



KAPLAN KIRSCH ROCKWELL

June 13, 2007

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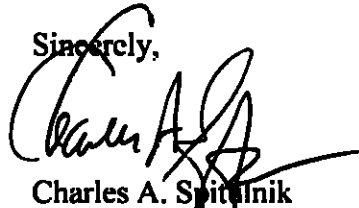
Hon. Vernon A. Williams, Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

**Re: Chesapeake Railroad Company – Modified Rail Certificate
Finance Docket No. 32609**

Dear Sir:

I am enclosing an original and ten (10) copies of the Notice of the Maryland Transit Administration of Intent to Remove Property From Certificate of Interim Trail Use in the above referenced proceeding. An additional copy is enclosed for date stamp and return to our messenger. Please note that a 3.5 inch diskette is enclosed with this document.

Sincerely,



Charles A. Spitalnik

Enclosure

ENTERED
Office of Proceedings
JUN 13 2007
Part of
Public Record

136924

Attorneys at Law
Denver • New York • Washington, DC

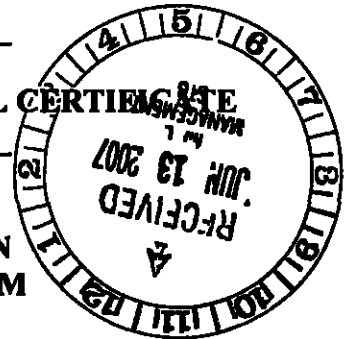
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Washington, DC 20036
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**BEFORE THE
SURFACE TRANSPORTATION BOARD**

Finance Docket No. 32609

CHESAPEAKE RAILROAD COMPANY – MODIFIED RAIL

**NOTICE OF THE
MARYLAND TRANSIT ADMINISTRATION
OF INTENT TO REMOVE PROPERTY FROM
CERTIFICATE OF INTERIM TRAIL USE**



Communications with respect to this pleading
should be addressed to:

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Allison I. Fultz
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(202) 955-5600
cspitulnik@kaplankirsch.com
afultz@kaplankirsch.com

Counsel for the Maryland Transit Administration

Dated: June 13, 2007

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Office of Proceedings
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Public Record

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

Finance Docket No. 32609

CHESAPEAKE RAILROAD COMPANY – MODIFIED RAIL CERTIFICATE

**NOTICE OF THE
MARYLAND TRANSIT ADMINISTRATION
OF INTENT TO REMOVE PROPERTY FROM
CERTIFICATE OF INTERIM TRAIL USE**

The Maryland Transit Administration (“MTA”), pursuant to 49 C.F.R. §1152.29(c) hereby submits this Notice of Removal of Property from the Certificate of Interim Trail Use (“CITU”) issued by the STB on January 9, 2006, in connection with the above-captioned proceedings. Pursuant to the order issued in this proceeding on January 5, 2007, extending the period for negotiating an agreement to July 5, 2007, MTA is continuing its negotiation of an agreement with the Maryland Department of Transportation (“MDOT”) for MDOT to assume the responsibility of trail user with respect to the subject property. MDOT has executed the Statement of Willingness to Assume Financial Responsibility that is required by 49 C.F.R. § 1152.29.

By this Notice, MTA indicates its intent to remove certain property known as the “Easton Spur” outside of the main railroad corridor in Easton, Talbot County, Maryland, from the CITU. The Easton Spur consists of a parcel of approximately 5.514 acres on which is situated a spur track extending between the main right of way at Milepost 45.3, more or less, at Easton, MD, and U.S. Route 50, a distance of some 1645 feet. Exhibit A attached hereto is a map showing the general relationship of the Easton Spur to the main rail line. Exhibit B

attached hereto is a copy of a detailed survey last revised on April 21, 2006, showing the property comprising the Easton Spur.

In accordance with 49 C.F.R. §1152.29(c)(2), the CITU is attached hereto as Exhibit C. MTA requests that the Board issue a decision partially vacating the CITU with respect to the Easton Spur and removing the Easton Spur from the CITU. Because negotiations with respect to MDOT's assumption of trail use obligations are ongoing, there is no trail user besides MTA at this time. Because of the unique posture of this proceeding, in which MTA has advised the Board of the termination of Chesapeake Railroad Company's Modified Certificate of Public Convenience and Necessity, the parties to whom the Board's decision should be sent pursuant to §§1152.29(c)(2)(i) thru 1152.29(c)(2) (iii) are:

- §1152.29(c)(2)(i) – abandonment applicant:

Chesapeake Railroad Company: Under normal circumstances, Chesapeake Railroad Company would receive the copy sent to the abandonment applicant; however, Chesapeake Railroad Company is no longer in existence, which is why MTA filed the termination of the Modified Certificate of Public Convenience on its behalf.

Accordingly, please send the abandonment applicant's copy to MTA in care of the undersigned

- §1152.29(c)(2)(ii) – owner of the right of way:

MTA in care of the undersigned

- §1152.29(c)(2)(iii) – current trail user:

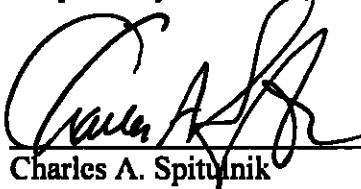
MTA, in care of the undersigned

In addition, because MDOT will become the trail user, the service information for MDOT follows:

MDOT
7201 Corporate Center Drive
P O. Box 548
Hanover, MD 21076
Attn: David L. Ganovski – Director, Office of Freight Logistics

WHEREFORE, and in view of the foregoing, MTA respectfully submits its Notice of Intent to Remove Property from the CITU in this proceeding.

Respectfully submitted,



Charles A. Spitulnik

Allison I. Fultz

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afultz@kaplankirsch.com

Counsel for the Maryland Transit Administration

Dated: June 13, 2007

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused to be served a copy of the foregoing NOTICE OF THE MARYLAND TRANSIT ADMINISTRATION OF INTENT TO REMOVE PROPERTY FROM THE CERTIFICATE OF INTERIM TRAIL USE, upon the following parties of record in this proceeding by first class mail with postage prepaid and properly addressed:

General Counsel
American Short Line and Regional Railroad Association
50 F Street, N.W., Suite 7020
Washington, DC 20001

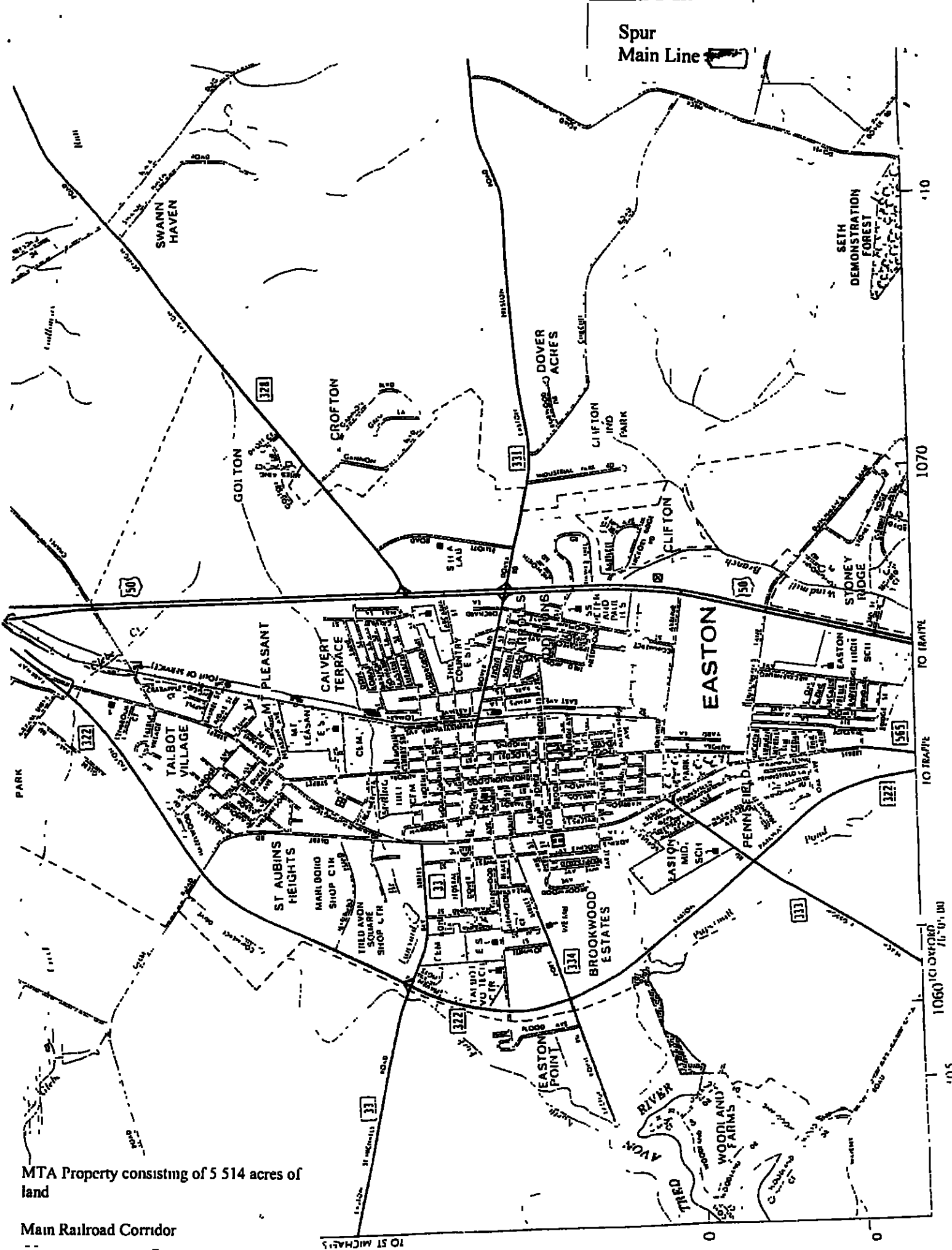
Edward G. Banks, Jr.
Maryland Delaware Railroad
106 Railroad Avenue
Feddersburg, MD 21632-1499



Charles A. Spitznik
Allison I. Fultz

Dated this 13th day of June, 2007

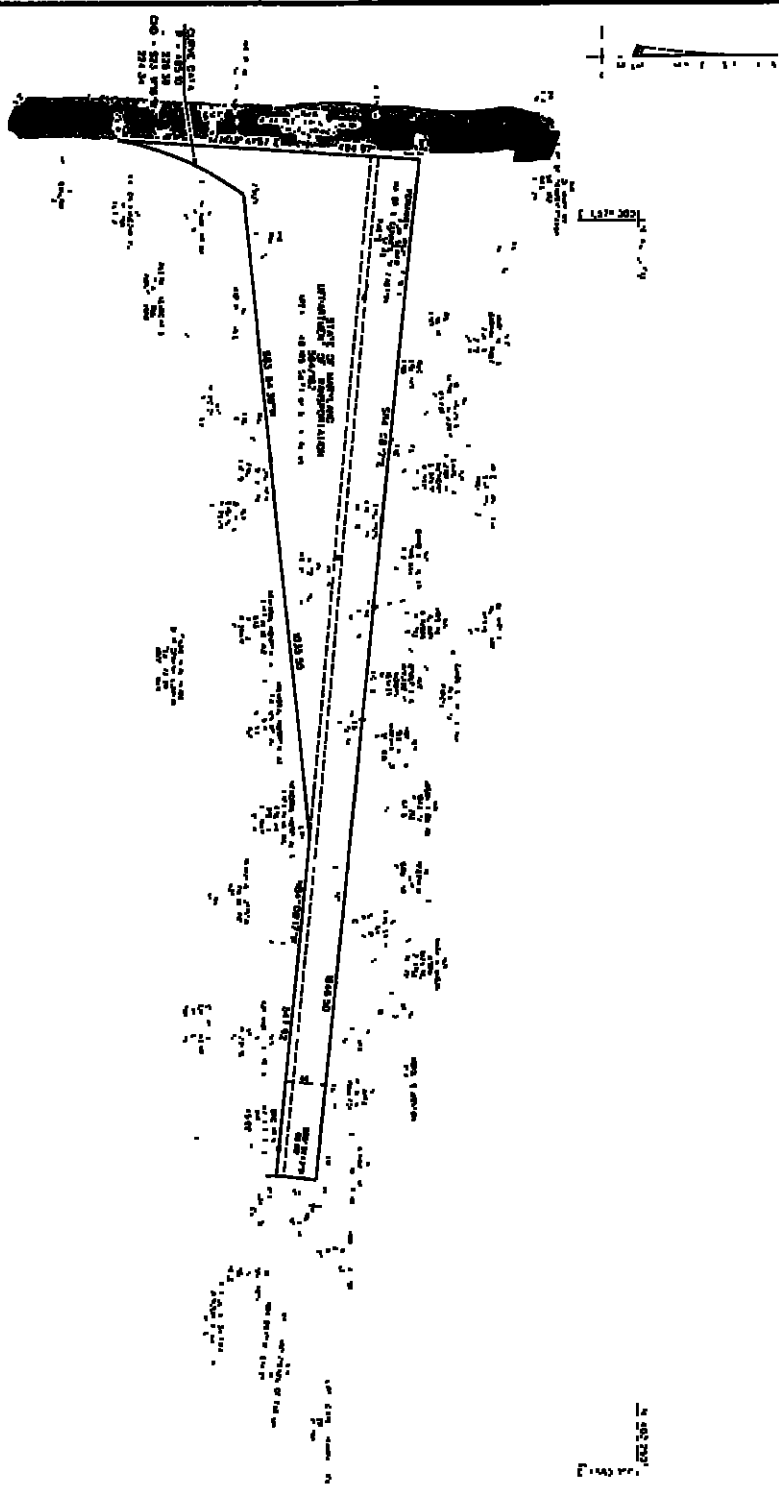
EXHIBIT A
MAP OF EASTON SPUR
[Attached hereto]



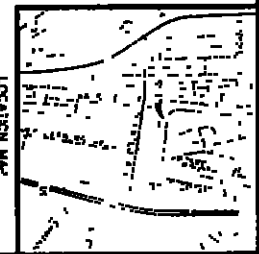
MTA Property consisting of 5 514 acres of land

Main Railroad Corridor

EXHIBIT B
SURVEY OF EASTON SPUR
[Attached hereto]



STATION	CHORD	BEARING	LENGTH
1	100.00	N 0° 00' 00" E	100.00
2	100.00	N 90° 00' 00" E	100.00
3	100.00	N 0° 00' 00" E	100.00
4	100.00	N 90° 00' 00" E	100.00
5	100.00	N 0° 00' 00" E	100.00
6	100.00	N 90° 00' 00" E	100.00
7	100.00	N 0° 00' 00" E	100.00
8	100.00	N 90° 00' 00" E	100.00
9	100.00	N 0° 00' 00" E	100.00
10	100.00	N 90° 00' 00" E	100.00



MARYLAND ROUTE 50
"LAN GATEWAY"
BETWEEN TWO TOWNS

UTILITY NOTES:
1. ALL UTILITIES SHOWN ON THIS MAP ARE BASED ON THE MOST RECENT RECORD DRAWINGS.
2. THE LOCATION OF UTILITIES IS NOT GUARANTEED.
3. THE LOCATION OF UTILITIES IS NOT GUARANTEED.

DESCRIPTION OF EASEMENT:
1. THE EASEMENT IS A 10' WIDE STRIP OF LAND.
2. THE EASEMENT IS A 10' WIDE STRIP OF LAND.
3. THE EASEMENT IS A 10' WIDE STRIP OF LAND.

STATE OF MARYLAND
DEPARTMENT OF TRANSPORTATION
"LAN GATEWAY" PROJECT
BOUNDARY SURVEY
1997

MTA Property consisting of 5,514 acres of land
Main Railroad Corridor

MARYLAND DEPARTMENT OF TRANSPORTATION
ADMINISTRATIVE STATION

STV Incorporated
1725 New York Avenue, Suite 100, Washington, DC 20004

STATION	CHORD	BEARING	LENGTH
1	100.00	N 0° 00' 00" E	100.00
2	100.00	N 90° 00' 00" E	100.00
3	100.00	N 0° 00' 00" E	100.00
4	100.00	N 90° 00' 00" E	100.00
5	100.00	N 0° 00' 00" E	100.00
6	100.00	N 90° 00' 00" E	100.00
7	100.00	N 0° 00' 00" E	100.00
8	100.00	N 90° 00' 00" E	100.00
9	100.00	N 0° 00' 00" E	100.00
10	100.00	N 90° 00' 00" E	100.00

EXHIBIT C

CITU – Finance Docket No. 32609

[Attached hereto]

36078
DO

SERVICE DATE – LATE RELEASE JANUARY 9, 2006

SURFACE TRANSPORTATION BOARD

DECISION AND CERTIFICATE OF INTERIM TRAIL USE OR ABANDONMENT

Finance Docket No. 32609

**CHESAPEAKE RAILROAD COMPANY—CERTIFICATE OF INTERIM TRAIL USE AND
TERMINATION OF MODIFIED RAIL CERTIFICATE**

Finance Docket No. 29830¹

**MARYLAND AND DELAWARE RAILROAD COMPANY—
TERMINATION OF MODIFIED RAIL CERTIFICATE**

Decided: January 9, 2006

In Chesapeake Railroad Company—Modified Rail Certificate, Finance Docket No. 32609 (ICC served Nov. 23, 1994), Chesapeake Railroad Company (CHRR) was issued a modified certificate of public convenience and necessity (modified certificate) under 49 CFR 1150, subpart C, to operate approximately 54.1 miles of rail line owned by the State of Maryland between milepost 00.0 at Clayton, DE, and milepost 45.3 at Easton, MD, and a connecting branch line between milepost 00.0 at Queen Anne, MD, and milepost 8.8 at Denton, MD (collectively, Clayton-Easton line).

On July 28, 2005, the Maryland Transit Administration (MTA), on behalf of the State of Maryland, filed notice on behalf of CHRR of its intent to terminate service under the modified certificate over the Clayton-Easton line.² On that same date, MTA filed a request for issuance of a certificate of interim trail use (CITU) under the National Trails System Act, 16 U.S.C. 1247(d), for the Clayton-Easton line. MTA submitted a statement indicating its willingness to assume financial responsibility for management of the right-of-way (ROW) as required at 49 CFR 1152.29, and acknowledged that the use of the ROW for trail purposes is subject to future reconstruction and reactivation for rail service.

¹ These proceedings are not consolidated but are being considered in the same decision for administrative convenience.

² Under 49 CFR 1150.24, an operator must provide 60 days' notice of its intent to terminate service over a line covered by a modified certificate. However, according to MTA, CHRR, the operator, has ceased operating over the Clayton-Easton line, the operating agreement between CHRR and MTA was terminated on October 31, 1998, and CHRR has subsequently forfeited its status as a corporate entity in Maryland.

In Maryland and Delaware Railroad Company-Modified Rail Certificate, Finance Docket No. 29830 (ICC served Feb. 9, 1982), Maryland and Delaware Railroad Company (M&D) was issued a modified certificate under then 49 CFR 1120A to provide service in Maryland and Delaware, including service over the Clayton-Easton line. On August 17, 2005, M&D filed notice of its intent to terminate service under a modified certificate over the Clayton-Easton line.

Because MTA's request complies with the requirements of 49 CFR 1152.29, a CITU will be issued for the above-described line. MTA is free to negotiate an agreement during the 180-day period prescribed below. If an agreement is executed, then no further Board action is necessary. If no agreement is reached within 180 days, the line may be fully abandoned. See 49 CFR 1152.29(c)(1). Use of the ROW for trail purposes is subject to restoration for railroad purposes. See 49 CFR 1152.29(c)(2).

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. The request for a CITU under 16 U.S.C. 1247(d) is accepted.
2. If an interim trail use/rail banking agreement is reached, it must require the trail user to assume, for the term of the agreement, full responsibility for management of, any legal liability arising out of the transfer or use of (unless the user is immune from liability, in which case it need only indemnify the owner against any potential liability), and for the payment of any and all taxes that may be levied or assessed against, the ROW.
3. Interim trail use/rail banking is subject to the future restoration of rail service and the user's continuing to meet the financial obligations for the ROW.
4. If interim trail use is implemented, and subsequently the user intends to terminate trail use, it must send the Board a copy of this decision and certificate and request that it be vacated on a specified date.
5. If an agreement for interim trail use/rail banking has been reached by the 180th day after service of this decision and certificate, interim trail use may be implemented. If no agreement is reached by that time, the line may be fully abandoned.

Finance Docket No. 32609 et al.

6. This decision is effective on its service date.

By the Board, David M. Konschnik, Director, Office of Proceedings.

**Vernon A. Williams
Secretary**