



STATE OF MICHIGAN

DEPARTMENT OF NATURAL RESOURCES

LANSING



JENNIFER M. GRANHOLM
GOVERNOR

REBECCA A. HUMPHRIES
DIRECTOR

March 30, 2007

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

ENTCO, Inc.
Office of Proceedings

Public

APR 9 2007
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Dear Mr. Williams

219041

SUBJECT Lake State Railway Company Abandonment Exemption – Rail Line in Otsego County, Michigan, STB Docket No. AB-534 (Sub-No. 3X)

This request is filed on behalf of the Michigan Department of Natural Resources, which is a government agency interested in recreation and natural resources, hereinafter referred to as "Proponent."

Proponent requests issuance of a Public Use Condition as well as an Interim Trail Use Condition, rather than an outright abandonment authorization on the northernmost portion of Lake State Railway's main line Mackinaw Subdivision between milepost 116.8 (the point at which the line crosses East McCoy Road) north to the dead end of the main line at milepost 120.95.

A. Request for Public Use Condition

Proponent asks the STB to find that this property is suitable for other public use, specifically trail use, and to place the following conditions on the abandonment:

1. An order prohibiting the carrier from disposing of the corridor, other than the tracks, ties, and signal equipment, except for public use on reasonable terms. Justification for this condition is: The corridor would make an excellent recreational trail and provides an extension of a rail corridor already developed for trail use by proponent. The time period sought is 180 days from the effective date of the abandonment authorization. Proponent needs this much time to conduct appraisal and title review and begin negotiations with the carrier.
2. An order barring removal or destruction of potential trail-related structures such as bridges, trestles, culverts, and tunnels. The justification for this condition is that these structures have considerable value for recreational trail purposes. The time period requested is 180 days from the effective date of the abandonment authorization for the same reason as indicated above.

B. Request for Interim Trail Use

The railroad right-of-way in this proceeding is suitable for railbanking. In addition to the public use conditions sought above, proponent also makes the following request:

NATURAL RESOURCES COMMISSION

Keith J. Charters, Chair • Mary Brown • Hurley J. Coleman, Jr. • Darnell Earley • Bob Garner • John Madigan • Frank Wheatlike

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Mr Vernon A Williams
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STATEMENT OF WILLINGNESS TO ASSUME FINANCIAL RESPONSIBILITY

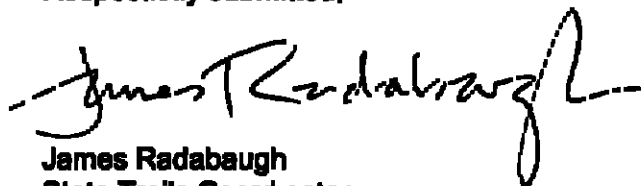
In order to establish interim trail use and railbanking under section 8(d) of the National Trails System Act, 16 U S C §1247(d), and 49 CFR §1152.29, the proponent is willing to assume full responsibility for management of, for any legal liability arising out of the transfer or use of, and for the payment of any and all taxes that may be levied or assessed against the right-of-way owned by and operated by Lake State Railway Company

The property, known as the Mackinaw Subdivision, extends from railroad milepost 116.8 (the point at which the Line crosses East McCoy Road) north to the dead end of the main line at railroad milepost 120.95, a distance of 4.15 miles in Otsego County, Michigan. The right-of-way is part of a line of railroad proposed for abandonment in STB Docket No. AB-534 (Sub-No. 3X).

A map depicting the right-of-way is attached. Proponent acknowledges that use of the right-of-way is subject to the users continuing to meet its responsibilities described above, and subject to possible future reconstruction and reactivation of the right-of-way for rail service.

By my signature below, I certify service upon Lake State Railway Company, c/o Andrew B Kolesar III, Slover & Loftus, Attorneys at Law, 1224 Seventeenth Street, N. W., Washington, D C 20036-3003, by U S. Mail, postage pre-paid, first class, this 1st day of March, 2007.

Respectfully submitted,



James Radabaugh
State Trails Coordinator
Recreation and Trails Section
Forest, Mineral and Fire Management
517-373-1276

on behalf of the Michigan Department
of Natural Resources

Enclosure

jr kk

cc Mr Andrew B Kolesar III, Slover & Loftus
Mr James George, Lake State Railway
Company
Ms Lynne M Boyd, MDNR
Mr David Freed, MDNR

Copy of Gaylord, Michigan, United States

