



BEFORE THE SURFACE TRANSPORTATION BOARD

BG & CM Railroad, Inc.)
- Acquisition and Operation Exemption -) F.D. 36098
Line of Great Northwest Railroad, LLC)

242612

ENTERED

Office of Proceedings

February 13, 2017

Part of

Public Record

Verified Notice of Exemption
Pursuant to 49 C.F.R. 1150.41, et seq.

BG & CM Railroad, Inc. ("BG&CM"), a Class III carrier, files this Notice of Exemption pursuant to 49 C.F.R. 1150.41, et seq. (Part 1150, Subpart E) to permit BG&CM to acquire and to operate the remaining portion of a rail line in Idaho known as the Jaype Line from Great Northwest Railroad, Inc. ("GNR"). The remaining portion of the Line to be acquired is approximately 27.5 miles in length.

In support of this Notice of Exemption, BG&CM submits the following information specified by 49 C.F.R. 1150.43:

(a) Full name and address of applicant:

BG & CM Railroad, Inc.
10100 North Ambassador Drive, Suite 105
Kansas City, MO 64153
Attn: Michael Williams or Avory Beggs

(b) Applicant's representative:

Charles H. Montange
Law Offices of Charles H. Montange
426 NW 162d St.
Seattle, WA 98177
(206) 546-1936
c.montange@frontier.com

(c) Statement of agreement:

An agreement has been entered, subject to STB authorization.

FILED

February 13, 2017

SURFACE

TRANSPORTATION BOARD

FEE RECEIVED

February 13, 2017

SURFACE

TRANSPORTATION BOARD

(d) Operator of the property.

BG&CM.

(e) Summary of proposed transaction.

- (1) The name and address of the railroad transferring the subject property is Great Northwest Railroad, Inc., 315 W 3rd St., Pittsburg, KS 66762 Attn: Craig R. Richey, General Counsel
- (2) The transaction is expected to be consummated on or after the later of (a) [30 days from filing] or (b) the effective date of this notice of exemption.¹
- (3) The rail line being acquired by BG&CM is located between MP 3.5 at or near Konkolville, Idaho to end of track at or near Jaype, Idaho, at approximately MP 31, all in Clearwater County, Idaho. The line in question was authorized for abandonment in Great Northwest Railroad, Inc. - Abandonment Exemption - in Clearwater County, Idaho, AB 872, serve Nov. 1, 2004. Due to an outstanding unfulfilled historic condition, the abandonment was never consummated.
- (4) The length of line being acquired is approximately 27.5 miles.

¹ The parties originally anticipated closing by August 31, 2016, but this date was rendered superfluous by intervening events. The parties now seek to close as soon as regulatory approvals are obtained.

(f) A map of the rail line being acquired is attached as Exhibit A.

(g) BG&CM hereby certifies that BG&CM's projected revenue as a result of this transaction will not result in BG&CM becoming a Class II or Class I rail carrier. BG&CM further certifies that its annual revenue as a result of this transaction will not exceed \$5 million. The requirements of 49 C.F.R. 1150.42(e) therefore do not apply to this transaction.

(h) No interchange commitments.

Compliance with 1150.44. As required by 49 C.F.R. 1150.44, a caption summary is attached as Exhibit B.

Environmental and historic impacts. BG&CM is acquiring the rail line from GNR for continued rail operations. Further Board approval is required for BG&CM to abandon any service and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50-year-old or older. This Notice of Exemption accordingly does not require an historic report under 49 C.F.R. 1105.8(b)(1).

BG&CM's acquisition will not result in significant changes to carrier operations, i.e., changes that exceed the thresholds established in 49 C.F.R. 1105.7(e)(4) or (5). Under 49 C.F.R. 1105.6(c)(2), the proposed transaction is exempt from environmental reporting requirements.

Verification. A verification is attached as Exhibit C.

Respectfully submitted,



Charles H. Montange
Law Offices of Charles H. Montange
426 NW 162d St.
Seattle, WA 98177
(206) 546-1936
Attorney for Railroad Materials
Salvage, Inc.

For filing no later than Feb 13, 2017.

Attachments:

Exhibit A - Map

Exhibit B - Summary Caption

Exhibit C - Verification

Exhibit A

MAP

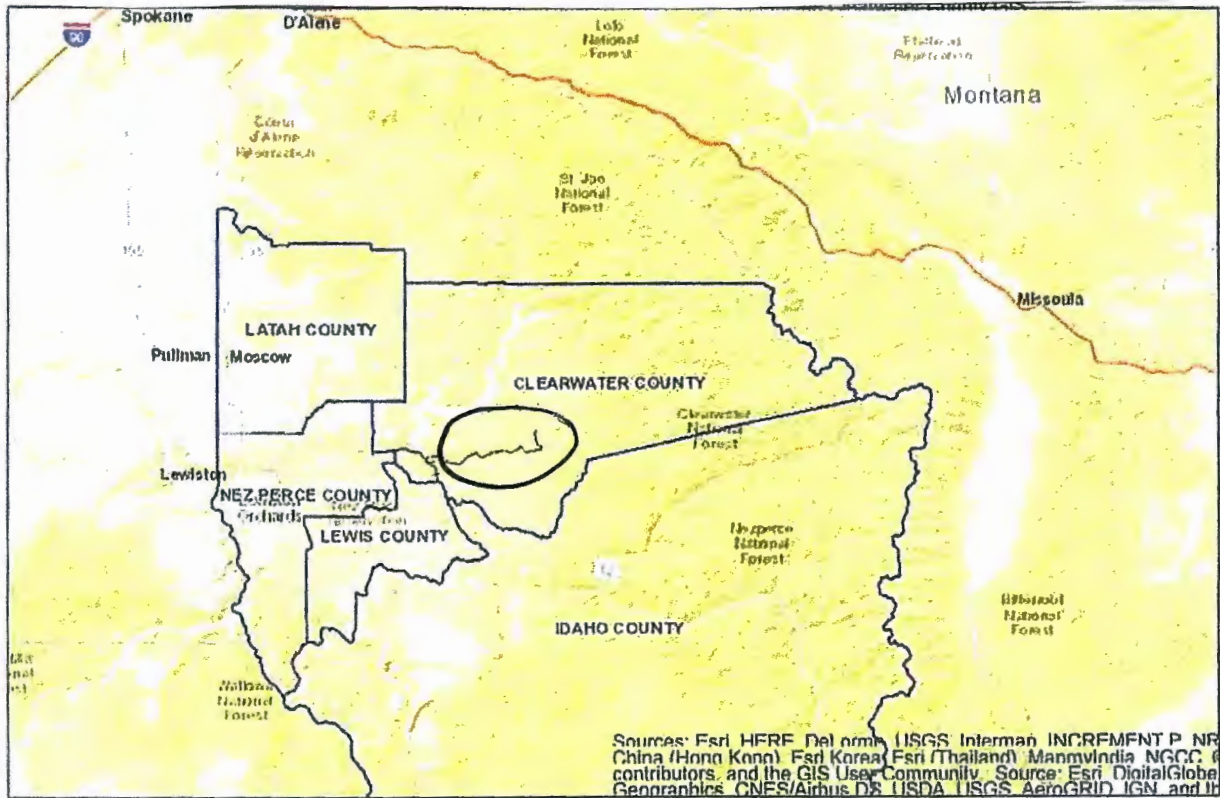
(1) (Clearwater County GIS, Railroad Layer)

(Jan. 16, 2017)

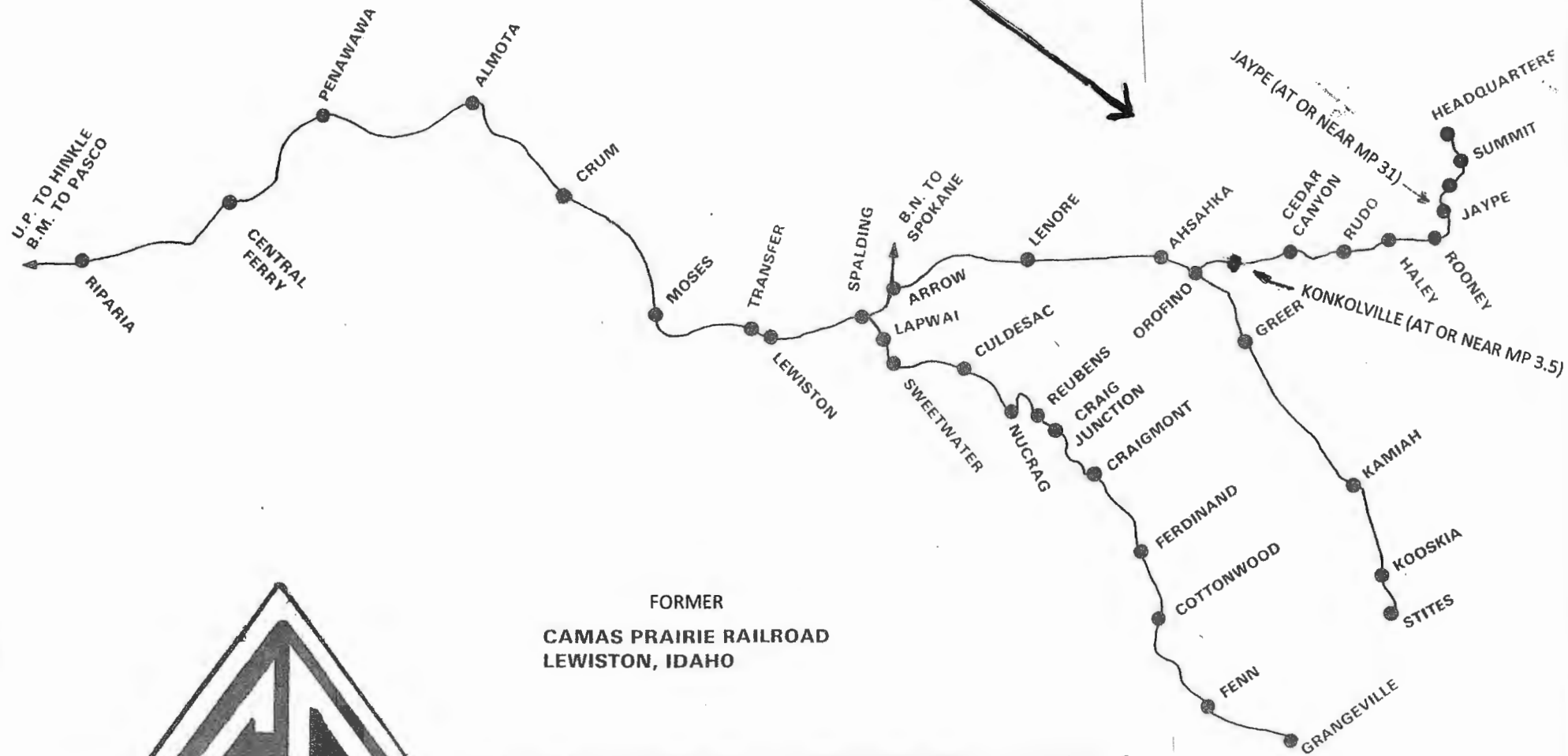
(2) Google Map Showing Trace of MP 3.5 to MP 31

(3) A System Map for former Camas Prairie
Showing Location of Jaype Line

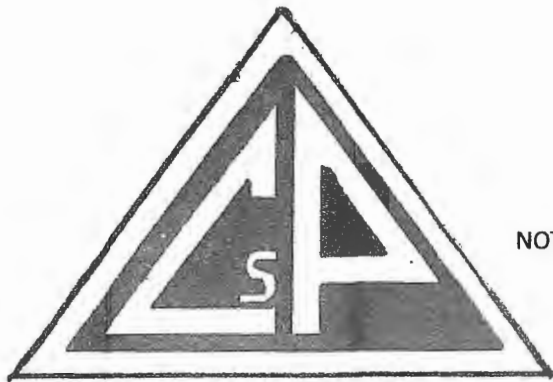
Jaype Line (MP 3.5 to end of line MP 31)
(in circle)



JAYPE LINE (KONKOLVILLE, MP 3.5, TO END OF LINE JAYPE, MP 31)



FORMER
CAMAS PRAIRIE RAILROAD
LEWISTON, IDAHO



NOTES: BG & CM ACQUIRED MP 0.0 AT OROFINO TO MP 3.5 AT KONKOLVILLE
PER BG & CM RAILROAD – ACQUISITION AND OPERATION EXEMPTION –
GREAT NORTHWEST RAILROAD, F.D. 34713, SERVED JULY 6, 2005

Exhibit B

Summary Caption

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 36098

BG & CM RAILROAD, INC.

- ACQUISITION AND OPERATION EXEMPTION -

LINE OF GREAT NORTHWEST RAILROAD, INC.

BG & CM Railroad, Inc. ("BG&CM"), a non-carrier, has filed a verified notice of exemption under 49 C.F.R. 1150.41 to acquire and to operate approximately 27.5 miles of rail line from the Great Northwest Railroad, Inc. ("GNR"). The line is known as the "Jaype Line" and is located between MP 3.5 at or near Konkolville, Idaho, and end of track at MP 31 at or near Jaype, Idaho, all in Clearwater County, Idaho. Comments must be filed with the Board and served upon Charles H. Montange, counsel for BG&CM, Law Offices of Charles H. Montange, 426 NW 162d St., Seattle, WA 98177, (206) 546-1936.

This notice is filed under 49 C.F.R. 1150.41. If the notice contains false or misleading information, the

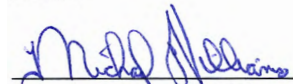
exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Exhibit C

VERIFICATION

State of Missouri)
) ss.
County of Ray)

I, Michael Williams, being duly sworn do depose and state that I am President of BG & CM Railroad, Inc., that I am authorized to make this verification, and that I have read the foregoing Notice of Exemption and know the facts asserted therein are true and accurate to the best of my knowledge, information and belief.


Michael Williams

Subscribed and Sworn to before me this 10th day of February, 2017.


Notary Public

My commission expires: March 08, 2020.

