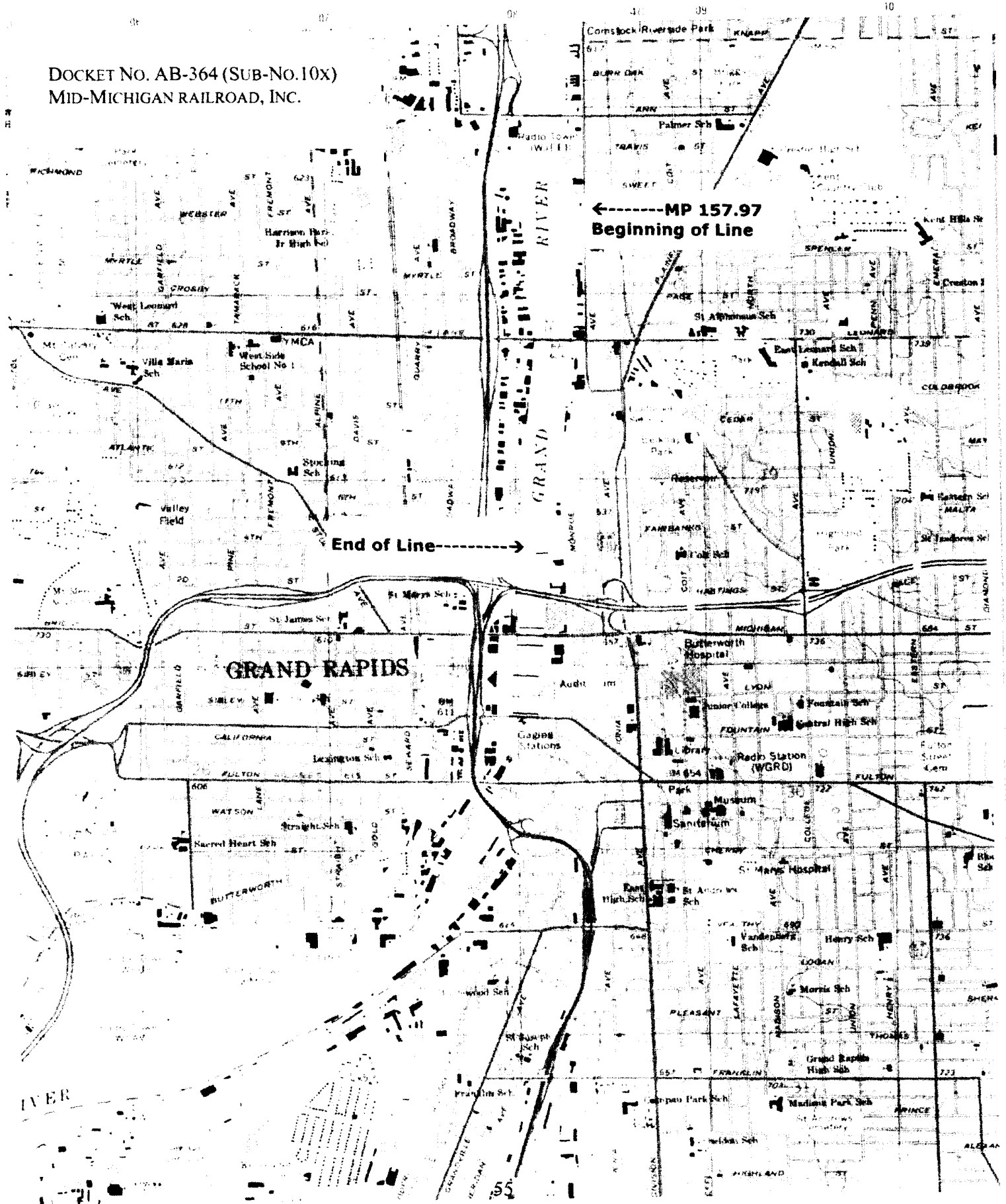


EXHIBIT 2



MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

June 2, 2005

Michigan Historic Center
702 West Kalamazoo Street
P.O. Box 30740
Lansing, MI 48909-8240

RE: Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc. –
Discontinuance of Service Exemption—in Kent County, MI*

Dear Madam/Sir:

On or about June 22, 2005, we expect to be filing with the Surface Transportation Board ("STB") a petition for exemption seeking authority for Mid-Michigan Railroad, Inc. ("MMRR") to discontinue service over a 1.50-mile rail line between milepost 157.97 on MMRR's main east-west rail line and the end of the line proposed for discontinuance of service all in the City of Grand Rapids, MI, in Kent County, MI. MMRR is the tenant on the Line, which it leases from the Central Michigan Railroad Company.

Attached is a Historic Report describing the proposed action and any expected historic effects, as well as a map of the affected area. We are providing this report so that you may review the information that will form the basis for the STB's independent historic analysis of this proceeding. If any of the information is misleading or incorrect, if you believe that pertinent information is missing, or if you have any questions about the Board's historic review process, please contact the Section of Environmental Analysis (SEA), Surface Transportation Board, 1925 K Street, NW, Washington, DC 20423, telephone 202-565-1538 and refer to the above Docket No. AB-364 (Sub-No. 10X).



A RailAmerica Company



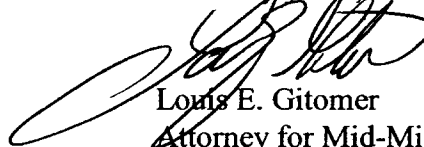
MID-MICHIGAN RAILROAD, INC.

432 E. Grove Street • Greenville, MI • 48838 • Phone: 616.754.0001 • Fax: 616.754.4444

Michigan Historic Center
June 2, 2005
Page 2

Because the applicable statutes and regulations impose stringent deadlines for processing this action, your written comments to SEA (with a copy to our representative) would be appreciated within 3 weeks. Your comments will be considered by the Board in evaluating the historic impacts of the contemplated action. If there are any questions concerning this proposal, please contact our representative directly. Our representative in this matter is Louis E. Gitomer who may be contacted by telephone at 202-638-3307, email at lgitomer@dc.bjllp.com, or mail at Ball Janik LLP, 1455 F Street, N.W., Suite 225, Washington, DC 20005.

Sincerely yours,



Louis E. Gitomer
Attorney for Mid-Michigan Railroad, Inc.

Enclosure



A RailAmerica Company

EXHIBIT 3

The USGS Map was included in the copy of the Historic Repost filed with the Michigan Historic Center, but is not included with this Petition.

EXHIBIT D—FEDERAL REGISTER NOTICE

MID-MICHIGAN RAILROAD, INC.—DISCONTINUANCE OF SERVICE EXEMPTION—
IN KENT COUNTY, MI

Notice of Petition for Exemption to Discontinue Service

On June 28, 2005 Mid-Michigan Railroad, Inc. ("MMRR") filed with the Surface Transportation Board, Washington, D.C. 20423, a petition for exemption for the discontinuance of service over a 1.50-mile rail line between milepost 157.97 on MMRR's main east-west rail line and the end of the line proposed for discontinuance of service all in the City of Grand Rapids, MI, all of which traverses through United States Postal Service ZIP Codes 49503 and 49504, in Kent County, MI (the "Line"). The Line for which the discontinuance of service exemption request was filed does not include any stations.

The Line does not contain federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

The interest of railroad employees of MMRR will be protected by *Oregon Short Line R. Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979).

Since MMRR is only seeking to discontinue service over the Line, as a tenant, neither a public use condition nor a trail use/rail banking condition is available.

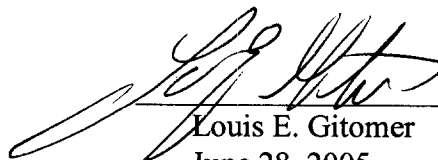
Persons seeking further information concerning discontinuance of service procedures may contact the Surface Transportation Board or refer to the full abandonment and discontinuance regulations at 49 C.F.R. part 1152. Questions concerning environmental issues may be directed to the Board's Section of Environmental Analysis.

An environmental assessment (EA) (or environmental impact statement (EIS), if necessary) prepared by the Section of Environmental Analysis will be served upon all parties of record and upon any agencies or other persons who commented during its preparation. Any other persons who would like to obtain a copy of the EA (or EIS) may contact the Section of Environmental Analysis. EAs in discontinuance of service proceedings normally will be made available within 60 days of the filing of the petition. The deadline for submission of comments on the EA will generally be within 30 days of its service.

EXHIBIT E-NEWSPAPER CERTIFICATION

CERTIFICATE OF PUBLICATION

The undersigned hereby certifies that notice of the proposed discontinuance of service in Docket No. AB-364 (Sub-No. 10X) was advertised on June 15, 2005 in the Grand Rapids Advance, a newspaper of general circulation in Kent County, MI, as required by 49 C.F.R. § 1105.12.



Louis E. Gitomer
June 28, 2005

Mid-Michigan Railroad, Inc. ("MMRR") gives notice that on or about June 22, 2005 it intends to file with the Surface Transportation Board, Washington, DC 20423, a petition for exemption under 49 U.S.C. 10505 from the prior approval requirements of 49 U.S.C. 10903, et seq., permitting the discontinuance of service over a 1.50-mile rail line between milepost 157.97 on MMRR's main east-west rail line and the end of the line which traverses through United States Postal Service ZIP Codes 49503 and 49504 all in the City of Grand Rapids, MI, in Kent County, MI. The proceeding has been docketed as No. AB-364 (Sub-No. 10X).

The Board's Section of Environmental Analysis (SEA) will generally prepare an Environmental Assessment (EA), which will normally be available 60 days after the filing of the petition for discontinuance of service exemption. Comments on environmental and energy matters should be filed no later than 30 days after the EA becomes available to the public and will be addressed in a Board decision. Interested persons may obtain a copy of the EA or make inquiries regarding environmental matters by writing to SEA, Surface Transportation Board's, Washington, DC 20423 or by calling SEA at 202-927-6211.

Appropriate offers of financial assistance to continue rail service can be filed with the Board. Requests for environmental conditions also can be filed with the Board. Because MMRR is a tenant and is proposing to only discontinue service, public use conditions and rail banking/trails use conditions are not available. An original and 10 copies of any pleading that raises matters other than environmental issues (such as offers of financial assistance) must be filed directly with the Board's Office of the Secretary, 1925 K Street, NW, Washington, DC 20423 [See 49 CFR 1104.1(a) and 1104.3(a)], and one copy must be served on applicants' representatives [See 49 CFR 1104.12(a)]. Questions regarding offers of financial assistance, public use or trails use may be directed to the Board's Office of Congressional and Public Services at 202-565-1592. Copies of any comments or requests for conditions should be served on the applicant's representatives Gary A. Laakso, Vice President - Regulatory Counsel, 5300 Broken Sound Blvd., NW, Boca Raton, FL 33487, and Louis E. Gitomer, Of Counsel, Ball Janik, LLP, 1455 F Street, NW, Suite 225, Washington, DC 20005.

A058173

(6-14-05)

AFFIDAVIT OF PUBLICATION

ADVERTISER) Ball Junik

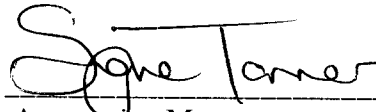
REGARDS TO) Railroad LLP

DATE: 6-14-05

SIZE/COL. INCH: 11.00

PAPERS: Grand Rapids

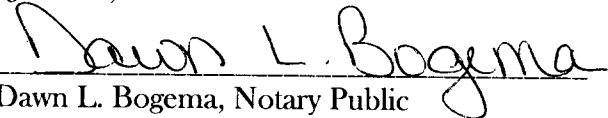
I, Signe Tanner, being duly sworn on her oath, as the Accounting Manager of the Advance Newspapers circulated in Kent County, public newspapers published in Jenison, Township of Georgetown, State of Michigan, in which advertisements were published in the above mentioned newspaper(s) on the date (s) and of the size as specified



Accounting Manager

Subscribed and sworn before me

June 15, 2005



Dawn L. Bogema, Notary Public

Ottawa County

My Commission expires November 1, 2007

EXHIBIT F—CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE

Pursuant to 49 C.F.R. §1152.60(d), the undersigned hereby certifies that the Petition for Exemption in Docket No. AB-364 (Sub-No. 10X), *Mid-Michigan Railroad, Inc.-Discontinuance of Service Exemption-in Kent County, MI* was mailed via first class mail, postage prepaid, on June 28, 2005, to the following parties:

State Public Service Commission

Michigan Department of Transportation
P.O. Box 30050
Lansing, MI 48909

Public Service Commission
6545 Mercantile Way, Suite 7
Lansing, MI 48909

Military Traffic Management Command

MTMC TEA
ATTN: Railroads for National Defense
720 Thimble Shoals Blvd.
Suite 130
Newport News, VA 23606-2574

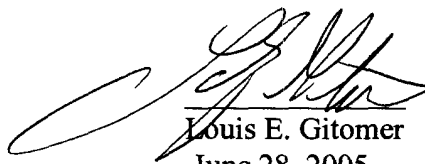
National Park Service

Mr. Tom Ross
Chief of National Recreation and Trails
U.S. Department of Interior - National Park Service
Recreation Resources Assistance Division
P.O. Box 37127
Washington, DC 20013-7127

U.S. Department of Interior
National Park Service
Land Resources Division
800 North Capitol St., N.E.
Room 540
Washington, DC 20002

U.S. Department of Agriculture

U.S. Department of Agriculture
Chief of the Forest Service
4th Floor, NW
Sidney R. Yates Building
201 14th Street, S.W.
Washington, DC 20250



Louis E. Gitomer
June 28, 2005