

BEFORE THE
SURFACE TRANSPORTATION BOARD

ENTERED
Office of Proceedings
March 19, 2020
Part of
Public Record

DOCKET NO. AB-1296X
R. J. CORMAN RAILROAD PROPERTY, LLC –ABANDONMENT
EXEMPTION – IN SCOTT, CAMPBELL, AND ANDERSON
COUNTIES, TENNESSEE

NOTICE OF INTENT TO FILE OFFER OF FINANCIAL ASSISTANCE

ARKANSAS-OKLAHOMA RAILROAD, CO.
116 W. Main St.
Wilburton, OK 74578

Offeror

DANIEL A. LaKEMPER
General Counsel
Arkansas-Oklahoma Railroad, Co.
P.O. Box 185
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Attorney for Offeror

Date: March 19, 2020

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SURFACE TRANSPORTATION BOARD

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Pursuant to 49 CFR §1152.27(c)(1) (i) and (ii), ARKANSAS-OKLAHOMA RAILROAD, CO. (“AOK”) hereby provides Notice of its intent to file an Offer of Financial Assistance (“OFA”) to purchase the rail line proposed for abandonment, and demonstrates its preliminary financial responsibility to fund such a purchase.

IDENTITY AND INTEREST OF AOK

AOK is a class III common carrier, which has been operating in Oklahoma for approximately 24 years. David Donoley of Wilburton, OK is the majority shareholder of AOK. AOK is interested in expanding into new markets, and has a legitimate interest in the rail line.

PRELIMINARY FINANCIAL RESPONSIBILITY AMOUNT

It is provided in 49 CFR §1152.27 (c) (1) (1) (ii) that an offeror submitting an expression of intent to file an OFA must demonstrate that it is financially responsible, under the definition set forth in 49 CFR §1152.27(c) (1)(iv)(B), for the calculated preliminary financial responsibility amount (“PFRA”). An offeror is financially responsible if the offeror “has or within a reasonable time will have the financial resources to fulfill its proposed contractual obligations.”

PFRA is calculated as follows:

- (1) \$80 per ton (national average as of March 19, 2020 according to israpapp.com) times 132 tons per mile times 41.05 miles =
\$433,488
- (2) \$4,000 per mile time 41.05 miles times 2 = \$328,400
- (3) TOTAL \$761,888

AOK’S ABILITY TO PAY THE PFRA

Attached to this pleading is a copy of AOK’s 2018 Income Tax Summary, which demonstrates AOK’s financial resources.

CONCLUSION AND REQUESTED RELIEF

WHEREFORE, AOK respectfully requests that it be found to be financially responsible on a preliminary basis to purchase the rail line.

Respectfully submitted,
ARKANSAS-OKLAHOMA RAILROAD CO.



By: DANIEL A. LaKEMPER

P.O. Box 185

Morton, Illinois 61550

lakemper@mtco.com

Dated: March 19, 2020

CERTIFICATE OF SERVICE

I hereby certify that on March 19, 2020, I served the foregoing document, Notice of Intent to File an Offer of Financial Assistance and Demonstration of Preliminary Financial Responsibility on Catherine S. Wright at cwright@irvinrigsby.com, attorney for R. J. Corman Railroad Property, LLC.



DANIEL A. LaKEMPER