

Santa Fe Original

Form 1658 Standard
(Approved by General Solicitor)**PIPE LINE LICENSE**

THIS LICENSE, Made this 16th day of January, 1978,
between THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY,
a Delaware corporation (hereinafter called "Licensor"), party of the first part, and
CITY OF REDLANDS, a municipality in the State of California

(hereinafter, whether one or more, called "licensee"), party of the second part.

WITNESSETH, That the parties hereto for the considerations hereinafter expressed covenant and agree as follows:

1. Subject to the terms and conditions hereinafter set forth, Licensor licenses Licensee to construct and maintain one

(1) pipe line, twelve

(12) inches in diameter (hereinafter, whether one or more pipe lines, called the "PIPE LINE"), across or along the right of way of Licensor at or near the station of Eastberne, San Bernardino County, California the exact location of the PIPE LINE being more particularly shown by red coloring upon the print hereto attached, No. 601-36180, dated January 6, 1978, marked "Exhibit A" and made a part hereof.

2. Licensee shall use the PIPE LINE solely for carrying domestic water and shall not use it to carry any other commodity or for any other purpose whatsoever.

3. Licensee shall pay Licensor as compensation for this license the sum of One and No/100 Dollars (\$1.00)

4. Licensee shall, at its own cost and subject to the supervision and control of Licensor's chief engineer, locate, construct and maintain the PIPE LINE in such a manner and of such material that it will not at any time be a source of danger to or interference with the present or future tracks, roadbed and property of Licensor, or the safe operation of its railroad. In cases where the Licensee is permitted under paragraph 2 hereof to use the PIPE LINE for oil, gas, petroleum products, or other flammable or highly volatile substances under pressure, the PIPE LINE shall be constructed, installed and thereafter maintained in conformity with the plans and specifications shown on print hereto attached in such cases, marked Exhibit B and made a part hereof. If at any time Licensee shall, in the judgment of Licensor, fail to perform properly its obligations under this paragraph, Licensor may, at its option, itself perform such work as it deems necessary for the safe operation of its railroad, and in such event Licensee agrees to pay, within fifteen (15) days after bill shall have been rendered therefor, the cost so incurred by Licensor, but failure on the part of Licensor to perform the obligations of Licensee shall not release Licensee from liability hereunder for loss or damage occasioned thereby.

5. Licensee shall reimburse Licensor for any expense incurred by Licensor for false work to support Licensor's tracks and for flagman to protect its traffic during installation of the PIPE LINE and for any and all other expense incurred by Licensor on account of the PIPE LINE.

6. Licensee shall at all times indemnify and save harmless Licensor against and pay in full all loss, damage or expense that Licensor may sustain, incur or become liable for, resulting in any manner from the construction, maintenance, use, state or repair, or presence of the PIPE LINE, including any such loss, damage or expense arising out of (a) loss of or damage to property, (b) injury to or death of persons, (c) mechanics' or other liens of any character, or (d) taxes or assessments of any kind.

7. If at any time Licensee shall fail or refuse to comply with or carry out any of the covenants herein contained Licensor may at its election forthwith revoke this license.

8. THIS LICENSE is given by Licensor and accepted by Licensee upon the express condition that the same may be terminated at any time by either party upon ten (10) days' notice in writing to be served upon the other party, stating therein the date that such termination shall take place, and that upon the termination of this license in this or any other manner herein provided, Licensee, upon demand of Licensor, shall abandon the use of the PIPE LINE and remove the same and restore the right of way and tracks of Licensor to the same condition in which they were prior to the placing of the PIPE LINE thereunder. In case Licensee shall fail to restore Licensor's premises as aforesaid within ten (10) days after the effective date of termination, Licensor may proceed with such work at the expense of Licensee. No termination hereof shall release Licensee from any liability or obligation hereunder, whether of indemnity or otherwise, resulting from any acts, omissions or events happening prior to the date the PIPE LINE is removed and the right of way and track of Licensor restored as above provided.

9. In the case of the eviction of Licensee by anyone owning or obtaining title to the premises on which the PIPE LINE is located, or the sale or abandonment by Licensor of said premises, Licensor shall not be liable to Licensee for any damage of any nature whatsoever or to refund any payment made by Licensee to Licensor hereunder, except the proportionate part of any recurring rental charge which may have been paid hereunder in advance.

10. Any notice hereunder to be given by Licensor to Licensee shall be deemed to be properly served if it be deposited in the United States Mail, postage prepaid, addressed to Licensee at
Cajon and Vine Streets, P. O. Box 280, Redlands, Ca. 92373

Any notice to be given hereunder by Licensee to Licensor shall be deemed to be properly served if the same be deposited in the United States Mail, postage prepaid, addressed to Licensor's
General Manager at 121 East Sixth Street
Los Angeles, Ca. 90014

11. In the event that two or more parties execute this instrument as Licensee, all the covenants and agreements of Licensee in this license shall be the joint and several covenants and agreements of such parties.

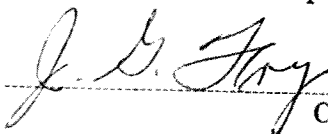
12. All the covenants and provisions of this instrument shall be binding upon and inure to the benefit of the successors, legal representatives and assigns of the parties to the same extent and effect as the same are binding upon and inure to the benefit of the parties hereto, but no assignment hereof by Licensee, its successors, legal representatives or assigns, or any subsequent assignee, shall be binding upon Licensor without the written consent of Licensor in each instance.

Attached hereto and made a part hereof is Rider "A" identified by the signature of J. H. Schwartz.

IN WITNESS WHEREOF, The parties have executed this agreement in duplicate the day and year first above written.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY (Licensor)

Approved as to Description:


Chief Engineer.

By _____
Its _____

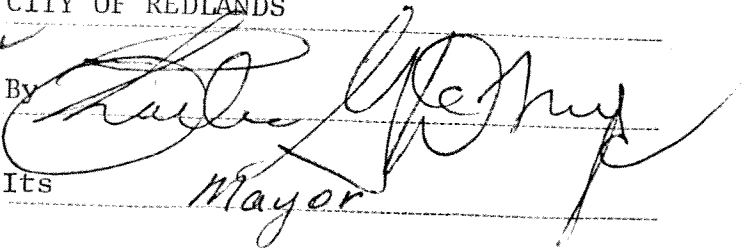
APPROVED AS TO FORM


Attorney

CITY OF REDLANDS

By

Its


Mayor

(Licensee)

R I D E R "A"

RIDER TO LICENSE AGREEMENT DATED January 16, 19 78 BETWEEN

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY

and

CITY OF REDLANDS

13. In cases where Licensee is permitted under paragraph 2 hereof to use the PIPE LINE for non-flammable substances, the PIPE LINE shall be constructed, installed and thereafter maintained in conformity with plans and specifications set forth in the American Railway Engineering Association, Specification for Pipe Line Crossings under Railway Track for non-flammable substances, Revised 1964, or Specification for the placement of Concrete Culvert Pipe, Revised 1966, whichever may apply.

14. Any work performed on Licensor's right of way by Licensee or Licensee's contractor shall be done in a satisfactory workmanlike manner and in accordance with plans and specifications approved by Licensor, including plans covering any falsework, bracing or cribbing that may be necessary to use over, under or adjacent to Licensor's track, and no work shall be permitted until said plans and specifications have been approved by Licensor.

15. Licensee or Licensee's contractor shall not be permitted to commence work on Licensor's right of way without having first received written notification from Licensor's Division Superintendent of permission to proceed.

16. Any contractor or subcontractor performing work on or in connection with the PIPE LINE shall for the purposes of this agreement, and particularly for the purposes of Section 6 of this agreement, be conclusively deemed to be the servant and agent of Licensee acting on behalf and within the scope of such contractors' or subcontractors' employment for Licensee.

17. Licensee agrees to furnish and keep in force or arrange to have furnished and keep in force insurance of all kinds and amounts specified below during the initial term of construction of the PIPE LINE and during any subsequent term or terms during which maintenance is performed on the PIPE LINE.

(a) The Licensee shall, with respect to the operations which it performs upon, beneath or adjacent to Licensor's right of way and/or track, furnish or arrange to have furnished (i) regular Contractors' Public Liability Insurance with limits of not less than Five Hundred Thousand Dollars (\$500,000) for all liability arising out of bodily injuries to or death of one person, and, subject to that limit for each person, One Million Dollars (\$1,000,000) for all liability arising out of bodily injuries to or death of two or more persons in one accident or occurrence and (ii) regular Contractors' Property Damage Liability Insurance with limits of not less than One Million Dollars (\$1,000,000) for each occurrence for all liability arising out of damage to or loss or destruction of property. Licensee and all its contractors and subcontractors shall be named insureds either in a single policy of insurance complying with the requirements of this subparagraph (a) or in separate policies maintained during such periods as such contractors and/or subcontractors shall perform any work hereunder. The policy or policies insuring Licensee shall insure Licensee's contractual liability in favor of Licensor contained in paragraph 6 of the printed provisions of this license.

18. Licensee agrees to furnish or arrange to have furnished to Licensor certificates reflecting the insurance coverage or certified copy of insurance policy, if requested by Licensor, as required by subparagraph (a) of paragraph 17 hereof. Certificates reflecting the coverage required by subparagraph (a) shall unqualifiedly require 30 days written notice to Licensor of cancellation or modification of the insurance referred to in such certificates.

19. Licensee shall not be permitted to exercise the license and permission granted hereunder until notified by the Licensor that insurance furnished pursuant to paragraph 17 hereof is satisfactory.

IDENTIFIED BY



EXHIBIT "A"

ATTACHED TO CONTRACT BETWEEN
THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY
AND
CITY OF REDLANDS

LOS ANGELES, CALIF.

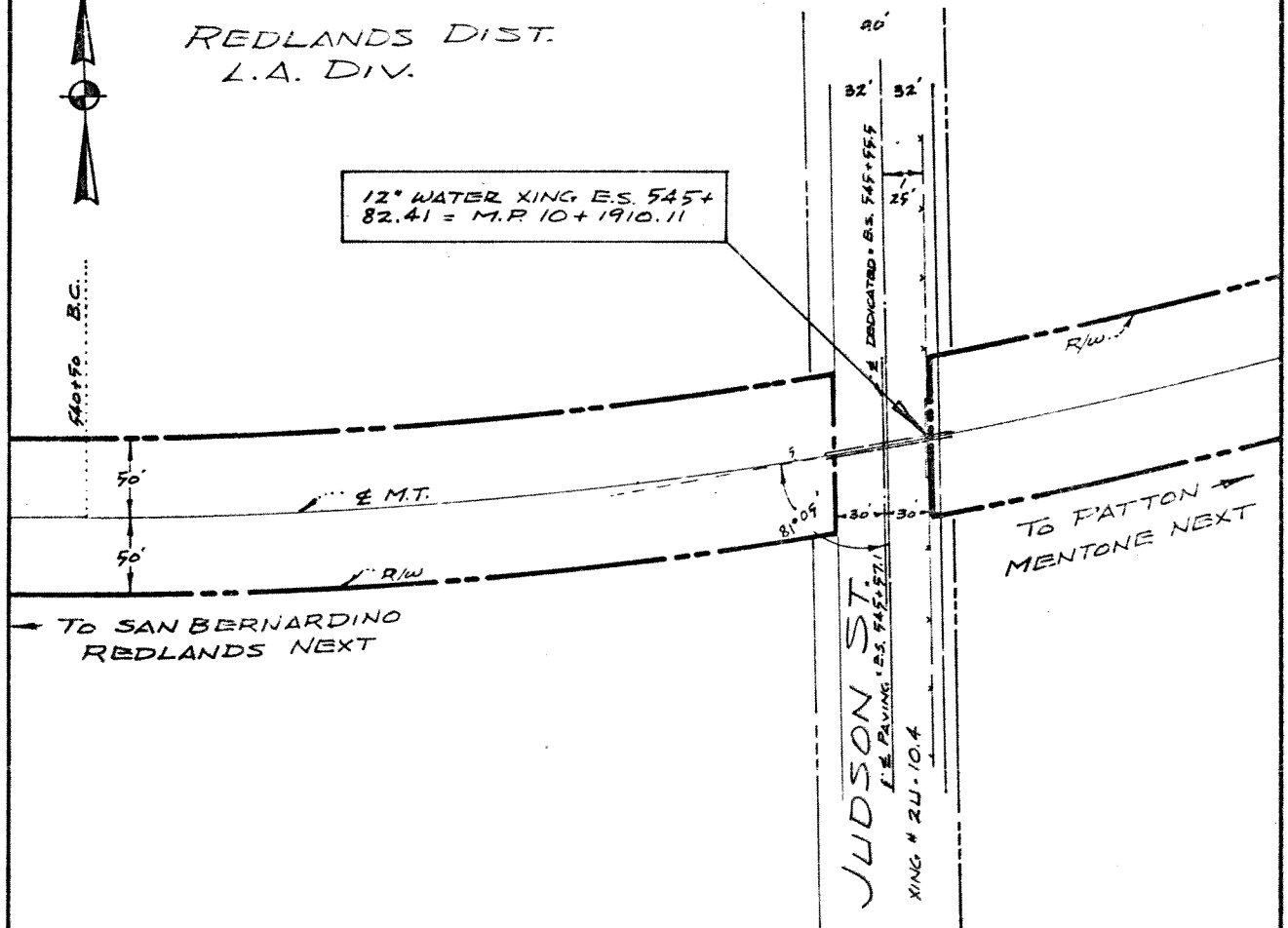
JANUARY 6, 1978

SCALE: 1 IN. TO 100 FT.

J. G. Fry
J. G. FRY
A.G.M. - ENGINEERING
DESCRIPTION APPROVED.



REDLANDS DIST.
L.A. DIV.



DESCRIPTION OF PIPE LINE UNDER TRACK

PIPE LINE LOCATED AS SHOWN

PIPE CARRIES	PRESSURE	SIZE	KIND	THICKNESS	LENGTH	BASE OF RAIL TO TOP OF PIPE
CARRIER DOMESTIC WATER	95 PSI	12"	A.C.P.	1.3"	—	—

CASING

AT EASTBERNE, SAN BERNARDINO COUNTY, CALIFORNIA

C.E.C.L. DRAWING NO. 601-36180