

JAY INSLEE
Governor



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**DIRECTIVE OF THE GOVERNOR
15-03**

May 15, 2015

To: Washington State Department of Transportation
From: Jay Inslee, Governor
Subject: SHB 1586

SHB 1586 Sec. 1(3) provides that ownership of the Royal Slope Railroad property running from Royal City to Othello (Property) shall revert back to the Washington State Department of Transportation (Department) if the Port of Royal Slope is unable to secure an operator for any continuous five-year period, but the legislation lacks specific details such as when the five-year period will commence.

In order to clarify the terms and conditions associated with the transfer of the Royal Slope Railroad from the State to the Port of Royal Slope, I direct the Department to enter into an agreement with the Port of Royal Slope at the time of the conveyance of the Property that details the precise terms for which the rail right-of-way would be returned to the state if the Port of Royal Slope fails to commence rail service or if rail service is terminated at a point in the future.

Specifically, the agreement must clarify that if the Port of Royal Slope is unable to secure an operator at any time during the continuous five-year period, then the asset must be transferred back to the State after five years from the point of transfer of the Property. Also, the agreement must define the frequency of operations required to maintain ownership of the Property by the Port of Royal Slope.