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Office of Proceedings
May 9, 2025
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FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 800
Chicago, Illinois 60606-3208

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

ROBERT A. WIMBISH
(312) 252-1504
rwimbish@fletcher-sippel.com

May 9, 2025

VIA ELECTRONIC FILING

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Room 1034
Washington, DC 20423-0001

Re: *Michael W. Williams – Control Exemption – McCloud Railway Company; Ozark Valley Railroad, Inc.; and Washington & Idaho Railway, Inc., FD 36848*

Michael W. Williams reply to the Comments of Richard H. Huff

Dear Ms. Brown:

Michael W. Williams (“Mr. Williams”) hereby request leave to respond and, in turn, responds to the comments (“Comments”) filed in this proceeding by Richard H. Huff (“Mr. Huff” – appearing *pro se* as his interests may appear). As explained below, there is no reason for the Surface Transportation Board (the “Board”) to “suspend any further review” of the pending petition for exemption (the “Petition”), or to require Mr. Williams to submit a “corrected” Petition. Comments at 2. The Petition and the information provided below (and attached) permit continued and expeditious consideration of Mr. Williams’ Petition.

Preliminarily, Mr. Huff’s Comments were filed on April 30, 2025, two weeks after the applicable deadline, and he did not request leave to late file. *See* 49 C.F.R. § 1104.13(c)(a). Also, Mr. Huff – no doubt purposefully – leaves off explaining his interest (if indeed he has *any* genuine interest) in this proceeding.

Mr. Huff (and his brother, George A. Huff) at one time had a business relationship with Mr. Williams linked to Mr. Williams’ ongoing railroad enterprises.

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Mr. Huff is neither a shipper on any of Mr. Williams railroads nor does he have any other active business connection with Mr. Williams or his railroad holdings. Rather, following a falling out with Mr. Williams, the Huffs have since intervened in this proceeding and others out of personal animus. *See, e.g., Michael Williams – Control Exemption – SDR Holding Company*, FD 35957 (STB served Dec. 10, 2015) (dispensing with George Huff’s attempt to block authorization of the subject control transaction, falsely accusing Mr. Williams of purposeful deception).

Putting aside Mr. Huff’s dubious intervention, his Comments are helpful after a fashion, and they warrant a brief response. To begin with, Mr. Williams possesses a controlling interest in Washington & Idaho Railroad, Inc. (“WIR”), contrary to Mr. Huff’s claim. Karl Nelson, a former WIR employee, repeatedly (and falsely) has asserted ownership of WIR, having taken it upon himself at various turns to change Idaho Secretary of State records to accord to himself (bogus) control and leadership of the company. Such unwarranted efforts devolved to Idaho state court litigation, in which the involved Idaho court held in April of 2024 that Mr. Williams is WIM’s proper owner.¹

Mr. Williams expected that the April 2024 state court ruling would end the dispute, and that Mr. Nelson would thereafter desist from tendering any more phony WIM corporate filings. But Mr. Huff has now alerted Mr. Williams to Mr. Nelson’s continued misconduct. Mr. Williams presently is taking appropriate steps to correct the Idaho Secretary of State records.²

Mr. Huff’s allegation concerning Dakota Southern Railway Company (“DSR”) is only *partially* correct; his assumptions are mistaken. DSR remains as a federally-regulated railroad carrier, but DSR had been “administratively dissolved” due to missed annual report filings to the South Dakota Secretary of State. (As the records reflect, DSR did not seek affirmative dissolution.) Mr. Williams appreciates that Mr. Huff has alerted him to this omission. Contrary to Mr. Huff’s belief (or hope) that Mr. Williams must now engage in an imagined “surrendering [of] DSR’s operating authority” (Comment at 2), however, Mr. Williams has taken steps with

¹ See attached Judgment in *Nelson, et al. v. Williams, et al.*, Case No. CV 28-19-6169 (1st Dist., State of Idaho, Kootenai County) (dated April 1, 2024).

² In any event, the after-the-fact exemption authority Mr. Williams seeks to control WIM is *permissive*. Even if (for the sake of argument) it were unclear whether Mr. Williams possesses currently-unauthorized control of WIM, the requested exemption would not resolve that uncertainty (if it actually existed).

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the State of South Dakota to fully reinstate DSR in keeping with appropriate state processes and federal agency precedent.³ Mr. Williams is concurrently taking steps to assure that DSR remains in good standing with the state going forward.

Finally, Mr. Huff's fixation with the minutiae of the Midwest Pacific Rail Net & Logistics website is of no consequence. First, that website has no legal authority, and it does not purport to be legally authoritative. It is, admittedly, in need of some updating, as Mr. Huff's attack indirectly suggests. Under the website's "Railroads" heading, five of Mr. Williams' seven railroad holdings are listed – BG & CM Railroad Inc.; Ozark Valley Railroad, Inc.; St. Maries River Railroad, Inc.; DSR (albeit showing an incorrect map); and Boot Hill & Western Railway Holding Company, Inc. Two of Mr. Williams' railroad holdings, McCloud Railway Company ("MCR") and WIM are omitted, because WIM ceased all operation years ago upon losing its railroad services contract with the State of Washington, and because MCR is largely inactive, as is discussed in the Petition.

Mr. Huff's Comments – which the Board could disregard for procedural defect – have been helpful in ways Mr. Huff probably had not intended. Considering the above discussion and additional information supplied, the Board should not suspend consideration of the Petition. But if the Board were to require additional information in the furtherance of its review, Mr. Williams stands ready to provide it in the interest of efforts to re-establish good standing with the agency.

Respectfully submitted,

/s/ *R. A. Wimbish*

Robert A. Wimbish
Counsel for Michael W. Williams

Attachment

cc: All parties of record

³ Cf. *Sagamore National Corporation – Acquisition and Operation Exemption – Lines of Indiana Hi-Rail Corporation*, FD 32523 (ICC served Oct. 28, 1994) (Indiana Hi-Rail sought to transfer its lines to an affiliated company, and upon doing so, was dissolved under applicable state law, but the Interstate Commerce Commission voided the transaction and ordered Indiana Hi-Rail to be reincorporated).

**IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE STATE OF
IDAHO IN AND FOR THE COUNT OF KOOTENAI**

**KARL NELSON and STEPHANIE
NELSON**, husband and wife,
Plaintiffs,

vs.

**MICHAEL WILLIAMS and TAMMY
WILLIAMS**, husband and wife; and **THE
WASHINGTON & IDAHO RAILWAY,
INC.**, an Idaho corporation,
Defendants.

CASE NO. CV28-19-6169

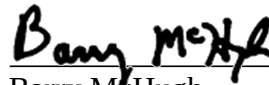
JUDGMENT

JUDGMENT IS ENTERED AS FOLLOWS:

1. Plaintiffs Karl and Stephanie Nelson's (the "Nelsons") claim for Breach of Settlement Agreement is **DISMISSED** on the merits with prejudice.
2. The Court finds in favor of Defendants Michael and Tammy Williams (the "Williamses") as to their counterclaim for Breach of Settlement Agreement.
3. Pursuant to the Court's enforcement of the Settlement Agreement, the Nelsons shall:
 - a) Sign and deliver to the Williamses a quitclaim deed transferring all interest in the Subject Property to the Williamses.
 - b) Deliver possession of the Subject Property to the Williamses.
 - c) Sign and deliver to the Williamses a judgment of quiet title to the Subject Property in favor of Williamses.
 - d) Transfer all shares of The Washington & Idaho Railway to the Williamses, along with any needed paperwork to be prepared by counsel for the Williamses.

4. The parties shall execute a mutual release of all claims per the terms of the Agreement, to be prepared by counsel for the Williamses.
5. Upon receipt of the signed documents described above and possession of the Subject Property, the Williamses are ordered to pay to the Nelsons \$3,000 as set forth in the Agreement.
6. This Court retains jurisdiction of this matter for purposes of assuring compliance with the terms of this Judgment.

DATED: 4/1/2024 1:54:24 PM



Barry McHugh
District Judge

CERTIFICATE OF SERVICE

I hereby certify that on 4/5/2024 9:37:57 AM, I caused to be served a true and correct copy of the foregoing document as addressed to:

Karl and Stephanie Nelson
106 Ponderosa Dr.
Kamiah, Idaho 83536

Edward W. Kok
ekok@lukins.com

Jennifer Locke
Clerk of the District Court



Deputy Clerk