

March 23, 2009

VIA ELECTRONIC FILING

Ms. Anne K. Quinlan
Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

Re: **Finance Docket No. 35149 (Sub-No. 1)**
Mitchell-Rapid City Regional Railroad Authority – Termination of
Modified Certificate and Notice of Interim Trail Use

Dear Secretary Quinlan:

Pursuant to 49 C.F.R. § 1150.24, the Mitchell-Rapid City Regional Railroad Authority (“MCRRA”) hereby provides notice of its intention, effective June 1, 2009, to terminate service provided under a modified certificate of public convenience and necessity on a rail line (the “Caputa-Rapid City segment”) owned by the State of South Dakota and extending between milepost 646.0 near Caputa, South Dakota and milepost 659.6 in Rapid City, South Dakota, a total distance of approximately 13.6 miles.

MCRRA was authorized to provide service on the Caputa-Rapid City segment pursuant to a Modified Rail Certificate issued in STB Finance Docket No. 35149, Mitchell-Rapid City Regional Railroad Authority – Modified Rail Certificate – Between Caputa and Rapid City, SD (STB served June 27, 2008). The line is currently non-operational and no rail service has been provided on the line for many years. MCRRA had hoped to obtain sufficient commitments from prospective shippers in the area of the line so as to justify rehabilitation and reinstitution of service on the line, but those prospective shippers have not materialized.

MCRRA joins in the concurrently-filed request of the South Dakota Department of Transportation (“SDDOT”) for issuance of a Notice of Interim Trail Use (“NITU”) under 49 C.F.R. § 1152.29 for the Caputa-Rapid City segment, and is willing to negotiate a trails use/rail banking agreement with SDDOT. The Board and its predecessor have previously held that an NITU may be issued in a proceeding where notice is filed under 49 C.F.R. § 1150.24 to terminate operations under a modified certificate. See, e.g., Sammamish Transportation Company -- Notice of Interim Trail Use and Termination of Modified Certificate, Finance Docket No. 33398 (Sub-No. 1) (STB served February 26, 1998); Wisconsin and Calumet

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Railroad Company, Inc. -- Notice of Interim Trail Use and Termination of Modified Certificate, Finance Docket No. 30724 (Sub-No. 1) (ICC served August 8, 1989). As in those proceedings, MCRRA and SDDOT are submitting their filings here in a sub-docket of the original modified certificate docket.

I certify that, in accordance with 49 C.F.R. § 1150.24(a), a copy of this notice of intent to terminate service has been served by first class mail, postage prepaid, upon the State of South Dakota, at the address provided below.

Please feel free to contact me should any questions arise regarding this matter.
Thank you for your assistance.

Very truly yours,

A handwritten signature in cursive script that reads "Thomas Greenway". The signature is written in dark ink and is positioned above the printed name.

Thomas Greenway, Chairman
Mitchell-Rapid City Regional Railroad Authority

Enclosures.

cc: Mr. Bruce Lindholm
South Dakota Department of Transportation
700 East Broadway Avenue
Pierre, South Dakota 57501-2586
[Via first-class mail]

CAPUTA TO RAPID CITY

