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September 5, 2008

VIA E-FILING

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

223547

Re: *The Kansas City Southern Railway Company – Abandonment Petition for
Exemption – Line in Warren County, MS,
Docket No AB-103 (Sub-No 21X)*

Dear Acting Secretary Quinlan

By joint petition filed on August 24, 2007, The Kansas City Southern Railway Company (KCSR), a Class I rail carrier, and Vicksburg Southern Railroad, Inc (VSOR), a Class III rail carrier, sought exemptions under 49 U.S.C. 10502 from the provisions of 49 U.S.C. 10903 for KCSR to abandon and VSOR to discontinue service over approximately 4.25 miles of rail line (the Line) in Vicksburg, Warren County, MS. The Line extends from milepost 225.6 (south of the Line's crossing of Warrenton Road and the intersection with Kemp Bottom Road) to milepost 229.85 (approximately 0.05 miles south of the Line's crossing of Glass Road, just beyond the Vicksburg city limits).

By decision served December 12, 2007, the Board, under 49 U.S.C. 10502, exempted from the prior approval requirements of 49 U.S.C. 10903 the proposed abandonment by KCSR and the discontinuance of service by VSOR. The abandonment and discontinuance exemptions were scheduled to become effective on January 11, 2008, unless stayed by the Board or an OFA was filed by December 21, 2007. The Board's decision noted, however, that a notice of intent to file an offer of financial assistance (OFA) under 49 CFR 1152.27(c)(1) to allow rail service to continue had been filed by Raymond B. English, the president of Foam Packaging, Inc., the only active shipper on the Line, and that a prior request for a notice of interim trail use under the National Trails System Act, 16 U.S.C. 1247(d), and 49 CFR 1152.29, filed by the City of Vicksburg ("City") would be held in abeyance pending completion of the OFA process. Accordingly, the effective date of the abandonment and discontinuance were postponed

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By decision served February 22, 2008, the Board set the terms and conditions of the OFA and set May 22, 2008, as the deadline for closing the sale under the Board's OFA procedures. On May 20, 2008, one of the offerors involved in the OFA withdrew its OFA. In a decision served May 21, 2008, Chairman Nottingham imposed a housekeeping stay, which had the effect of postponing the closing date of the line transfer under the OFA processes.

By a decision served June 16, 2008, the Board declared the OFA process in the proceeding terminated, and it vacated the Board's December 27, 2007 decision postponing abandonment and discontinuance authorization. As a result, the abandonment authorization for the Line became effective upon service of that decision and notice. Likewise, the June 16, 2008 decision provided a 180-day period for KCSR and the City to negotiate an interim trail use/rail banking agreement.

The purpose of this letter is to notify the Board that on August 27, 2008, KCSR and the City have concluded an agreement for interim trail use/rail banking and KCSR has conveyed the Line to the City. The conveyance was pursuant to the Board's decisions in this proceeding and the National Trails System Act, 16 U.S.C. §1247(d).

Respectfully submitted,

Handwritten signature of William A. Mullins in cursive script, including a stylized flourish at the end.

William A. Mullins

cc: Parties of Record