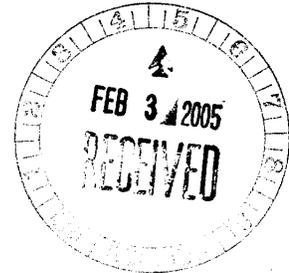


WEINER BRODSKY SIDMAN KIDER PC

1300 NINETEENTH STREET NW
FIFTH FLOOR
WASHINGTON DC 20036 1609
TEL 202 628 2000
FAX 202 628 2011

213170

February 3, 2005



BY HAND

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

ENTERED
Office of Proceedings

FEB 3 - 2005

Part of
Public Record

Re: STB Finance Docket No. 34661, Columbia Basin Railroad Company, Inc.
- Lease and Operation Exemption - Clark County, WA

Dear Secretary Williams:

Enclosed for filing in the above-referenced proceeding are an original and 10 copies of the verified notice of exemption of Columbia Basin Railroad Company, Inc., pursuant to 49 C.F.R. § 1150.41. Also enclosed is a check in the amount of \$1,500 to cover the cost of the filing. In addition, enclosed is a 3.5-inch disk in WordPerfect 5.1 format that contains a copy of the verified notice of exemption.

Please acknowledge receipt of this letter by date-stamping the enclosed acknowledgment copy and returning it to our messenger.

Very truly yours,

Rose-Michele Weinryb

FILED

FEB - 3 2005

TRANSPORTATION BOARD

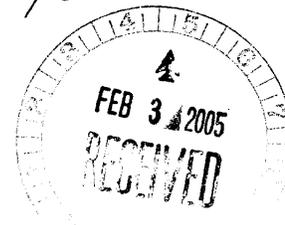
FILED

FEB - 3 2005

**SURFACE
TRANSPORTATION BOARD**

213170

**COLUMBIA BASIN RAILOAD COMPANY, INC.
--LEASE AND OPERATION EXEMPTION--
CLARK COUNTY, WA**



**VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. § 1150.41**

STB FINANCE DOCKET NO. 34661

Applicant's name and current mailing address:

Columbia Basin Railroad Company, Inc.
111 South 33rd Street, Suite 200
Yakima, WA 98901

ENTERED
Office of Proceedings

FEB 3 - 2005

Part of
Public Record

Applicant's representative to receive correspondence:

Rose-Michele Weinryb, Esq.
Weiner Brodsky Sidman Kider PC
1300 19th Street, 5th Floor
Washington, D.C. 20036
(202) 628-2000

FILED

FEB - 3 2005

**SURFACE
TRANSPORTATION BOARD**

Information concerning the agreement:

Columbia Basin Railroad Company, Inc. ("CBRW"), a class III rail carrier, has entered into a lease agreement (the "Lease") with Clark County, WA, a municipal corporation (the "County"). Pursuant to the Lease, CBRW will conduct rail operations over certain property located in Clark County, WA.¹

Operator of the property:

CBRW will operate over the Subject Line (as described below) pursuant to the Lease.²

¹ CBRW will conduct these operations under the name Portland Vancouver Junction Railroad.

² Lewis & Clark Railway Company previously operated over the Subject Line pursuant to a lease that has expired. See Finance Docket No. 31042, *Lewis & Clark Railway Company - Exemption Operation - Chelatchie Prairie Railroad, Inc.*, May 14, 1987; Finance Docket No. 33325, *Lewis & Clark Railway Company - Lease and Operation Exemption - in Clark County, WA*, served January 15, 1997.

FILE RECEIVED

FEB - 3 2005

**SURFACE
TRANSPORTATION BOARD**

Brief summary of the proposed transaction:

The Board of Commissioners of the County is located at 1300 Franklin Street, Vancouver, WA 98660. The Subject Line totals approximately 33.1 miles of rail line in the state of Washington, extending from approximate milepost 0.0, at or near North Vancouver/Vancouver Junction to approximate milepost 33.1 at or near Chelatchie.³ With respect to that portion of the Subject Line over which CBRW does not already have Board authority to lease and operate (*i.e.*, from approximate milepost 14.1 to approximate milepost 33.1), CBRW will not commence operations until February 10, 2005, or later.

Map

A map of the Subject Line is attached hereto as Exhibit A.

Environmental Issues

Environmental documentation normally need not be prepared for transactions that do not involve the diversion 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 (49 C.F.R. § 1105.7(e)(4)), on the one hand, or that do not involve (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, (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 (49 C.F.R. § 1105.7(e)(5)), on the other hand. *See* 49 C.F.R. § 1105.6(c)(2).

The subject lease will not result in changes in carrier operations that exceed the above-listed thresholds. Therefore, no environmental documentation is required for this Verified Notice of Exemption.

Transactions involving a sale, lease or transfer of a rail line for the purpose of continued rail operations are exempt from the historic report requirements of 49 C.F.R. § 1105.8(a) if termination of such operations requires further approval by the Board and “there are no plans to dispose of or alter properties subject to [the Board’s] jurisdiction that are 50 years old or older.” *See* 49 C.F.R. § 1105.8(b)(1).

Board approval will be required to terminate CBRW’s common carrier operations over the Subject Line. CBRW does not plan on disposing or altering 50-year old properties or older, over which the Board has jurisdiction.

³ CBRW and Clark County, WA previously entered into a lease agreement regarding the portion of the Subject Line from approximate milepost 0.0 to approximate milepost 14.1. CBRW already has authority from the Surface Transportation Board (the “Board”) to lease and operate over that portion of the Subject Line. *See* STB Finance Docket No. 34472, *Columbia Basin Railroad Company, Inc. – Lease and Operation Exemption – Clark County, WA*, served March 11, 2004.

Certificate of projected revenue:

In accordance with 49 C.F.R. § 1150.43(g), a certificate concerning CBRW's projected revenue is attached as Exhibit B.

Labor Notice:

No labor notice pursuant to 49 C.F.R. § 1150.42(e) is required, because the projected annual revenue of CBRW (including the projected annual revenue of the Subject Line) does not exceed \$5 million.

Respectfully submitted,



Rose-Michele Weinryb
Weiner Brodsky Sidman Kider PC
Fifth Floor
1300 19th Street, NW
Washington, D.C. 20036

Attorneys for:

Columbia Basin Railroad Company, Inc.

Dated: February 3, 2005

VERIFIED NOTICE OF EXEMPTION

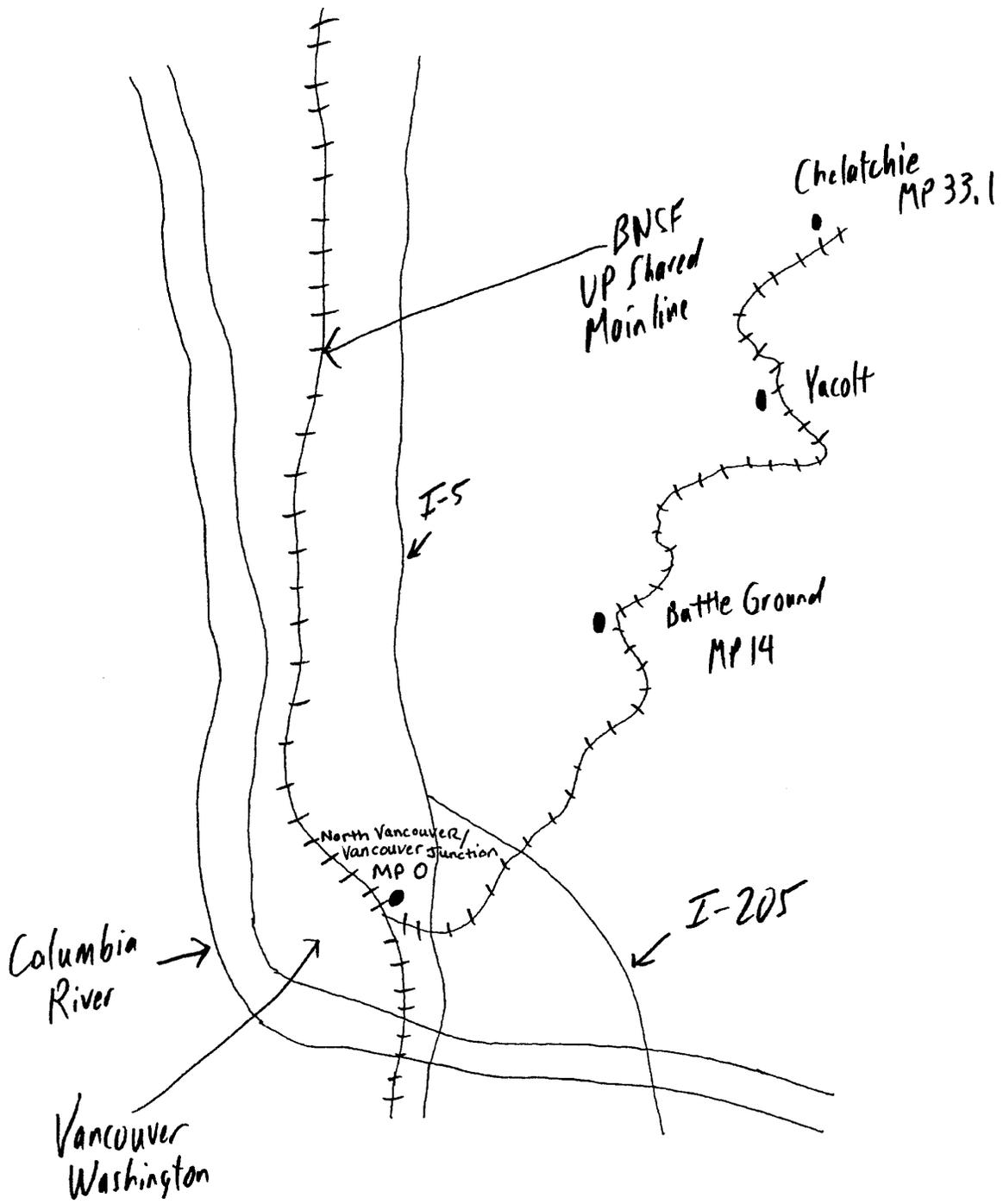
PURSUANT TO 49 C.F.R. § 1150.41

STB Finance Docket No. 34661

**COLUMBIA BASIN RAILROAD COMPANY, INC.
--LEASE AND OPERATION EXEMPTION--
CLARK COUNTY, WA**

EXHIBIT A

MAP OF SUBJECT LINE



VERIFIED NOTICE OF EXEMPTION

PURSUANT TO 49 C.F.R. § 1150.41

STB Finance Docket No. 34661

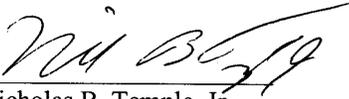
**COLUMBIA BASIN RAILROAD COMPANY, INC.
--LEASE AND OPERATION EXEMPTION--
CLARK COUNTY, WA**

EXHIBIT B

CERTIFICATE OF REVENUE

CERTIFICATE OF REVENUE

In accordance with 49 C.F.R. § 1150.43(g), I do hereby certify that the projected revenues of CBRW as a result of this transaction will not result in the creation of a class II or class I rail carrier.


Nicholas B. Temple, Jr.

Dated: January 31, 2005

SURFACE TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION

STB FINANCE DOCKET NO. 34661

**COLUMBIA BASIN RAILROAD COMPANY, INC.
--LEASE AND OPERATION EXEMPTION--
CLARK COUNTY, WA**

Columbia Basin Railroad Company, Inc. (“CBRW”), a class III rail carrier, has filed a notice of exemption under 49 C.F.R. § 1150.41 to lease and operate approximately 33.1 miles of rail line¹ in the State of Washington owned by Clark County, WA (the “Subject Line”).² The Subject Line extends from approximate milepost 0.0, at or near North Vancouver/Vancouver Junction to approximate milepost 33.1 at or near Chelatchie.³

Comments must be filed with the Surface Transportation Board, Office of the Secretary, 1925 K Street, N.W., Washington, D.C. 20423-0001 and served on Rose-Michele Weinryb, Esq., Weiner Brodsky Sidman Kider PC, 1300 19th Street, NW, Fifth Floor, Washington, D.C. 20036.

This notice is filed under 49 C.F.R. § 1150.41. If the notice contains false or misleading information, the exemption is void *ab initio*. The filing of a petition to revoke will not automatically stay the transaction.

Decided:

By the Board,

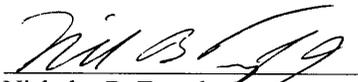
¹ CBRW will operate the subject rail line under the name Portland Vancouver Junction Railroad.

² Lewis & Clark Railway Company previously operated over the Subject Line pursuant to a lease that has expired. See Finance Docket No. 31042, *Lewis & Clark Railway Company – Exemption Operation – Chelatchie Prairie Railroad, Inc.*, May 14, 1987; Finance Docket No. 33325, *Lewis & Clark Railway Company – Lease and Operation Exemption – in Clark County, WA*, served January 15, 1997.

³ CBRW and Clark County, WA previously entered into a lease agreement regarding the portion of the Subject Line from approximate milepost 0.0 to approximate milepost 14.1. CBRW already has authority from the Surface Transportation Board to lease and operate over that portion of the Subject Line. See STB Finance Docket No. 34472, *Columbia Basin Railroad Company, Inc. – Lease and Operation Exemption – Clark County, WA*, served March 11, 2004.

VERIFICATION

I, Nicholas B. Temple, Jr., certify under penalty of perjury that the foregoing notice of exemption is true and correct to the best of my knowledge, information and belief. Further, I certify that I am qualified and authorized to cause this Verified Notice of Exemption to be filed.



Nicholas B. Temple, Jr.

Dated: January 31, 2005