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February 3, 2011

Ms. Cynthia T. Brown
Chief of the Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D. C. 20423

228754

RE: Finance Docket No. 35446, *City of Temple, TX—Acquisition Exemption—Georgetown Railroad Company*

EXPEDITED HANDLING REQUESTED

Dear Ms. Brown:

In *City of Temple, Tex.—Acquisition Exemption—Georgetown Railroad Company*, STB Docket No. FD 35446 (served January 13, 2011), the Surface Transportation Board (the “Board”) instituted a proceeding and requested comments be filed by February 2, 2011 and replies by February 9, 2011.

As of the morning of February 3, 2011, no comments have been served on counsel for the City of Temple, Texas (“Temple”) or posted on the Board’s web site. In light of the lack of opposition to the proposed transaction, Temple respectfully requests the Board to expeditiously grant the requested exemption so that it can close this transaction by February 10, 2011.

The Board initially rejected Temple’s initial attempt to acquire the 6.277 miles of rail line between near Belton, TX, milepost 0.0, and Smith, TX, milepost 6.277, in Bell County, TX (the “Line”). *City Of Temple, TX—Acquisition and Operation Exemption—Georgetown Railroad Company*, Finance Docket No. 35369 (STB served April 23, 2010). As a result of the Board’s decision, Temple has restructured the transaction by entering an agreement with the Temple & Central Texas Railway, Inc. (“TCTR”) to operate the Line.

TCTR is an existing railroad that already provides service in Temple over track owned by Temple. See *Temple & Central Texas Railway, Inc.—Operation Exemption—City of Temple, TX*, STB Finance Docket No. 35255 (STB served July 15, 2009). TCTR has also obtained an exemption from the Board to operate the Line. *Temple & Central Texas Railway, Inc.—Operation Exemption—City of Temple, TX*, STB Docket No. FD 35447 (served December 10, 2011). No objection has been raised to the restructured transaction where TCTR, an established rail operator in Temple, will operate the Line and Temple will own the Line. Temple contends that the restructured transaction as evidenced by the agreement with TCTR resolves the Board’s prior objection by

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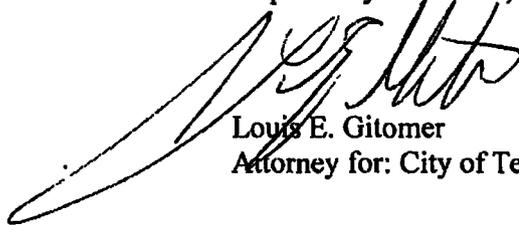
demonstrating that an existing carrier will obtain the common carrier obligation to operate the Line and intends to operate the Line. As presented in the Petition for Exemption, Temple contends that it has met the criteria for an exemption to acquire the Line.

Temple requests expedited handling so that it can close this transaction and purchase the Line from the Georgetown Railroad Company ("Georgetown") within the 90-day period after the parties executed the Purchase and Sale Agreement (the "PSA"). The ninetieth day is February 10, 2011. If Temple cannot close by February 10, 2011, it can obtain a 30-day extension by paying an additional fee of over 2.5 percent of the purchase price to Georgetown "before" the original closing date. See Section 7(f) of the PSA. Hence, Temple would need to notify Georgetown and pay the additional fee by February 9 to extend the closing date.

Temple respectfully requests the Board to act expeditiously and help Temple avoid unnecessary fees in this acquisition by granting the petition for exemption, serving the decision granting the exemption by February 9, 2011, and making the decision effective no later than February 10, 2011.

Thank you for your assistance. If you have any questions, please call or email me.

Respectfully submitted,



Louis E. Gitomer
Attorney for: City of Temple, Texas