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LOUIS E. GITOMER  
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September 2, 2005

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Suite 700  
Washington, DC 20423

RE: Finance Docket No. 34725, *Mid-Michigan Railroad, Inc.—Lease  
and Operation Exemption—CSX Transportation, Inc.*

Dear Secretary Williams:

Enclosed for filing are the original and ten copies of a Verified Notice of Exemption under 49 CFR § 1150.41, a diskette with the file Notice.doc, and a check covering the \$1,500.00 filing fee.

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

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

Sincerely yours,

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

Enclosures

ENTERED  
Office of Proceedings

SEP 2 2005

Part of  
Public Record

FILED

SEP 02 2005

ORIGINAL



BEFORE THE  
SURFACE TRANSPORTATION BOARD

\_\_\_\_\_  
FINANCE DOCKET NO. 34725  
\_\_\_\_\_

MID-MICHIGAN RAILROAD, INC.—LEASE AND OPERATION EXEMPTION—  
CSX TRANSPORTATION, INC.

\_\_\_\_\_  
VERIFIED NOTICE OF EXEMPTION  
Pursuant to 49 C.F.R. § 1150.41., Et Seq.  
\_\_\_\_\_

Gary A. Laakso, Esq.  
Vice President Regulatory Counsel  
MID-MICHIGAN RAILROAD, INC.  
5300 Broken Sound Blvd., NW  
Second Floor  
Boca Raton, FL 33487  
(561) 994-6015

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

Attorneys for: MID-MICHIGAN RAILROAD,  
INC.

Dated: September 2, 2005

BEFORE THE  
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34725

MID-MICHIGAN RAILROAD, INC.—LEASE AND OPERATION EXEMPTION—CSX  
TRANSPORTATION, INC.

VERIFIED NOTICE OF EXEMPTION  
Pursuant to 49 C.F.R. § 1150.41., Et Seq.



The Mid-Michigan Railroad, Inc. (“MMRR”), a Class III carrier, with projected annual revenues in excess of \$5 million, files this Notice of Exemption, pursuant to 49 C.F.R. Part 1150, Subpart E-Exempt Transactions Under 49 U.S.C. § 10902 for Class III Rail Carriers, with the Surface Transportation Board (the “Board”) for MMRR to lease from CSX Transportation, Inc. (“CSXT”) and operate about 48 miles of railroad between: (1) West Olive, MI, milepost CGC 34.5, and Berry Station, MI, milepost CGC 62.1; and (2) Berry Station, MI, milepost CGD 0.0, and Fremont, MI, milepost CGD 19.98 (the “Line”).<sup>1</sup>

Pursuant to 49 C.F.R. § 1150.42(e), MMRR served a notice of intent on the national

<sup>1</sup> The labor notice provided pursuant to 49 C.F.R. § 1150.42(e) indicated that the milepost at the end of the Line in Fremont was CGD 19.6. MMRR has been advised by CSXT that milepost CGD 19.6 is used to signify the end of the line for operating purposes, but that the end of the Line is actually milepost CGD 19.98. Therefore, MMRR and CSXT have amended all of their agreements to reflect the milepost for the end of the Line in Fremont as CGD 19.98. No additional CSXT employees will be affected by this change of milepost because the intent of the parties has always been for the lease to extend to the end of the Line in Fremont. MMRR will not have to hire any additional employees to maintain or operate the Line because of the change of milepost. For these reasons, MMRR does not believe that it is necessary to amend the labor notice. In the alternative, MMRR requests that the Board waive any requirement that MMRR amend the labor notice because the original notice served on July 8, 2005 and posted on July 9, 2005 notified all potentially affected CSXT employees of the proposed transaction and the employment opportunities on MMRR.

offices of all labor unions representing employees on the Line on July 7, 2005, posted the notice of intent on July 8, 2005, and certified service and posting to the Board on July 8, 2005 (See Exhibit C). Therefore, MMRR proposes to consummate the lease on September 9, 2005.

In support of this Notice of Exemption, MMRR submits the following information as required by 49 C.F.R. § 1150.43:

a. Full name and address of applicant:

Mid-Michigan Railroad, Inc.  
432 E. Grove Street  
Greenville, MI 48838

b. Applicant's Representatives:

Gary A. Laakso, Esq.  
Vice President Regulatory Counsel  
Mid-Michigan Railroad, Inc.  
5300 Broken Sound Blvd., NW  
Boca Raton, FL 33487  
(561) 994-6015

Louis E. Gitomer, Esq.  
Of Counsel  
Ball Janik LLP  
1455 F Street, NW, Suite 225  
Washington, DC. 20005  
(202) 638-3307

c. An agreement will be reached prior to consummation between CSXT and MMRR.

d. The operator of the property will be MMRR.

e. Summary of proposed transaction:

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

CSX Transportation, Inc.  
500 Water Street  
Jacksonville, FL 32202

2. The proposed time schedule for the consummation of the transaction is September 9, 2005.

3. The mileposts of the subject property that MMRR is leasing from CSXT are between (i) milepost CGC 34.5, West Olive, MI, and milepost CGC 62.1, Berry Station, MI; and (ii) milepost CGD 0.0, Berry Station, MI, and milepost CDG 19.98, Fremont, MI.

4. MMRR is leasing about 48 miles of track and right-of-way from CSXT.

f. A map of the Line is attached as Exhibit D. The map is in color and will be the last page of this pleading.

g. A Certificate of Compliance with the provisions of 49 C.F.R. § 1150.43(g) is attached as Exhibit A.

h. A caption summary, as required by 49 C.F.R. § 1150.44, is attached as Exhibit B.

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

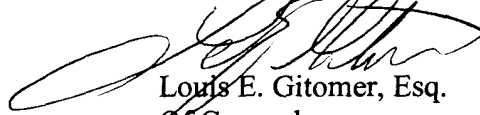
j. An historic report is not required because MMRR will operate the Line, will require further Board approval to discontinue any service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Hence, this Notice of Exemption does not require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

k. The Certification to the Board and the Notice posted and served on the national offices of all labor unions with employees on the affected line is attached as Exhibit C.

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

Gary A. Laakso, Esq.  
Vice President Regulatory Counsel  
MID-MICHIGAN RAILROAD, INC.  
5300 Broken Sound Blvd., NW.  
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.

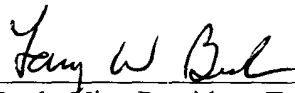
Dated: September 2, 2005

**EXHIBIT A—CERTIFICATE OF COMPLIANCE**

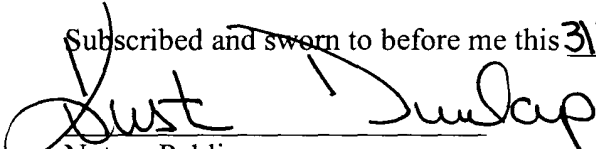
**CERTIFICATION**

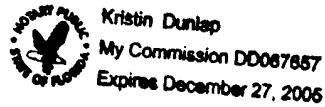
State of Florida                    )  
                                          )ss:  
County of Palm Beach            )

I, Larry Bush, being duly sworn depose and state that I am Vice President-Treasurer of the Mid-Michigan Railroad, Inc., and that the projected annual revenues from the rail operations of Mid-Michigan Railroad, Inc. would not exceed those that would make it a Class II carrier under 49 C.F.R. Part 1201(1-1).

  
\_\_\_\_\_  
Larry Bush, Vice President-Treasurer

Subscribed and sworn to before me this 31<sup>st</sup> day of August 2005

  
\_\_\_\_\_  
Notary Public



(SEAL)

My Commission Expires: 12.27.05

PERSONALLY KNOWN: X  
PRODUCED I.D.:

## **EXHIBIT B – CAPTION SUMMARY**

SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34725

MID-MICHIGAN RAILROAD, INC.—LEASE AND OPERATION EXEMPTION—  
CSX TRANSPORTATION, INC.

The Mid-Michigan Railroad, Inc. (“MMRR”) has filed a verified notice of exemption under 49 C.F.R. § 1150.41 to lease and operate, pursuant to an agreement entered into between CSX Transportation, Inc. (“CSXT”) and MMRR: about 48 miles of railroad from CSXT between: (1) West Olive, MI, milepost CGC 34.5, and Berry Station, MI, milepost CGC 62.1; and (2) Berry Station, MI, milepost CGD 0.0, and Fremont, MI, milepost CDG 19.98.

Because MMRR’s projected annual revenues will exceed \$5 million, MMRR certified to the Board on July 8, 2005, that it sent the required notice of the transaction to the national offices of all labor unions representing employees on the line on July 7, 2005, and posted a copy of the notice at the workplace of the employees on the affected lines on July 8, 2005. See 49 C.F.R. § 1150.42(e).

The transaction was scheduled to be consummated on September 9, 2005, the effective date of the exemption (which is more than 60 days after MMRR’s certification to the Board that it had complied with the Board’s rule at 49 C.F.R. § 1150.42(e)).

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

An original and 10 copies of all pleadings referring to STB Finance Docket No. 34725, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must

be served on: Gary A. Laakso, Esq., Vice President Regulatory Counsel, Mid-Michigan Railroad, Inc., 5300 Broken Sound Boulevard N.W., Boca Ration, FL 33487, (561) 994-6015; and Louis E. Gitomer, Esq., Of Counsel, Ball Janik LLP, 1455 F Street, NW, Suite 225, Washington, D.C. 20005, (202) 638-3307.

Board decisions and notices are available on our website at “[www.stb.dot.gov](http://www.stb.dot.gov).”

Decided: September \_\_, 2005.

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

Vernon A. Williams  
Secretary

## **EXHIBIT C – LABOR CERTIFICATION AND NOTICE**

BALL JANIK LLP

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LOUIS E. GITOMER  
OF COUNSEL  
(202) 466-6532



lgitomer@dc.bjllp.com

July 8, 2005

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Suite 700  
Washington, DC 20423

RE: Finance Docket No. 34725, *Mid-Michigan Railroad, Inc.—Lease  
and Operation Exemption—CSX Transportation, Inc.*

Dear Secretary Williams:

The Mid-Michigan Railroad, Inc. ("MMRR") hereby certifies that on July 8, 2005, MMRR posted the attached Notice at the workplace of the employees on the rail line that is the subject of this transaction and that on July 7, 2005 served a copy of the Notice on the national offices of all labor unions with employees on the affected line. An original and ten copies of this letter and attachment are enclosed.

Please time and date stamp the extra copy of this letter and return it with our messenger.

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

Sincerely yours,

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

Enclosures

July 7, 2005

**MID-MICHIGAN RAILROAD, INC.**

**NOTICE TO CSX TRANSPORTATION, INC. EMPLOYEES**

Pursuant to Surface Transportation Board regulations at 49 C.F.R. §§ 1150.42(e), the Mid-Michigan Railroad, Inc. ("MMR"), hereby provides notice to the employees of CSX Transportation Inc. ("CSXT") that MMR intends to lease the track and the real estate, and operate approximately 48 miles of CSXT's line of railroad:

from Milepost CGC 34.5 at or near West Olive, MI to Milepost CGC 62.1 at or near Berry Station, MI and Milepost CGD 0.0 at or near Berry Station, MI to Milepost CGD 19.6 at or near Fremont, MI

collectively referred to as "Fremont Branch," effective September 9, 2005.

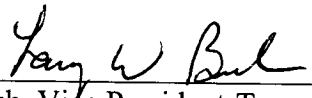
As a result of the lease, MMR expects to hire approximately four (4) operating employees, one (1) roadmaster, one (1) foreman, two (2) track laborers, one (1) signal maintainer, one (1) locomotive mechanic, and one (1) carman. This estimate is preliminary and is subject to modification prior to commencing operations. Employees will be provided wages and benefits comparable to those at other RailAmerica subsidiary railroads. MMR will select employees on the basis of skills and aptitudes required for each position. The most qualified candidates will be selected from the available pool of applicants without regard to race, creed, color, religion, national origin, sex, age, marital status or disability. Successful candidates must have a stable work record and demonstrate a commitment to safety and customer service. The ability to work in a team environment is critical. Successful applicants will be required to pass a pre-employment drug and alcohol screen, background check and complete a medical questionnaire, and may be required to take a physical exam.

CSXT employees interested in seeking employment with MMR should contact Mr. Bob Dine at (616) 293-0558.

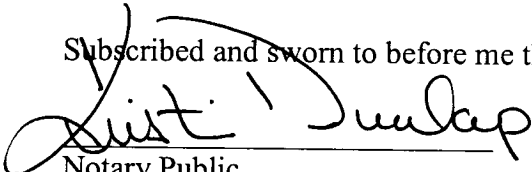
**VERIFICATION**

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

I, Larry Bush, being duly sworn depose and state that I am Vice President-Treasurer of the Mid-Michigan Railroad, Inc., and that I am authorized to make this verification, and that I have read the foregoing notice of exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information, and belief.

  
\_\_\_\_\_  
Larry Bush, Vice President-Treasurer

Subscribed and sworn to before me this 31<sup>st</sup> day of August 2005

  
\_\_\_\_\_  
Notary Public

(SEAL)



Kristin Dunlap  
My Commission DD087687  
Expires December 27, 2006

My Commission Expires: 12.27.05

PERSONALLY KNOWN: X  
PRODUCED I.D.:

**EXHIBIT D - MAP**

