

EI-7568

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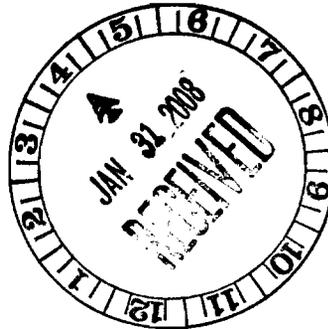
KARL MORELL

kmorell@bjllp.com

January 31, 2008

BY HAND DELIVERY

Victoria Rutson
Chief
Section of Environmental Analysis
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423



Re: STB Docket No. AB-570 (Sub-No. 2X), Palouse River & Coulee City Railroad, Inc. – Abandonment Exemption – In Latah County, Idaho

Dear Ms. Rutson:

By decision served August 17, 2007, the Board exempted from the prior approval requirements of 49 U.S.C. § 10903, the abandonment by Palouse River & Coulee City Railroad, Inc. (“PRCC”) of its 0.20-mile rail line in Moscow, ID.

The exemption was subject to the conditions that PRCC: (1) consult with DEQ to ensure that DEQ’s concerns regarding PRCC’s existing right-of-way and salvage activities are addressed and submit the results of these consultations in writing to SEA prior to the onset of salvage operations; (2) notify NGS at least 90 days prior to beginning salvage activities in order to plan for the possible relocation of the geodetic station markers by NGS; and (3) retain its interest in and take steps to alter the historic integrity of the right-of-way (with the exception of the bridge owned by Gritman Medical Center) until the section 106 process of the NHPA has been completed.

On October 10, 2007, NGS was notified that the salvage operations will not disturb the two geodetic survey marks along the rail line. *See* Exhibit 1.

By letter dated November 16, 2007, Susan Pengilly, Deputy State Historic Preservation Officer, notified the undersigned that the Section 106 process of the NHPA has been completed. *See* Exhibit 2.

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By letter dated January 28, 2008, Kirby Cole, Regional Director of the Idaho Department of Environmental Quality, notified the undersigned that the information provided by PRCC satisfied DEQ's concerns. *See Exhibit 3.*

PRCC respectfully requests the Board to remove the three conditions set forth in the August 17th decision so that the line can be salvaged and sold.

If you have any questions regarding this matter, please contact me.

Sincerely,

A handwritten signature in black ink that reads "Karl Morell". The signature is written in a cursive style with a large, sweeping initial "K".

Karl Morell

Enclosures

Morell, Karl

From: Morell, Karl
Sent: Wednesday, October 10, 2007 3:14 PM
To: 'Simon Monroe'
Cc: Surface Transportation Board
Subject: AB-570 (Sub-No. 2X)

This is to notify you that the 2 geodetic survey marks you identified in your e-mail to me dated March 29, 2007, will not be disturbed by the salvaging or abandonment of the rail line.

Karl

Karl Morell
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10/10/2007



November 16, 2007

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Mr. Karl Morell
Ball Janik LLP Attorneys
1455 F. Street NW Ste. 225
Washington DC 20005

Palouse River and Coulee City Railroad, Inc., Abandonment
Exemption, Latah County, Idaho



Dear Mr. Morell:

Last December, we commented on the proposed abandonment of a 0.74-mile long segment of the Palouse River and Coulee City Railroad that runs through downtown Moscow, Idaho. At that time, we stated that the railroad as a whole is *eligible* for its association with the area's economic development. We also stated that we would need additional information if the one bridge on this segment was scheduled for demolition.

Mr. Randy Fife, Attorney for the City of Moscow, has provided us with information necessary to evaluate the bridge. We believe that the bridge is not historically significant. We also believe that abandonment of this short segment will have *no effect* on the eligibility of the overall historic rail line.

It is our opinion, then, that the Surface Transportation Board has concluded its responsibilities under Section 106 of the National Historic Preservation Act.

We appreciate the opportunity to comment. If you have any questions, please feel free to contact me at 208-334-3847, ext. 107.

Sincerely,

Susan Pengilly
Deputy SHPO

cc: Randy Fife, City of Moscow





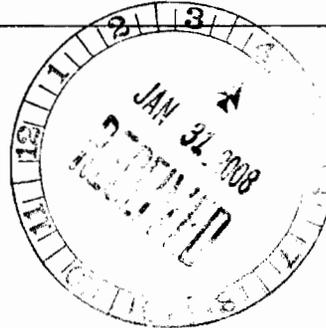
STATE OF IDAHO
DEPARTMENT OF
ENVIRONMENTAL QUALITY

1118 F Street • Lewiston, Idaho 83501 • (208) 799-4370

C.L. "Butch" Otter, Governor
Toni Hardesty, Director

January 28, 2008

Karl Morell
Ball Janik LLP
1455 F Street NW, Suite 225
Washington, DC 20005



RE: STB Docket No. AB-570 (Sub-No. 2X), Palouse River & Coulee City Railroad, Inc. Abandonment Exemption in Latah County, Idaho

Dear Mr. Morell:

We have received your letter of January 25, 2008 requesting our review of your strategies to satisfactorily address the concerns voiced by the Department in our correspondence April 18, 2007 and December 19, 2006 regarding the STB Docket No. AB-570 (Sub-No. 2X), Palouse River & Coulee City Railroad, Inc. Abandonment Exemption in Latah County, Idaho and Revised Environmental Report.

As stated in your letter of January, 25, 2008; a) the project will proceed with appropriate erosion controls and monitoring; b) if any hazardous materials are discovered, a remediation plan and DEQ notification will be put into place prior to engaging in additional activities; and c) since land will not be disturbed, a Section 402 Storm Water National Pollution Discharge Elimination Permit is not required.

At this time, the information you have provided and referenced as items a) through c) above, appear to satisfy the Department's comments submitted in our correspondence of April 18, 2007 and December 19, 2006 relative to the Revised Environmental Report associated with STB Docket No. AB-570 (Sub-No. 2X), Palouse River & Coulee City Railroad, Inc. Abandonment Exemption in Latah County, Idaho.

If you would like to discuss these comments or have any further questions as this project develops, please contact the Lewiston Regional Office at (208) 799-4370.

Sincerely,

Kerby M. Cole
Regional Administrator

CC: Toni Hardesty, Director, Department of Environmental Quality
Doug Conde, Idaho Attorney General Office
Don Howell IPUC/Boise