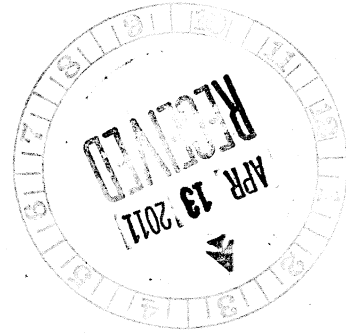


April 7, 2011

Surface Transportation Board
395 E Street, SW
Washington, DC 20423
Attention: Danielle Gosselin
Office of Environmental Analysis



RE: Environmental Filing FD 35116

Dear Ms. Gosselin:

As an interested party we have previously submitted written comments, letters dated 2/9/09 and 9/14/10, regarding potential socio-economic and recreational impacts associated with the reactivation of the Beech Creek Rail Line as per the Surface Transportation Board's invitation issued in Environmental Filing STB Finance Docket No. 35116.

Again, the Headwaters Charitable Trust is a 501(c)3 organization that works to improve quality of life through natural resource conservation projects and grants that result in community improvement, rural economic stability and environmental enhancement. The Trust currently holds title to the 9.3-mile section of the Snow Shoe Rail Trail (that includes the Peale Tunnel and Viaduct Bridge) which it leases to the Snow Shoe Rails to Trails Association (SSRTA).

To reiterate our stance, HCT does not oppose or support the reactivation of the 9.3 mile section. Rather we simply request that if the STB should rule to reactivate the 9.3 mile section, as part of the ruling the STB require the new rail user to:

1. Replace the 9.3 miles with a suitable trail to reconnect the otherwise severed 126 miles of trail systems.
2. Require that the \$555,195 Transportation Enhancement monies spent to repair the Peale Tunnel be repaid to the HCT, so that we can meet our obligation to repay those Transportation Enhancement funds. Such repairs are beneficial to RJCP since the tunnel would be part of the reactivated section of rail.

In addition to highlighting our previous testimony, The Trust would like to provide additional comments specifically regarding our concerns of RJCP's voluntary mitigation narrative listed in Chapter 7, page 7-5 identified as Voluntary Mitigation (VM) 33, in the Supplemental Draft Environmental Impact Statement.

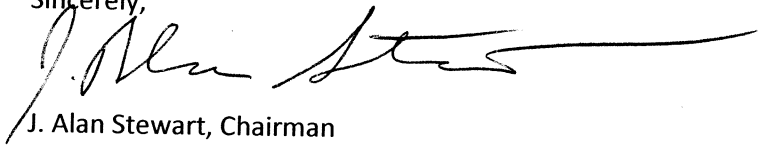
The voluntary mitigation language gives RJCP the liberty of not mitigating trail connectivity caused by the loss segment if they determine a mutually acceptable agreement can not be reached. We are concerned this language could be used as an "out" without engaging in any meaningful dialogue to resolve the issue. To date RJCP has been slow to respond to our requests for further dialogue on the subject. Months later when we did finally arrange a conference call with their attorney it appears that their reluctance to respond to us stems from their perceived opposition by the Trust to reactivation of the line. As we indicated to RJCP's attorney while there may be trail users that are opposed to a potential client of RJCP, Resource Recovery, which has proposed the construction of a landfill, HCT has

always maintained a neutral stance on both the proposed landfill and reactivation of the rail line and will continue to do so. **Our interest is solely to restore the “connectivity” of the 9.3 mile section of trail, if the rail is reactivated, and repayment of our financial obligations for the structural repairs made to the Peale Tunnel, which Resource Recovery committed, in writing, to repaying, if reactivation occurred.**

We hope to build upon the dialogue that recently transpired between the Trust and RJCP’s attorney, Mr. Ronald Lane, and are currently working on gathering data as per his request to identify potential routes for an alternative connector trail. **The current language in Supplemental Draft Environmental Impact Statement, however, does give RJCP an “out” for not pursuing mitigation leaving us little chance of restoring the connectivity lost when the segment of trail is reactivated.**

We sincerely ask that the STB consider our previous testimony as well as request that the STB reconsider the current language of VM 33 and replace it with more substantial language to assure that meaningful efforts are taken by RJCP to reach a reasonable resolution to mitigating the loss of connectivity of 126 miles of trail systems. Loss of such a regional recreational asset will have a significant economic impact to our rural communities.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Alan Stewart', with a long horizontal flourish extending to the right.

J. Alan Stewart, Chairman
Headwaters Charitable Trust