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February 5, 2021

ENTERED

Office of Proceedings

February 5, 2021

Part of

Public Record

By electronic filing

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E. Street, S.W.
Washington, D.C. 20423-0001

Re: STB FINANCE DOCKET NO. 35692
Eastside Community Rail, LLC – Acquisition and Operation Exemption–GNP
RLY, Inc

STB FINANCE DOCKET NO. 35730
Ballard Terminal Railroad Company, LLC -- Lease Exemption -- Eastside
Community Rail, LLC

Dear Ms. Brown:

Please accept for filing the accompanying report on behalf of GNP RLY, LLC; NW Signal Maintenance, LLC; and Kevin Kucera (collectively “GNP”) in these matters.

Referencing the Board’s recent Decisions in the above proceedings,

On December 18, 2009 BNSF Railway (“BNSF”) granted to GNP a Quit Claim Deed for the exclusive freight rail service rights over the Eastside Rail Corridor (“ERC”) between Snohomish, WA and Woodinville, WA. That Deed remains the last valid instrument of record transferring said rights. See attached Exhibit A. No subsequent Deed is valid, regardless of recording status, as any such instrument results from the unauthorized and unlawful actions of former GNP CFO Douglas Engle on January 24-25, 2011 in illicitly expropriating certain GNP assets for his personal use.

GNP now seeks to assert its rights granted in the BNSF 2009 Quit Claim Deed. Pursuant thereto, STB should immediately void ECR’s interchange Agreement with BNSF, as ECR’s exemption has been revoked. Consequently, ECR no longer has any right to operate over nor even be present on the ERC right of way.

1. GNP’s negotiations with Snohomish County (“SnoCo”) for the rights to maintain the wayside signals and operate an electric traction (“ET”) training school on or near the right-of-way

(“ROW”) of the former ERC to develop craft worker competency began when SnoCo served an April 29, 2020 demand letter (Exhibit B) to which GNP replied with a counter-offer on May 15, 2020 (Exhibit C). SnoCo responded cordially to GNP’s May 15, 2020 counter-offer. The parties continued periodic negotiations while awaiting the Board’s Decision in these matters.

GNP remains interested in coming to an agreement with SnoCo. As owner of the northernmost 14-plus miles of the rail line, SnoCo retains the FRA bridge and track capital maintenance obligations. GNP supports in principle a potential rail/trail through SnoCo.

2. GNP is ready and willing to enter into an agreement with an existing rail freight operator to provide freight service on a contract or sub-lease basis, which would include but not be limited to the contract operator handling FRA and customer service issues and day-to-day operating maintenance issues flowing directly from actual use of the line for freight purposes.

3. GNP is not contemplating undertaking rail passenger service at this time. That may or may not change depending upon future developments. The Board should note that passenger rights were not acquired by Kevin Kucera from the late Thomas Payne, nor do they comprise the gravamen of the present issues before the Board in these proceedings.

4. GNP contemplates no prospective role for Douglas Engle; merely end-tail liabilities for any damage caused, environmentally or otherwise during the period of his now-revoked operating exemption.

5. The City of Woodinville owns the King County segment of the line between MP 23.8 and MP 26.38. Either King County or their contractor recently tore out the leg of the railbanked line toward Kirkland and from Highway 202 Milepost 23.8 north approximately 180 feet, encompassing the BNSF “diamond” which intersected the Woodinville wye- an important component of GNP’s rail freight easement- basically severing GNP’s east-west headroom and tailroom capabilities for rail interchange in King County. That leaves GNP with potential for a north-south interchange above Snohomish. These actions in removing railbanked lines speak loudly with regard to Woodinville’s lack of concern about the lost economic potential of the rail line. Recently Woodinville has indicated a willingness to meet with GNP to discuss present and future interests. To date no proposal has been presented to GNP by Woodinville. Should that change, GNP reserves its rights to respond.

GNP thanks the Board for its consideration with regard to the foregoing matters.

Should the Board have any questions, kindly contact me directly, either by telephone (908) 361-7097 or by email jsavagelaw@aim.com.

Respectfully submitted,
James H. M. Savage

J. James H. M. Savage

by electronic signature

James H. M. Savage

Counsel for GNP RLY, LLC

NW Signal Maintenance, LLC and

cc: service list

Certificate of Service

I certify that I have this day served copies of all documents on parties or record in this proceeding, by electronic mail.

James H. M. Savage, Esq.

S/James H. M. Savage

by electronic signature

James H. M. Savage

Counsel for GNP RLY, LLC

NW Signal Maintenance, LLC and

Kevin Kucera

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James A. Greenfield
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jimgreenfield@dwt.com

February 22, 2010

Thomas Payne
GNP Rly Inc.
403 Garfield Street, #20
Tacoma, WA 98444

Re: Recorded Documents

Dear Thomas:

Enclosed please find the original Memorandum of Operation and Maintenance Agreement and Quit Claim Deed documents, both of which have been recorded with Snohomish County for your records. Please contact me if you have any questions

Very truly yours,

Davis Wright Tremaine LLP

A handwritten signature in blue ink, appearing to read 'Jim'.

James A. Greenfield

JAG:mmh
Enclosures

DWT 14097739v1 0090521-000001

Anchorage
Bellevue
Los Angeles

New York
Portland
San Francisco

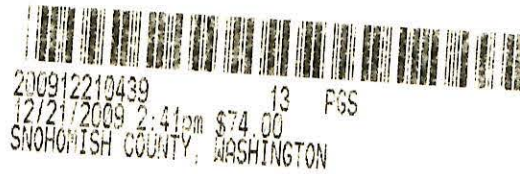
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226605

1,000.00

After Recording Return To:
 James Greenfield
 Davis Wright Tremaine LLP
 1201 Third Avenue
 Suite 2200
 Seattle, WA 98101



No. 5146007 8/31/2009 2:45 PM
 Thank you for your payment.
 SHELLEY

Quit Claim Deed
 Woodinville Freight Easement

PNWT W-20611-9

Grantor: BNSF Railway Company

Grantee: GNP Rly Inc

Abbreviated Legal:

000000000000100 10P

SW1/4 18-28-6
 Lot 4 and 5 Block 2 Snohomish City Eastern Part Vol. 1 page 7
 Govt Lots 1 and 2, and the NW 1/4 of 19-28-6
 NE and SE 24-28-5
 NE 25-28-5
 Govt 1,2,3,5, and 6 of 30-28-6
 Govt 3,4,8 and SW1/4 and NW1/4 31-28-6
 Pnt Lot 139 Cathcart 9X39
 Gvt 4,5,6,7 of 6-27-6
 Gvt 1,2,3,4, and the SW 1/4 of 7-27-6
 Gvt 2,3,4 and NW 1/4 of 18-27-6
 Gvt 1,2 of 19-27-6
 NE of 12-27-5
 NE, SW, SE of 24-27-5
 Gvt 4 of 31-27-5
 NW, SW of 25-27-5
 NE, NW, SW of 26-27-5
 NW of 35-27-5
 NE, SE, SW of 34-27-5
 In Snohomish County

After Recording Return To:

James Greenfield
Davis Wright Tremaine LLP
1201 Third Avenue,
Suite 2200
Seattle, WA 98101

PNWT W-20411-9

QUIT CLAIM DEED
Woodinville Freight Easement

Grantor: BNSF RAILWAY COMPANY ("BNSF")

Grantee: GNP Rly Inc ("TPO")

Legal Description: See Exhibit A attached hereto and incorporated herein (the "Property").

Port 10, 245 EOM, Port-9-26-5,

WHEREAS, BNSF has conveyed to the Port of Seattle (the "Port") the Property pursuant to that certain Quit Claim Deed dated as of the date hereof and recorded in the real estate records of King County, Washington as instrument number 20091218001536 and in the real estate records of Snohomish County, Washington as instrument number 200912210438; and

WHEREAS, BNSF reserved in said deed an exclusive easement for freight rail purposes over the Property (the "Reserved Freight Easement").

NOW, THEREFORE, BNSF, for and in consideration of TEN AND NO/100 DOLLARS (\$10.00) conveys and quit claims to TPO all of BNSF's right, title and interest in and to the Reserved Freight Easement, together with all after acquired title of BNSF therein.

TPO and BNSF are parties to that certain Freight Easement Sale Agreement dated as of December 18, 2009 concerning the sale of the Reserved Freight Easement in and to the Property. TPO and BNSF for themselves and their respective successors and assigns hereby covenant and agree that the provisions of Sections 6 and 7 of said Agreement attached hereto as Exhibit B, are incorporated herein by reference and shall be covenants running with the land that are enforceable by TPO, BNSF and their respective successors and assigns.

IN WITNESS WHEREOF, BNSF and TPO have executed this Deed as of the 18 day of December, 2009.

Said document(s) were filed for record by Pacific N.W. Title as accommodation only. It has not been examined as to proper execution or as to its effect upon title.

BNSF RAILWAY COMPANY

By [Signature]
Its: Senior General Attorney

GNP Rly Inc

By [Signature]
Its: Chairman, C.O.O.
Thomas Payer

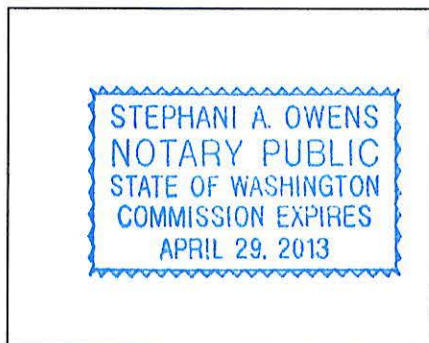
STATE OF Washington)
) ss.
COUNTY OF King)

I certify that I know or have satisfactory evidence that Richard E. Weicher is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Vice President & General Counsel - Regulatory of BNSF Railway Company to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

David T. Rankin

Senior General Attorney

Dated: 12-18-2009



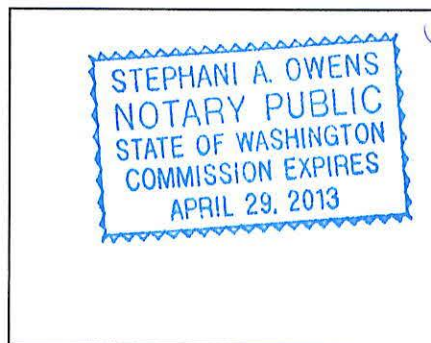
(Use this space for notarial stamp/seal)

Stephani A. Owens
Notary Public
Print Name Stephani A. Owens
My commission expires 4-29-2013

STATE OF WASHINGTON)
) ss.
COUNTY OF King)

I certify that I know or have satisfactory evidence that Thomas Payne is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Chairman O.O.O. of GNP Rly Inc to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 12-18-09



(Use this space for notarial stamp/seal)

Stephani A. Owens
Notary Public
Print Name Stephani A. Owens
My commission expires 4-29-2013