

**SURFACE TRANSPORTATION BOARD REJECTS REDMOND-ISSAQUAH RAILROAD PRESERVATION ASSOC.'S
OFFER OF FINANCIAL ASSISTANCE TO ACQUIRE "BURLINGTON NORTHERN" RAIL LINE IN KING CO.,
WASHINGTON**

Surface Transportation Board (Board) Chairman Linda J. Morgan announced that the Board has rejected an offer filed by Redmond-Issaquah Railroad Preservation Association (RIRPA) to acquire a 12.45-mile railroad line of The Burlington Northern and Santa Fe Railway Company (BNSF). The line extends from a point near Redmond to a point at Issaquah, in King County, Washington.

In a decision issued to the public on May 13, 1998, addressing numerous concerns regarding the line, the Board granted BNSF an exemption to abandon the line, thus initiating the statutory process under which a financially responsible person may make an offer of financial assistance (OFA) to acquire the line or to subsidize continued operations over it. On June 2, 1998, RIRPA--an association of individuals, most of whom live along the shore of Lake Sammamish adjacent to the railroad right-of-way--filed an OFA to purchase the line for \$997,260. BNSF and The Land Conservancy of Seattle and King County (TLC) sought the Board's rejection of the offer.

In its May 1998 decision, the Board had expressed concern over the potential misuse or abuse of its processes in this matter. The Board had advised the public and parties involved in the case that it intended carefully to review both the form and substance of any OFA filed concerning the Redmond-Issaquah line. The Board had emphasized that the OFA process envisions that a party acquiring a rail line under the statutory provisions will continue to provide rail service.

In the decision issued August 5, 1998, the Board examined RIRPA's presentation and concluded that its OFA was not motivated by a desire for continued rail service and that continued rail service was not likely to result from the OFA. In particular, the Board found that no traffic had moved over the line in almost two years, that statements from shippers submitted to the Board by RIRPA provided no basis for a conclusion that future traffic on the line was other than highly speculative, and the cost to rehabilitate the line to make it operable would be substantial. The Board found it not reasonable to believe that RIRPA would make the substantial investments required to rehabilitate the track to pursue traffic that had ceased long ago and for which there was not any real likelihood of its return. The Board concluded that RIRPA's OFA was not for continued rail service and thus rejected it.

The Board also deferred action on requests by TLC and King County for interim trail use/railbanking. The Board deferred action pending BNSF's notifying the Board as to its intent relative to the exercise of BNSF's abandonment exemption authority and, if it chooses to pursue that authority, whether BNSF is willing to negotiate for trails use.

The Board issued its decision in *The Burlington Northern and Santa Fe Railway Company--Abandonment Exemption--In King County, WA (In the Matter of an Offer of Financial Assistance)*, STB Docket No. AB-6 (Sub-No. 380X) on August 5, 1998. **[STOP]**