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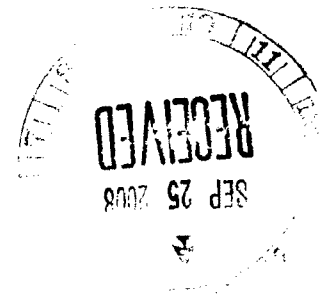
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September 25, 2008

Ms. Victoria J. Rutson
Chief, Section of Environmental Analysis
Surface Transportation Board
395 E Street, S.W.
Room 1106
Washington, D.C. 20423



Mr. Andrew Wood
Washington State Department of Transportation
Freight Strategy and Policy Office
310 Maple Park Drive, S.E.
P.O. Box 47322
Olympia, WA 98504-7322

Re: Finance Docket No. 34936, Port of Moses Lake — Authority to Construct And Acquire — And Columbia Basin Railroad Company, Inc. — Authority to Operate — Petition For An Exemption From 49 U.S.C. § 10901 — Moses Lake, Washington

Dear Ms. Rutson and Mr. Wood:

Enclosed for your information please find copy of a letter dated September 16, 2008 from the Port of Moses Lake to Mr. Gavinski, Manager, City of Moses Lake requesting that the City Council deny the request of a landowner to Amend the Comprehensive Plan or Development Regulation. This information is being provided as part of the environmental record in the above-captioned proceeding.

Please do not hesitate to contact me if you have any questions.

Sincerely,
Kathryn Floyd
Kathryn Kusske Floyd

Enclosure

cc: Christa Dean
Craig Baldwin



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September 16, 2008

Mr. Joseph K. Gavinski, Manager
CITY OF MOSES LAKE
P.O. Box 1579
Moses Lake, WA 98837

Dear Mr. Gavinski:

This is in reference to our recent discussion regarding the "Application to Amend the Comprehensive Plan or Development Regulation" that was submitted by Mr. Odell Crittenden for property located on the south side of Road 4, NW, Moses Lake, WA. The property is identified as a portion of parcels 170542000 and 190681000. It is our understanding that approval of his request to amend the comprehensive plan would begin the process to change the land use from light industrial to residential.

We are sending this letter to go on record with the City Council that the Port of Moses Lake (Port), a municipality of the State of Washington, opposes the landowner's request and we request the City Council deny the request for the following reasons:

- 1) The Port, together with the Columbia Basin Railroad, is proposing to construct and operate a new line of rail near and across a portion of the Crittenden property. This proposed new rail will cross over the southwest portion of the property (see attached diagram). As the Council is aware, there is an ongoing regulatory proceeding before the Surface Transportation Board (STB), the Federal agency with exclusive jurisdiction over lines of rail related to interstate commerce, for a grant of construction and operational authority. The Port's plan for this rail line has been longstanding and the proposed routing has been well publicized, including a Public Open House hosted by the STB and Washington State Department of Transportation (WSDOT) on July 19, 2007; followed by a presentation to the City Council on October 23, 2007.
- 2) Reclassification of the landowner's property (which is located within the area of Segment 1 of the project) to residential is incompatible and inconsistent with the Port's plans for rail service to shippers. The purpose of the project is to provide rail service to lands designated for industrial development in the northern part of the City of Moses Lake as

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Executive Manager: CRAIG L. BALDWIN • Commissioners: DELONE D. KRUEGER - MICHAEL B. CONLEY - DAVID J. PLATE

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CITY OF MOSES LAKE
September 16, 2008

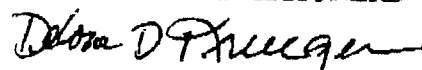
well as to the south and east of the Grant County International Airport. The Port's project thus serves an important and vital public purpose.

- 3) It would be contrary to public policy for the City Council to reclassify this land as requested by the landowner. Sound public policy suggests that areas not zoned residential should not be reclassified as residential when the City Council and planning authorities are well aware of a planned industrial use of property nearby by a governmental authority. In this instance, the Port's plans are concrete and substantial public monies have already been expended in furtherance of the project (including design and engineering, and ongoing environmental study by the STB and WSDOT). A residential use in such close proximity to planned industrial operations is clearly incompatible and should not be approved.
- 4) The Port was not given the opportunity to review the documents prior to recommendation of the City Planning Commission to the City Council. Further, the City Council at its meeting of October 23, 2007, voted to support the project, with the new route to be along the Wheeler Corridor, and keeping in mind that it would eventually remove the rail from downtown. As a follow-up, the City of Moses Lake correspondence dated February 13, 2008, supported the construction of both Segments 1 & 2 between Wheeler to Stratford Road and continuing to the east side of the Airport.

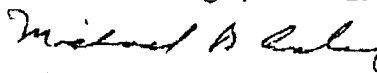
Based on the reasons above, the Port hereby urges the Council to deny the request to Amend the Comprehensive Plan or Development Regulation.

Sincerely,

PORT OF MOSES LAKE
BOARD OF COMMISSIONERS



Delone D. Krueger, President



Michael B. Conley, Secretary



David J. Plate, Member

CC: Mayor Ron Covey
City Council Members