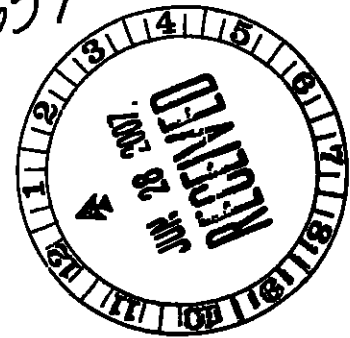


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219657



26 June 2007
by express

Hon. Vernon Williams
Secretary
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20024

Re: YILA -- Abandonment Exemption --
Yakima County, WA, AB 600 (Sub-no. 1X)
for filing: Notice of Railbanking

ENTERED
Office of Proceedings
JUN 28 2007
Part of
Public Record

Dear Mr. Williams:

This letter is for filing formally to notify the Board that Yakima Interurban Lines Association ("YILA") has transferred the Naches Branch at issue in the above-captioned proceeding to Yakima County ("County") pursuant to 16 U.S.C. § 1247(d) and this Board's authorizations pursuant to 49 C.F.R. § 1152.29, except for the parcels covered by the section 106 condition imposed in this Board's decision in this proceeding served Feb. 17, 2006, at ordering paragraph 6(f). A deed covering the Branch (except for the parcels governed by the section 106 condition) was recorded earlier this week. The parcels governed by the section 106 condition will be similarly transferred when this Board removes the section 106 condition. YILA and County continue to seek removal of the section 106 condition.

After ascertaining that this Board's Section of Environmental Analysis had and foresaw no objection to this approach, YILA and County engaged in a two-step process (i.e., first closing on the line except for the section 106 parcels, and, once the Board removes the section 106 condition, committing to close on the remainder) in order to ensure that lienholders did not become dissatisfied due to delays, and thus that the line could be preserved. We are pleased to note that all lienholders, save Washington State Department of Transportation (WSDOT), have been satisfied, and WSDOT of course supports the County's acquisition of this line from YILA under 16 U.S.C. § 1247(d) as indicated in prior pleadings.

Yakima County and YILA understand that the Notice of Interim Trail Use (NITU) applicable to the Naches Branch in this proceeding now automatically extends indefinitely. If this understanding is in error, please advise me as soon as possible.

Thank you for your assistance in this matter.

Very truly

A handwritten signature in black ink, appearing to read 'Charles Montange', written over the printed name.

Charles Montange
for Yakima County and YILA

cc. Counsel (per certificate of service)

Certificate of Service

By my signature below, I certify service of the foregoing by U.S. Mail, postage pre-paid first class this 26th day of June, 2007, upon the following counsel:

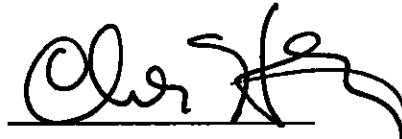
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Chief Civil Deputy Pros. Atty
Yakima County Courthouse
128 North 2d St., Room 211
Yakima, WA 98901

Kevin T. Montoya, Esq.
Velkanje Moore & Shore,
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Yakima, WA 98907

A handwritten signature in black ink, appearing to read "Kevin T. Montoya", written over a horizontal line.