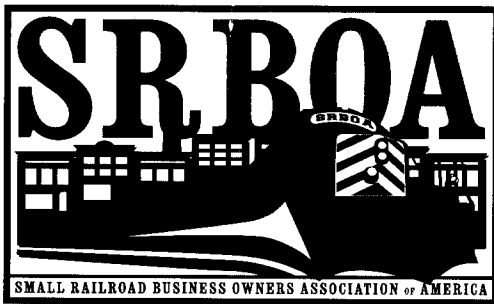




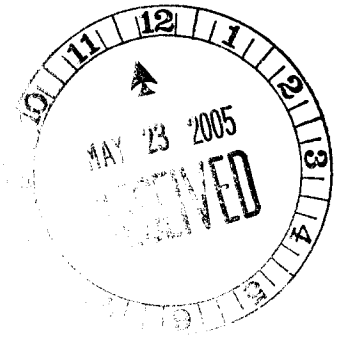
John W. Gohmann, President

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May 16, 2005

RE: Adverse Discontinuance of Service, Docket # AB -878

United States Surface Transportation Board,
Washington, DC.

Via US Mail

Ladies and Gentlemen:

We rarely get involved or make issue with an abandonment case, but, what appears to be going on down in Peoria, Illinois on the former Rock Island Lines Kellar branch deserves some comment .

First, your board and its predecessors have long distinguished between a discontinuance of service and resumption by another operator – and an abandonment. The latter, unquestionably occurs, when a section of railroad that serves shippers – either handling overhead traffic to reach them, or, with shippers on the line itself, is abandoned. This is an abandonment – over two thirds of the trackage on this branch, although largely existing by some kind of easement on City streets, is being pulled up and no longer will be available for rail service – that is the plan!

Secondly, without commenting or knowing the terms of the agreement between Pioneer and the City other than to see what was discussed in Pioneer's brief, we submit that when a municipality takes on the ownership of a piece of rail property, it must be held to the same standards with respect to its continued operation or abandonment as would any private party and has a residual obligation to see that the customers thereon receive every protection of the STB and governing law. In this situation, connections to a major railroad are being severed and allegedly replaced, for the three miles of operation, with another major carrier. In past cases, including New York Cross Harbor (decided by the Board and reviewed by, the Court of Appeals, the STB must look at all aspects, including whether service and transit times will deteriorate, or whether with the inclusion of another railroad, rates to remaining shippers will increase significantly, and whether their involvement or lack of involvement in participating in the case was based on knowledge imparted to them regarding increased transit times, levels of service that will

remain, and, increase in costs. There is no evidence that was done in this case – it appears from the record that a connection to the major competitive railroad serving the customers with the most effective routings will be eliminated. We are not sure, but, then again, is the BOARD SURE and has IT SATISFIED THAT IMPORTANT FACTOR.

In a case involving trackage occupying a several mile segment of streets in Salt Lake City, the Board refused the adverse abandonment (picking up of the rails) even though there had been no usage of the rails for over a dozen years, but, plans were emerging to use them again by Union Pacific Railroad. The Board ruled similarly in the Seminole and Golf or Florida Central case last year, when city plans for road construction were no reason to grant an adverse possession and abandonment.

Being able to control the national rail system and interstate commerce was the reason given by the Board in both cases- and it noted for otherwise, rail service all over the country would fall whim to local political interests, including as here, a bike path which will serve no real interstate commerce function at all and one which could have coexisted, according to Pioneer, with the tracks remaining in place in the street easement.

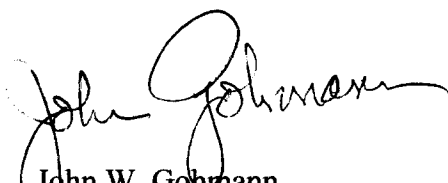
Finally, in reviewing such matters, the STB should review the integrity of the proposed replacement operator, its business plans, and, the safety of such operations. If here, for example, industries remaining on either end of the line are to be served by a trackmobile or other similar mode, there are many road and highway crossings and it would be unclear whether usage of such small vehicles would be safe or in accordance with FRA regulations, or, even with a larger switch engine on each end, if rates to customers would have to increase due to higher costs of operation as well as the loss of one connection at one end that at one time, was available to ALL Customers.

Last, and finally, does the City have the legal right to “replace” Pioneer under the terms of the contract even if sematically, this is a discontinuance of service versus an abandonment.. We do not know that answer, either., but submit it is academic – this is an abandonment – several miles of active track are being removed, and, shippers are being denied access to one of two railroads in almost all cases. We understand that up until now, the vast majority of the some 300 cars a year have not been routed via UP for reasons germane to rail tariff structures, routes and rail costing. What is the impact of this? Plain and simply, according the the Statement of Pioneer Marketing personnel, there are active rail customers on the 6.29 miles to be abandoned who will lose rail service in its entirety should this happen. They are not using the line presently, but, there is some belief by Pioneer Rail, who has been operating the line, that pressure from the City has caused them to be mum...

And, one aside note – has the City reached valid and binding agreement with a replacement operator, and under what terms that will maintain the competitive rate structure and service that is left. Will customers be charged added switch costs to carry the operation, unlike PIRY, who did not do so. Is the operator of this new company financially sound and capable of a rail operation such as this? We are not aware of people or politics of central Illinois and cast no opinion, but, has this been examined. An article

from the May 14, 2005 Peoria Star Journal indicates that a person, who is reported as we believe having the same name as the person who will operate the "new railroad", and, who resides in the same region in Illinois, was reported by the Journal to be in serious trouble with the law in LaSalle County. That article is attached. Again, we do not know, but, simply suggest that it is an appropriate function of the STB to address all these questions – in fairness to the shippers on the line – so they receive the same benefits as the law would provide and does provide for an abandonment, which indeed, this is, in substance, form and intent..

Thank you for your time,



John W. Gohmann
President

Cc: Dan Lakemper, Pioneer Railcorp,
Thomas McFarland, Attorney at Law.

attachment

Putnam County man accused of hiring hit on female acquaintance

Prosecutor says businessman also wanted to harm others

BY JESSICA L. ADERLE
OF THE JOURNAL STAR

OTTAWA — A Granville businessman is jailed on \$5 million bond after allegedly soliciting a hitman to kill a female acquaintance who threatened to expose their relation-

ship to the man's wife.

Donny Lee Gibson, 65, appeared in orange and white LaSalle County Jail garb Friday to hear the charges against him. Gibson said nothing as State's Attorney Joe Hettel outlined the prosecution's case, which included the felony count of solicitation of murder for hire, and an additional count of solicitation of aggravated battery for initiating a

contract on another target.

"It would probably be worth my time to spend \$10,000 to \$20,000 to have her taken out or have her go away," Gibson allegedly told an undercover investigator posing as a hitman.

LaSalle County Sheriff Tom Templeton said he's never seen a case like this in his 31 years in office, and it all started with a mar-

ried Gibson, who owns DOT Rail in Granville with his wife, desiring a dating relationship with his eventual target — Nicole Sigler of Naplate.

In establishing probable cause, Hettel outlined the case for Judge Cynthia Raccuglia.

In early April, a mutual acquaintance introduced Gibson to Sigler at the businessman's urging, Hettel

said. Over the course of their relationship — which Sigler insists was not an affair — Gibson bought the woman a Ford Escape and gifts and gave her a large amount of money.

Eventually, however, the relationship soured and Sigler repeatedly attempted to call Gibson's house to speak with his wife, Hettel told the court.



DONNY LEE GIBSON

Please see HIT, Page A8

HIT

Continued from Page A1

It was then that Gibson allegedly decided he needed to get rid of Sigler, and the acquaintance notified police. An undercover officer posed as a hitman and met with Gibson on April 26. Gibson paid the officer \$200 upfront but said he would need more time to raise the rest. The pair met two other times, the most recent Thursday at Homestead motel in Peru, where he gave him \$1,000, bringing the total cash to \$2,200.

But Gibson wanted the hitman to take care of more than just Sigler, Hettel said. Gibson also authorized the maiming of former business associate Jim Rogers of Marquette Heights, which resulted in the second charge Friday. Gibson also

mentioned a desire to snuff out his wife and his brother-in-law, Mark Mudge of Granville, but put up no money on a contract.

"During these meetings, Gibson broadened the scope of the investigation by including a request that at least two and possibly three other people be harmed by the undercover agent," Templeton said. "Gibson not only verbally instructed the undercover agent, but also drew maps to where the potential victims live."

Police also confiscated \$70,000 cash from Gibson's safe deposit box. His wife told police she was unaware of the money and asked that Gibson be ordered to stay away from her if he posted bond.

Hettel also said Gibson had been sentenced to 15 years in prison for a federal embezzlement conviction and raised

concerns about his possession of a valid passport and frequent out-of-state travels. Hettel said investigators also believe Gibson has vast financial resources and additional money, of which they likely are unaware.

"I have no alternative, I find you are a danger to the public and are a flight risk," Judge Raccuglia said in approving the hefty bond. She ordered Gibson to surrender his passport and refrain from any contact with his wife or his alleged intended victims.

Gibson next will appear with counsel for possible arraignment June 2 before Judge H. Chris Ryan Jr. Gibson faces 20 to 40 years in prison if convicted of the solicitation of murder for hire charge and an additional two to five years if convicted on the solicitation of aggravated battery count.