

September 13, 2010

Daniel R. Elliott, III, Chairman
Francis P. Mulvey, Vice Chairman
Charles D. Nottingham
U.S. Surface Transportation Board
395 E Street SW
Washington, DC 20423

**RE: STB Docket No. AB-6 (Sub. No. 463X)
BNSF Railway Company – Abandonment Exemption – in King County, WA
GNP Rly Inc.'s Petition to Vacate Notice of Interim Trail Use or Abandonment**

**STB Docket No. AB-6 (Sub. No. 465X)
BNSF Railway Company – Abandonment Exemption – in King County, WA
GNP Rly Inc.'s Petition to Vacate Notice of Interim Trail Use or Abandonment**

**STB Finance Docket No. 35407
GNP Rly Inc. – Acquisition and Operation Exemption –
Redmond Spur and Woodinville Subdivision –
Verified Petition for Exemption Pursuant to 49 U.S.C. § 10502**

Dear Gentlemen:

We have become aware that GNP Rly, Inc (GNP) has submitted a Verified Petition for Exemption in Finance Docket No. 35407 and a Petition to Vacate Notice of Interim Trail Use (NITU) in the two abandonment proceedings cited above. It is our understanding that these requests to the Surface Transportation Board are for an expedited approval process exempt from environmental review and subject to only limited public notice or involvement.

This letter is not intended as a substantive response to GNP's petitions. Our initial review of the petitions has made it clear that the petitions raise substantial issues about the nature and viability of GNP's plans and the impact on our cities, as well as other public entities in the region. Because of the wide range of interests that would be affected by GNP's proposals, and the number of entities involved, we write today for the limited purpose of asking the Board to provide public notice of the petitions and provide a reasonable period of time within which interested parties can comment on them.

As representatives of cities that would be directly and indirectly impacted by the granting of the subject petitions, we believe that the petitions should be reviewed by the Board as part of a more deliberative process that would address potential environmental impacts, would consider and evaluate the public benefit of alternate transportation and other uses identified and prioritized by the region since the abandonment, and provide an opportunity for review and input from jurisdictions and members of the public who have a strong interest in the use of the

subject property. Specifically, we would request that GNP Rly, Inc. proceed under the full application process pursuant to 49 USC Section 10902 as the more appropriate process for such a controversial and complex proposal for reactivation.

Since the Surface Transportation Board granted the petitions by BSNF Railway Company to railbank portions of the railroad line known as the Woodinville Subdivision in 2006, there has been an intensive regional effort to identify potential uses of the property that would be of optimal benefit to the public, consistent with King County's railbanking obligations. Regional and local governments in the vicinity of the line came to a joint agreement that it was in the best public interest to preserve the alignment in public ownership by establishing bicycle and pedestrian trails, providing for regional water supply, power and wastewater utility services, and exploring options to introduce high capacity transit at some future date. This agreement further recognizes that, as a railbanked corridor, such lands would be subject to the possibility that freight rail service could be reintroduced in all or parts of the corridor.

The Puget Sound Regional Council, the region's RTPO (Regional Transportation Planning Organization), secured a federal grant to study the Woodinville Subdivision, and elected officials representing jurisdictions along the alignment regularly met to discuss preferred public uses and review the findings and recommendations that came out of the study. The end product of this study was a joint recommendation on uses along segments of the alignment that would provide the greatest benefit to the public. The identified optimal uses included a bike and pedestrian trail, regional utilities, with high capacity transit phased into certain segments over an extended time frame. These important public services, some currently in design with near term construction, deserve full public scrutiny that would be provided by the full application process.

The region has made a significant monetary investment in the procurement of the right-of-way by the Port of Seattle, which is a public taxing district, and by the City of Redmond. GNP does not have property rights to the corridor. We are concerned that public investments both of time and money could be set aside by an expedited action of the Board that would not consider the local and regional impacts of granting the subject petitions. We believe that the monetary value of lost benefit to the public of precluding a regional trail along this alignment would alone be higher than the maximum revenue of \$5 million annually that the Petitioner is projecting.

We are surprised by GNP's petition for reactivation of the line for freight service in that their representation to us, until a few days ago, has been for excursion and passenger service. We are not aware of any businesses along the abandoned BNSF rail corridor that have been negatively impacted by the loss of rail service. The prime reason BNSF Railroad cited in its abandonment petition was the lack of rail freight business along the corridor, rendering it unprofitable to operate. Since the abandonment, businesses along the corridor that receive or transport freight do so through our network of streets and freeways. We have received no indication from any businesses within our communities indicating their freight transportation preference has changed.

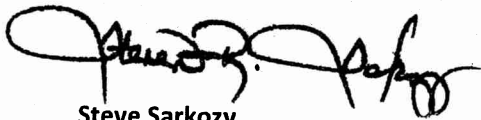
The county and the cities are, of course, prepared to meet the obligation of allowing reactivated freight rail service if a legitimate, viable proposal to provide such service is made by a responsible entity. GNP has not worked with us to demonstrate that they have a viable and sustainable proposal, or that they have considered the significant and valuable public uses

planned for the corridor. We believe that close scrutiny by the Board is necessary to assure that the public interest is fully protected in this case.

In conclusion, we ask the Board to establish a schedule to allow interested parties to respond to GNP's petitions, and that the Board provides public notice of the schedule. We would anticipate submitting comments and requesting that the subject petitions submitted by GNP be subjected by the Board to a full review that would include environmental review, consideration of local and regional impacts, and would provide the opportunity for members of the public and government jurisdictions to review and comment on the proposal.

Thank you for your consideration of this request.

Sincerely,



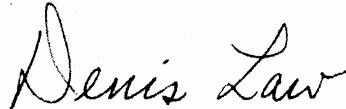
Steve Sarkozy
City Manager, City of Bellevue



Kurt Triplett
City Manager, City of Kirkland



John Marchione
Mayor, City of Redmond



Denis Law
Mayor, City of Renton

cc: Hon. Maria Cantwell, Senator
Hon. Patty Murray, Senator
Hon. Jay Inslee, Representative
Hon. Dave Reichert, Representative
Hon. Dow Constantine, King County Executive
Tay Yoshitani, CEO, Port of Seattle
Stephen Reynolds, President and CEO, Puget Sound Energy
Chuck Clarke, CEO, Cascade Water Alliance
Cynthia T. Brown, Chief, Section of Administration, U.S. Surface Transportation Board
John D. Heffner, PLLC
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Denís Law
Mayor



September 13, 2010

Barbara G. Saddler
Surface Transportation Board
Office of Proceedings
395 E Street SW
Washington, DC 20423-0001

RE: STB Docket No. AB-6-463X
STB Docket No. AB-6-465X
STB Finance Docket No. 35407

This is to confirm that we have served the parties of record for STB Docket No. AB-6-463X, STB Docket No. AB-6-465X, and STB Finance Docket No. 35407 the attached letter.

Sincerely,

April Alexander
Executive Secretary to the Mayor

Attachment