

CLARK HILL

Eric M. Hocky
T 215.640.8523
F 215.640.8501
Email: ehocky@clarkhill.com

Clark Hill PLC
One Commerce Square
2005 Market Street
Suite 1000
Philadelphia, PA 19103
T 215.640.8500
F 215.640.8501
clarkhill.com

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Office of Proceedings
May 26, 2016
Part of
Public Record

VIA E-FILING

Cynthia T. Brown
Chief, Section of Administration - Office of
Proceedings
Surface Transportation Board
395 E Street SW
Washington, DC 20024

Re: ICC Finance Docket No. 31676
Port of Tillamook Bay Railroad - Modified Rail Certificate
Notice of Intent to Partially Terminate (Abandon) Service

Dear Ms. Brown:

Pursuant to 49 CFR 1150.24, the Port of Tillamook Bay Railroad (“POTB”) hereby provides notice of its intention, effective July 28, 2016 to terminate (abandon) service over the 81.07-mile segment of its line of railroad (the “Subject Line”) between Milepost 775.01 near Banks, Washington County, Oregon, and Milepost 856.08 near Tillamook, Tillamook County, Oregon.

The Subject Line is a portion of the rail line owned by the Port of Tillamook Bay (the “Port”)¹ and operated by POTB (a division of the Port) pursuant to a Modified Rail Certificate issued by the Interstate Commerce Commission (“ICC”) in *Port of Tillamook Bay – Modified Rail Certificate*, ICC Finance Docket No. 31676 (ICC served June 1, 1990; corrected notice served June 4, 1990). POTB will continue to provide service over the balance of the line

¹ The Port of Tillamook Bay itself is an Oregon special district which was formed under Oregon Revised Statutes Chapter 777 (Ports generally).

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covered by the Modified Rail Certificate and still owned by the Port, that being between Mileposts 774.0 and 775.01 near Banks, Oregon.²

In December 2007, a portion of the rail line suffered catastrophic damage due to severe storms, making it impossible to provide service over the Subject Line. POTB immediately embargoed the line, and no service has been provided over the Subject Line since that time. POTB filed a letter with the Board on January 4, 2010, giving notice that it was discontinuing (but not fully abandoning) operations over the affected portion of the rail line between Milepost 800.0 near Cochran, Oregon, and the end of the line at Milepost 859.3 near Tillamook, Oregon.³ POTB has unsuccessfully sought funding for repairing the line.

POTB does not believe that it will be able to obtain the necessary funding to repair and rehabilitate the line. Accordingly, POTB is giving this notice of its intent to terminate service over (fully abandon) the Subject Line.

I hereby certify, in accordance with 49 CFR 1150.24, that copies of this notice have been sent to the State of Oregon, Department of Transportation, Rail and Public Transit Division, and to the shippers that used the Subject Line during the six months prior to the embargo. Additionally, although not required, a copy of this notice has also been sent jointly to the Salmonberry Trail Intergovernmental Agency and the Oregon Parks and Recreation Department. The full service list is attached hereto.

² Pursuant to the exemption issued in STB Docket No. FD 35911, *Portland & Western Railroad, Inc. – Acquisition and Operation Exemption – Port of Tillamook Bay*, served April 1, 2015, Portland & Western Railroad acquired 3.5 miles of the POTB line originally included under the 1990 Modified Rail Certificate between Milepost 770.5 at Schefflin and Milepost 774.0 near Banks, in Washington County, Oregon.

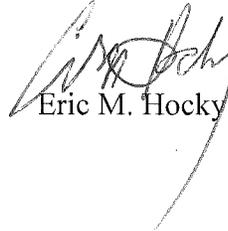
³ Although the January 4, 2010, letter listed the end point of the line as Milepost 859.3, that appears to be an error. Inadvertently included were 3.22 miles between Mileposts 856.08 and 859.30 in Tillamook County that were never authorized for operation under POTB's original Modified Rail Certificate. (That 3.22-mile segment was built by the U.S. government under wartime circumstances to serve a military base, and as such, it was excluded from ICC Docket No. AB-12 (Sub-No. 108), *Southern Pacific Transportation Company – Abandonment – Tillamook Branch in Washington and Tillamook Counties, OR*, that ultimately led to creation of POTB.) The correct end point of the line as shown in the original Modified Certificate issued by the ICC is Milepost 856.08

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Please let me know if there are any questions about this notice.

Respectfully,

CLARK HILL PLC



Eric M. Hocky

EMH/e

cc: POTB
All persons on attached Service List

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Service List:

Required under 49 C.F.R. 1150.24:

Oregon DOT, Rail Division
555 13th Street N.E., Suite 3
Salem, Oregon 97301-4179

Tillamook Lumber /
Hampton Lumber Sales
9400 SW Barnes Road #400
Portland, Oregon 97225

Tillamook Valley Nutrition / CHS
PO Box 313
Tillamook, Oregon 97141

Stimson Lumber
520 SW Yamhill, Suite 700
Portland, Oregon 97204

Northwest Hardwoods /
Weyerhaeuser
202 S. 7th Street
PO Box 217
Portland, Oregon 97118

Georgia Pacific
1400 SE Butler Bridge Road
Toledo, Oregon 97391

Additional voluntary service:

Dennis Wiley
Salmonberry Trail Project Manager
Oregon Parks and Recreation Department
725 Summer St., NE, Suite C
Salem, OR 07310-1266