

September 4, 2018

BY E-FILING

246304

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

ENTERED
Office of Proceedings
September 4, 2018
Part of
Public Record

**RE: FD 35692, East Side Community Rail, LLC-
Acquisition and Operation Exemption-GNP RLY, Inc.**

Dear Ms. Brown:

I am writing on behalf of NW Signal ("NWS") in response to the filing made with the Board in the above-captioned proceeding by Douglas Engle. My purpose in submitting these comments is to correct certain statements made about my company. I do not take a position with regard to the position taken by Snohomish County or the status of the 10-year Operating and Maintenance ("O&M") Agreement between GNP RLY and the Port of Seattle.

As a preliminary matter, NWS realizes that the Board has no jurisdiction insofar as property or contract matters are concerned. With that in mind, I will respond to certain assertions.

- At page 4 of his Reply to Snohomish County ("the Reply") Mr. Engle asserts that he maintained passenger rights for the line with NWS and has been pursuing an EB-5 investment program. NWS has made no commitment to run passenger service with Mr. Engle.
- At page 5 of his Reply Mr. Engle requests that the Board terminate the O&M Agreement so that Ballard Terminal Railway and NWS can immediately pursue financial assistance to rehabilitate the track. In fact, NWS and Ballard Terminal have never discussed that.

- At the first full paragraph on page 6 of the Reply, Mr. Engle states in October 2017 he and his father sold the freight easement to NWS. In fact the correct date of that transaction was December 18, 2017.
- On page 9 of the Reply Mr. Engle asserts that an agreement with a Mr. Darling was made prior to the quitclaim deed transfer to NWS. In fact . NWS did not have the quitclaim deed as represented by Mr. Engle. Therefore NWS has no control over the Engles' actions.
- In the first full paragraph on page 16 Mr. Engle makes several incorrect assertions. Among others, he stated that NWS is the premier contractor for Sound Transit and began using a unique hyrail vehicle for servicing electrical infrastructure in tunnels. Actually NWS is a small contractor for Sound Transit. While NWS has discussed an imaginative concept for future safety training for electrical infrastructure in tunnels, it is conceptual only. NWS does not perform maintenance on Sound Transit electrical lines and crossings. NWS does not currently have a position either way with regard to freight or passenger service on the line.
- Finally, Mr. Engle requests at the bottom of page 17 and top of page 18 that the Board terminate the O&M and License Agreements in order in his words "to make the railroad viable again" and to permit NWS to purchase his company, Eastside Community Rail ("ECR"). It is my understanding that the Board does not have the jurisdiction to terminate property rights. Therefore it cannot grant this relief. NWS does not have a quit claim deed for the balance of the Line. Furthermore, NWS has no interest in acquiring ECR. Moreover, NWS is not privy to Mr. Engle's EB-5 efforts.

NWS appreciates the Board's consideration of these comments.

Respectfully submitted,

/s/ Kevin Kucera
Kevin Kucera

cc: Service list

CERTIFICATE OF SERVICE

I, John D. Heffner, hereby certify that a copy of "Comments of NW Signal in Reply to Douglas Engle dated September 19, 2018, was sent by electronic mail to all parties of record in this proceeding.

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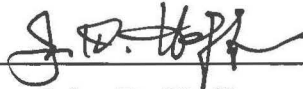
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John D. Heffner

Dated: September 19, 2018

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