

SBCTA Contract No. 24-1003101

LICENSE AGREEMENT

BETWEEN

SBCTA

AND

SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT

LICENSE AGREEMENT

This License Agreement (“LICENSE”) is made and entered into as of the date executed by SBCTA, by and between SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY, a county transportation authority pursuant to Public Utility Code §§130800 et seq. (“SBCTA”), and, SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT (“LICENSEE”), upon and in consideration of the agreements, covenants, terms and conditions below.

PART I – BASIC LICENSE PROVISIONS

The Basic License Provisions provided in this Part I and the Standard License Provisions set forth in Part II of this License, together with all Exhibits and Attachments referenced in either, are incorporated into and made part of this License. In the event of conflict between Part I and Part II or of any Exhibits and Attachments, Part I shall control.

1. *Parties*

SBCTA’s Address:

Attn: Transit and Rail Programs
1170 West 3rd Street, 2nd Floor
San Bernardino, California 92410-1715
909-884-8276

LICENSEE’s Address:

San Bernardino County Flood Control District
825 East 3rd Street
San Bernardino, CA 92415

Point of Contact: Noel Castillo
Telephone: (909) 387-7906
E-mail: Noel.Castillo@dpw.sbcounty.gov

2. *Recitals*

2.1 **SBCTA.** SBCTA is the owner in fee of certain properties located throughout San Bernardino County.

2.2 **Licensee.** LICENSEE wishes to enter certain properties owned by SBCTA in order to do the following: (1) maintain existing utilities and appurtenant facilities in, on, over, under or across such properties; and/or (2) install and maintain new utilities and appurtenant facilities in, on, over, under or across such properties.

2.3 **Scope of License.** The LICENSE will serve as an agreement permitting the LICENSEE to maintain and install existing utilities and appurtenant facilities, which are preliminarily approved by SBCTA. A Map/Diagram/Depiction of the Premises and Improvements are attached, substantially in the form of EXHIBIT “A”.

2.4 **Consideration.** This LICENSE is made in consideration of the terms, conditions and mutual covenants herein, the sufficiency of which are hereby acknowledged.

3. ***Description of the Premises.***

City: San Bernardino Subdivision: San Gabriel

Address and/or Milepost Location:

From the east line of Meridian Avenue easterly approximately 549 feet, MP 54.2-54.35

Approximate Area: 5,490 square feet: 0.126 acres

[See EXHIBIT A - Map/Diagram/Depiction]

Description and Dimensions of the Premises Area:

Installation of a cut-off wall along the south right of way line in portions of APN 0142-132-03 and APN 0142-802-02 from the east line of Meridian Avenue easterly approximately 549 feet.

4. ***Allowable Improvements, Facilities and Uses. LICENSEE shall construct only the following improvements and/or facilities and conduct or permit only the following uses on the Premises:***

Description of the Improvements, Utility and/or Appurtenances:

12" thick cut-off wall varying in height between 2 feet and 5 feet high, including rebar reinforcement, 1" thick board insulation and waterproof sealant. See Exhibit A "Improvement Plans" for additional details.

During construction, LICENSEE shall perform minor grading of the natural swale to facilitate flow from the existing Flood Control District culverts to the retention area. LICENSEE may blend excavated material from cut-off wall into swale area but shall remove and dispose of any excess excavated material from the Premises.

See Exhibit A "Improvement Plans" for additional details.

Use of the Premises:

Installation, Maintenance and repair of Improvements. For the avoidance of doubt, and notwithstanding any language to the contrary in Part II, Section 10, LICENSEE is not responsible for , vegetation abatement, or illegal dumping, all of which are items SBCTA customarily addresses and will continue to address, however LICENSEE shall be responsible for the monitoring, repair, and maintenance of the Improvements structurally and functionally, including any grading necessary to maintain the functionality of the Improvements which may be otherwise be impaired by sediment scour or build up consequent to LICENSEE's Improvements under this LICENSE or other licenses. SBCTA acknowledges that LICENSEE has previously entered into an agreement with the Southern California Regional Rail Authority (SCRRA) wherein SCRRA has agreed to provide all necessary flagging for the Improvements; to wit, any language in this LICENSE which requires flagging protection at LICENSEE's sole cost or expense shall only be interpreted that as to SBCTA and LICENSEE, LICENSEE is ultimately responsible for obtaining flagging protection and nothing in this LICENSE shall be interpreted as requiring that LICENSEE actually pay for SCRRA flagging where SCRRA and LICENSEE have made other arrangements.

5. Term.

Commencement Date: The date upon which all parties have executed this LICENSE.

Term (check one):

- ☒ A. Month-to-month
- ☐ B. Until End Date: _____ (subject to termination pursuant to the terms of this License – see especially Standard License Provisions §2.2)

6. Fees.

A. Administration Fee: \$1,500 per year or portion thereof, payable annually in advance.

B. Base Use Fee (check one):

- ☐ i. \$ _____ per month, payable monthly in advance
- ☒ ii. \$ ZERO per year, payable annually in advance

C. Additional Use Fee (check one):

- ☐ i. One-time fee: \$ _____
- ☒ ii. Other fee: \$ NONE

D. Base Use Fee Adjustment Dates (check if applicable):

- ☐ i. CPI Adjustment: Annually, effective on the first day of the anniversary month of the Commencement Date, based on the published Consumer Price Index (or its successor) (“CPI”) as defined in Section 3.2.1 of the Standard License Provisions.
- ☐ ii. Fair Market Rate Adjustment: At intervals of not less than three (3) years, based on the then current fair market rental value of the Premises as set forth in Section 3.2.2 of the Standard License Provisions.
- ☒ iii. Other: NONE

7. Indemnity and Insurance Requirements.

LICENSEE shall fully comply with all terms and obligations contained within the LICENSE, which are incorporated herein by this reference, as well as all insurance and indemnity requirements. However, if SBCTA allows, in its sole discretion, LICENSEE to obtain insurance varying from the requirements set forth in the LICENSE, which requirements shall be attached hereto in EXHIBIT “B” Insurance Requirements for License and incorporated herein by reference. Such varying insurance shall be subject to the requirements set forth in Section 9 of the LICENSE

IN WITNESS WHEREOF, this LICENSE was duly executed by the Parties identified in Item 1 of this Part I on the dates below, and is effective as the date executed by SBCTA.

LICENSEE:
SAN BERNARDINO COUNTY FLOOD CONTROL
DISTRICT

SBCTA:
SAN BERNARDINO COUNTY
TRANSPORTATION AUTHORITY, a
county transportation authority pursuant
to Public Utility Code §§130800 et seq.

By: _____
Name: Dawn Rowe, Chair
Title: Board of Supervisors

Date: _____

By: _____
Name: Carolyn Schindler
Title: Executive Director

Date: _____

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Exhibits:

- “A” Map/Diagram/Depiction of Premises
- “B” Insurance Requirements for License
- “C” Permitted Hazardous Material
- “D” Additional Provisions

PART II - STANDARD LICENSE PROVISIONS

1. GRANT AND SCOPE OF LICENSE

- 1.1 Grant of License. SBCTA hereby grants a non-exclusive, revocable license to LICENSEE in, on, over, under, across and along the real property of SBCTA in the location shown in the diagram attached hereto as Exhibit “A” and described in Item 3 of the Basic License Provisions (the “Premises”), for construction, installation, operation, alteration, maintenance, reconstruction and/or removal of the Improvements described in Item 3 of the Basic License Provisions, and any usual and necessary related appurtenances thereto (the “Improvements”), for the purposes described in Item 4 of the Basic License Provisions, together with rights for access and entry onto the Premises as necessary or convenient for the use of the Improvements and for no other purpose. In connection with this grant of license, LICENSEE, its employees, agents, customers, visitors, invitees, licensees, consultants and contractors (collectively, “LICENSEE’s Parties”) subject to the provisions hereof, may have reasonable rights of entry and access onto adjoining real property of SBCTA if necessary for the use of the Improvements or the Premises, with the time and manner of such entry and access to be subject to SBCTA’s prior written approval. The Premises, adjoining real property of SBCTA and personal property of SBCTA located thereon shall hereinafter collectively be referred to as “SBCTA Property.”
- 1.2 Condition of Premises. LICENSEE acknowledges that it has inspected the Premises in its present condition, including without limitation, all existing environmental conditions. LICENSEE accepts the Premises “as is” as suitable for the purpose for which the Premises are licensed and assumes all risk with respect to all present conditions of the Premises, whether patent or latent, including, without limitation, all existing environmental conditions. Taking of possession by LICENSEE shall be conclusive to establish that the Premises are in good and satisfactory condition when possession is taken.
- 1.3 Use. The Premises and the Improvements shall be used only for the purposes specified in Item 4 of the Basic License Provisions and for such lawful purposes as may be directly incidental thereto, and no other purpose. No change shall be made by LICENSEE in the use of the Premises, the Improvements or the commodity or product being conveyed through the Improvements (if any) without SBCTA’s prior written approval.
- 1.4 Non-exclusive and Revocable Nature of License. The LICENSE granted herein is not exclusive and SBCTA specifically reserves the right to grant other licenses within the Premises. LICENSEE agrees that notwithstanding the Improvements made by LICENSEE to the Premises or other sums expended by LICENSEE in furtherance of this LICENSE, the license granted herein is fully revocable by SBCTA in accordance with the terms of this LICENSE.
- 1.5 Easements. SBCTA reserves to itself the right, from time to time, to grant such easements, rights and dedications that SBCTA deems necessary or desirable, and to cause the recordation of parcel maps, easement agreements and covenants, conditions and restrictions, so long as such easements, rights, dedications, maps and covenants, conditions and restrictions do not unreasonably interfere with the permitted use of the

Premises by LICENSEE. LICENSEE shall sign any of the aforementioned documents upon request of SBCTA and failure to do so shall constitute a material breach of this LICENSE.

2. TERM, TERMINATION AND SURRENDER

2.1. Term of License. The term of this LICENSE shall commence on the “Commencement Date” specified in Item 5 of the Basic License Provisions. If Item 5.A of the Basic License Provisions is checked, this LICENSE shall continue in full force and effect on a month-to-month basis. If Item 5.B of the Basic License Provisions is checked, then this LICENSE shall be a license for the term specified in said Item 5.B. The term of this LICENSE as provided above is referred to as the “Term.”

2.2. Termination.

2.2.1. Convenience. If Item 5.A is checked, this LICENSE shall continue in full force and effect on a month-to-month basis until terminated by either Party on ninety (90) days’ prior written notice. If Item 5.B is checked, this LICENSE shall continue in full force and effect until the End Date, unless SBCTA, acting by its Executive Director or his or her designee, for any reason and in its sole and absolute discretion, determines that this LICENSE is no longer in SBCTA’s best interests. In which case, SBCTA may terminate this LICENSE on ninety (90) days’ prior written notice, but SBCTA shall also return to LICENSEE, within thirty (30) days after the termination, the pro-rata portion of any annual Use Fee paid by the LICENSEE for the portion of the agreed term that will not be used by LICENSEE.

2.2.2. Cause. SBCTA may terminate this LICENSE for cause in accordance with the provisions hereof, including, without limitation, Section 24 (Abandonment), Section 7 (Default, Breach and Remedies) and Section 25.11 (Assignment). In addition, SBCTA shall have the right to immediately, without notice and at LICENSEE’s expense, terminate this LICENSE upon discovery of any default set forth in Section 7.1(d) and abate any such public nuisance and/or dangerous condition.

2.2.3. Public Use. In addition to any and all other termination rights of SBCTA described herein, LICENSEE hereby expressly recognizes and agrees that the Premises are located on SBCTA property that may be developed for public projects and programs which may be implemented by SBCTA or other public agencies, such as, but not limited to: rail and bus transitways, bikeways, walkways, beautification projects, roadways, parking facilities, flood control and drainage facilities, and/or any other public or other governmental uses (collectively and individually “Public Use”); and that LICENSEE’s use of the Premises under this LICENSE is a temporary, interim use as to which LICENSEE has no right to nor expectation of use for any particular length of time that may be terminated by SBCTA by ninety (90) days written notice to LICENSEE as set forth in Section 2.2.1 above. Accordingly, as a condition to entering into this LICENSE, LICENSEE expressly acknowledges and agrees that:

- (a) SBCTA may terminate this LICENSE as set forth above for any Public Use, to be determined in the sole and absolute discretion of SBCTA's Executive Director, or designee;
- (b) LICENSEE shall **NOT** object to, oppose, or protest at any approval proceeding, nor file suit to prevent or delay, any Public Use when planned, proposed or implemented on or adjacent to the Premises;
- (c) If SBCTA's Executive Director, or designee, at any time, or from time to time, determines in his or her sole and absolute discretion, that there is a need for the Premises or any adjoining property for a Public Use and such Public Use requires relocation or removal of the Improvements, LICENSEE shall reconstruct, alter, modify, relocate or remove its Improvements, as directed by SBCTA or any parties having operating rights over the Premises, at LICENSEE's sole cost and expense, within ninety (90) days after written notice from SBCTA; and
- (d) LICENSEE expressly assumes all risk of any future Public Use as determined by SBCTA and in the event SBCTA terminates this LICENSE and requires LICENSEE to vacate the Premises for any Public Use, LICENSEE shall not, as a result of such termination and vacation of the Premises, be entitled to receive any:
 - (i) relocation assistance, moving expenses, goodwill or other payments under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 U.S.C. §4601 et seq. and/or the California Relocation Assistance Law, as amended, California Government Code §7260 et seq; and
 - (ii) compensation under any eminent domain or inverse condemnation law.

2.2.4. **Penalty:** If LICENSEE fails to terminate use of the Premises and/or restore the Premises as required in Item 2.3 below, on or before the End Date specified in Item 5.B of the Basic License Provisions or the termination date established as otherwise provided in this License ("Termination Date"), then, in addition to any and all other remedies available to SBCTA under the terms of this LICENSE or at law or equity, SBCTA may so restore the Premises and LICENSEE shall pay a Penalty equal to twice the Base Use Fee in effect on the day prior to the Termination Date, plus twice any Additional Use Fee, calculated and payable on a monthly basis, for the number of months (partial months counting as whole months) from the Termination Date to the date that LICENSEE has terminated use and restored the Premises to the required condition. In the event that any Additional Use Fee is set as a percentage of revenues, or on some other variable basis, it shall be calculated based on the average for the prior twelve-month period or if in effect less than one year, the monthly average from the effective date to the day prior to the Termination Date. LICENSEE shall indemnify SBCTA against all liabilities, costs and damages sustained by SBCTA by reason of such failure to terminate and restore.

- 2.3. Termination of Use and Restoration of Premises. Upon the Termination Date, unless otherwise requested in writing by SBCTA prior to the Termination Date, LICENSEE, at its own cost and expense, shall immediately remove all alterations additions and Improvements made by LICENSEE to the Premises and restore the SBCTA Property as nearly as possible to the same state and condition as existed prior to the construction, reconstruction or installation of said Improvements. Should LICENSEE fail to comply with the requirements of the preceding sentence, SBCTA may at its option (i) perform the same at LICENSEE's expense (including costs, interest, and fees), which LICENSEE agrees to pay to SBCTA on demand, or (ii) assume title and ownership of said Improvements. 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 Improvements are removed and the SBCTA Property is restored.

3. PAYMENTS

- 3.1. Fees. As consideration for the rights herein granted, LICENSEE agrees to pay to SBCTA the Administration and Use Fees specified in Item 6 of the Basic License Provisions, adjusted as set forth in Section 3.2.
- 3.1.1. Administration Fee. The Administration Fee set forth in Item 5.A of the Basic License Provisions shall be due and payable, without demand, annually in advance prior to each anniversary of the execution date of this LICENSE.
- 3.1.2. Base Use Fee. If Item 6.B.i of the Basic License Provisions is checked, the first month's Base Use Fee noted therein shall be due and payable, without demand, upon LICENSEE's execution of this LICENSE. Thereafter, the Base Use Fee, as such fee may be adjusted pursuant to the provisions of Section 3.2, shall be due and payable, without demand, on or before the first day of each calendar month succeeding the Commencement Date during the Term. The Base Use Fee for any fractional calendar month at the commencement or end of the Term shall be prorated on a daily basis. If Item 6.B.ii of the Basic License Provisions is checked, the annual Use Fee amount, as such fee may be adjusted pursuant to the provisions of Section 3.2, shall be due and payable, without demand, annually in advance on or before the anniversary month of the Commencement Date for the convenience of both Parties, without affecting the Term of this LICENSE as specified in Section 2.1 of the Basic License Provisions.
- 3.1.3. Additional Use Fee. If Item 6.C.i of the Basic License Provisions is checked, the one-time fee noted therein shall be due and payable upon execution of this LICENSE by LICENSEE. If Item 6.C.ii of the Basic License Provisions is checked, the fee noted therein shall be due and payable as indicated in Item 6.C.ii.

3.2. Use Fee Adjustment.

3.2.1. Annual CPI Adjustment. If Item 6.D.i of the Basic License Provisions is checked, then the Base Use Fee shall be increased, but not decreased, as provided below on the first day of each month during which an annual anniversary of the Commencement Date occurs unless another date is provided in Item 5 of the Basic License Provisions (the “Adjustment Date”). If no adjustment is made at the annual anniversary date, an adjustment may nevertheless be made at a subsequent date and thereafter at not less than annual intervals. The adjusted Base Use Fee as of each Adjustment Date shall be the greater of the Base Use Fee on the day preceding that Adjustment Date or that amount multiplied by a fraction, the numerator of which is the latest CPI figure as of the month that is three (3) months prior to the month during which the particular Adjustment Date occurs and the denominator of which is the latest CPI figure as of the month that is three (3) months prior to the month containing the prior Adjustment Date or, if there has been no prior Adjustment, three (3) months prior to the first day of the anniversary month of the Commencement Date. As used in this section, the “CPI” means the Consumer Price Index for Urban Wage Earners and Clerical Workers, Riverside/San Bernardino/Ontario, all items (DECEMBER 2017 = 100), published by the U.S. Department of Labor, Bureau of Labor Statistics (Bureau) as Series Id: CWURS49CSA0, or if such index is no longer published, the U.S. Department of Labor’s most comprehensive official index then in use that most nearly corresponds to the index named above. If it is calculated from a base different from the base period DECEMBER 2017 = 100, figures used for calculating the adjustment shall first be converted to the base period used under a formula supplied by the Bureau. If a comparable index shall no longer be published by the U.S. Department of Labor, another index generally recognized as authoritative shall be substituted by SBCTA.

3.2.2. Fair Market Adjustment. If Item 6.D.ii of the Basic License Provisions is checked, then, at intervals of not less than three (3) years, the Base Use Fee (as such fee may be adjusted by Section 3.2.1, above) payable under this Section 3 shall be increased, but not decreased, in order to adjust the fee to the then fair market rental value of the Premises as determined by SBCTA in good faith. Such increases shall be effective as of thirty (30) days after written notice from SBCTA to LICENSEE of such adjustment, or the date specified in such written notice, whichever is later. If no adjustment is made at any three (3) year interval, an adjustment may nevertheless be made on any subsequent date and thereafter at intervals of not less than three (3) years apart.

3.2.3. Other Adjustment. If Item 6.D.iii of the Basic License Provisions is checked, then, in addition to any adjustments required under Items 6.D.i and 6.D.ii, the adjustment set forth in 6.D.iii shall be applied in accordance with its terms.

3.3. Late Charge. LICENSEE acknowledges that late payment by LICENSEE of any payment owed to SBCTA under this LICENSE will cause SBCTA to incur costs not contemplated by this LICENSE, the exact amount of such costs being extremely difficult and impracticable to determine. Therefore, if any payment due from

LICENSEE is not received by SBCTA within thirty (30) days without demand, annually in advance of the anniversary month of the Commencement Date, LICENSEE shall pay to SBCTA an additional sum of ten percent (10%) of the overdue payment as a late charge, up to a maximum amount of \$500 for each late payment. The Parties agree that this late charge represents a fair and reasonable estimate of the administrative costs that SBCTA will incur by reason of a late payment by LICENSEE. Acceptance of any late payment charge shall not constitute a waiver of LICENSEE's default with respect to the overdue payment, nor prevent SBCTA from exercising any of the other rights and remedies available to SBCTA under this LICENSE, at law or in equity. In addition, any payment not made within thirty (30) days of the anniversary month of the Commencement Date shall bear interest at the rate of fourteen percent (14%) per annum, or the highest legally allowable rate, whichever is lower, until paid in full.

4. TAXES

LICENSEE shall be liable for and agrees to pay promptly and prior to delinquency, any tax or assessment, including but not limited to any possessory interest tax as described in California Revenue and Taxation Code Section 107, levied by any governmental authority: (a) against the Improvements, the Premises and/or any personal property, fixtures or equipment located on or placed on the Premises, whether owned by LICENSEE or any person or entity acting for or at the request of LICENSEE; or (b) as a result of the LICENSEE's or the Improvements' operations.

5. LIENS

LICENSEE will fully and promptly pay for all materials joined or affixed to the Improvements or Premises, and fully and promptly pay all persons who perform labor upon said Improvements or Premises. LICENSEE shall not suffer or permit to be filed or enforced against the Premises or the Improvements, or any part thereof, any mechanics', materialmen's, contractors', or subcontractors' liens or stop notices arising from, or any claim for damage growing out of, any testing, investigation, maintenance, Work, activities, or operations of LICENSEE, or out of any other claim or demand of any kind. The term "Work" under this LICENSE means any construction, reconstruction, installation, restoration, alteration, repair, replacement, or removal, other than normal maintenance. LICENSEE shall provide SBCTA with immediate written notice of any such liens, claims, demands, or stop notices that are placed against the Premises or the Improvements. LICENSEE shall pay or cause to be paid all such liens, claims or demands, including sums due with respect to stop notices, together with attorney's fees incurred by SBCTA with respect thereto, within ten (10) business days after notice thereof and shall indemnify, hold harmless and defend SBCTA from any and all such obligations and claims, including attorney's fees. LICENSEE shall furnish evidence of payment upon request of SBCTA. LICENSEE may contest any lien, claim or demand by furnishing a statutory lien bond or equivalent with respect to stop notices to SBCTA in compliance with applicable California law. If LICENSEE does not discharge any mechanic's lien or stop notice for works performed for LICENSEE, SBCTA shall have the right to discharge same (including by paying the claimant) and LICENSEE shall reimburse SBCTA for the cost of such discharge, as well as any associated costs and fees, within ten (10) business days after billing. SBCTA reserves the right at any time to post and maintain on the Premises such notices as may be necessary to protect SBCTA against liability for all such liens and claims. The provisions of this section shall survive the termination of this LICENSE.

6. ASSUMPTION OF RISK AND WAIVER

To the maximum extent allowed by law, LICENSEE assumes any and all risk of loss, damage or injury of any kind to any person or property, including without limitation, the Improvements, the SBCTA Property and any other property of, or under the control or custody of, LICENSEE, which is on or near the Premises, caused by LICENSEE's negligence or intentional misconduct. LICENSEE's assumption of risk shall include, without limitation, loss or damage caused by defects in any structure or improvement on the SBCTA Property, accident or fire or other casualty on the SBCTA Property, and electrical discharge, noise or vibration resulting from SBCTA's transit operations on or near the SBCTA Property, caused by LICENSEE's negligence or intentional misconduct. The term "SBCTA" as used in this section shall include: (i) any transit or rail-related company validly operating upon or over SBCTA's tracks or other property, and (ii) any other persons or companies employed, retained or engaged by SBCTA. LICENSEE, on behalf of itself and its officers, directors, affiliates, employees, agents, independent contractors and subcontractors and anyone directly or indirectly employed by LICENSEE or for whose acts LICENSEE is liable (collectively, "Personnel"), as a material part of the consideration for this LICENSE, hereby waives all claims and demands against SBCTA for any such loss, damage or injury of LICENSEE and/or its Personnel, except where caused by the negligence or willful misconduct of SBCTA or a third party. **In that connection, LICENSEE expressly waives the benefit of California Civil Code Section 1542, which provides as follows:**

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

The provisions of this section shall survive the termination of this LICENSE.

7. DEFAULT, BREACH AND REMEDIES

7.1. Licensee Default. LICENSEE shall be deemed to have breached and be in default under this LICENSE when any of the following occurs:

- (a) LICENSEE shall fail to make any payment or any reimbursement to SBCTA required herein when due;
- (b) LICENSEE shall vacate all or a substantial portion of the Premises, whether or not LICENSEE is in default of the payment or other charges due under this LICENSE;
- (c) LICENSEE shall fail to comply with any other term, provision or covenant of this LICENSE, and shall not cure such failure within thirty (30) days after written notice thereof to LICENSEE; or
- (d) LICENSEE shall create or maintain, or allow any other person or entity to create or maintain, any public nuisance or any condition that fails to comply with any applicable federal, state, SBCTA or rail operator specifications or safety regulations or that presents a danger to public safety or a safety hazard to any operations, personnel, passengers or property of SBCTA or any rail carrier operating upon the affected rail line(s) on the Premises or SBCTA's adjacent right of way.

7.2. SBCTA's Remedies.

- 7.2.1. Termination. Upon the occurrence of LICENSEE's default and breach, is not cured within thirty (30) days (or such longer period as may be necessary in the circumstances and agreed to in writing by SBCTA), SBCTA shall have the right, by giving notice to LICENSEE, to terminate this LICENSE as of the end period specified in the notice to cure, and at any time thereafter to recover possession of the Premises or any part thereof and expel and remove therefrom LICENSEE and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that SBCTA may have under this LICENSE, at law or equity by reason of LICENSEE's default or of such termination.
- 7.2.2. Corrective Measures. Should LICENSEE default on, breach, or fail to keep, observe or perform any agreement, covenant, term or condition on its part herein contained, then, in addition to any other available rights and remedies, SBCTA at its option may perform any corrective measures deemed by SBCTA in its sole and absolute discretion to be necessary or appropriate to protect public health or safety, or SBCTA's legitimate governmental or proprietary interests or the interests of its railroad operators, at LICENSEE's expense (including fees, costs and interest) which LICENSEE agrees to pay to SBCTA upon demand.
- 7.2.3. Costs. If SBCTA incurs any cost or expense occasioned by the default of LICENSEE (including but not limited to attorneys' fees and costs), then SBCTA shall be entitled to receive such costs together with interest on all funds SBCTA expends at the lesser of fourteen percent (14%) per annum or the maximum rate allowed by law, whichever is lower, including without limitation, brokers' fees incurred by SBCTA in connection with relicensing the whole or any part of the Premises; the costs of removing and storing LICENSEE's or other occupant's property; the costs of repairing, altering, and/or otherwise restoring the Premises to a safe and suitable condition, useable and acceptable to SBCTA, rail operators and future licensees; and all reasonable expenses incurred by SBCTA in enforcing or defending SBCTA's rights and remedies, including reasonable attorneys' fees whether or not suit is actually filed.
- 7.2.4. Remedies Cumulative. All rights, privileges and remedies of the parties are cumulative and not alternative or exclusive to the extent permitted by law except as otherwise provided herein
- 7.3. SBCTA Default and Licensee's Remedies. SBCTA shall not be in default under this LICENSE unless SBCTA fails to perform obligations required of SBCTA within sixty (60) days after written notice is delivered by LICENSEE to SBCTA specifying the obligation which SBCTA has failed to perform; provided, however, that if the nature of SBCTA's obligation is such that more than sixty (60) days are required for performance, then SBCTA shall not be in default if SBCTA commences performance within such sixty (60) day period and thereafter diligently prosecutes the same to completion. LICENSEE's exclusive remedies shall be an action for specific performance.

8. INDEMNIFICATION

- 8.1. LICENSEE, on behalf of itself and its successors and assigns, agrees to indemnify, defend (by counsel satisfactory to SBCTA), and hold harmless SBCTA, and its officers, directors, employees, agents, consultants, contractors, permittees, successors and assigns (individually and collectively, "Indemnitees"), to the maximum extent allowed by law, from and against all loss, liability, claims, demands, suits, liens, claims of lien, damages (including consequential damages), costs and expenses (including, without limitation, any fines, penalties, judgments, litigation expenses, and experts' and attorneys' fees), that are incurred by or asserted against Indemnitees arising out of or connected in any manner with (i) the acts or omissions to act of the LICENSEE or its Personnel (as defined in Section 6 (Assumption of Risk and Waiver) or invitees of LICENSEE in connection with the SBCTA Property or the presence upon or performance of activities by LICENSEE or its Personnel with respect to the SBCTA Property, (ii) bodily injury to or death of any person (including employees of Indemnitees) or damage to or loss of use of property resulting from such acts or omissions of LICENSEE or its Personnel, or (iii) non-performance or breach by LICENSEE or its Personnel of any term or condition of this LICENSE, in each case whether occurring during the Term of this LICENSE or thereafter.
- 8.2. The LICENSEE acknowledges that any construction allowed on the Premises pursuant to this LICENSE is not being performed for SBCTA's benefit or on SBCTA's account and that this is an agreement allowing LICENSEE and/or its contractor(s) to enter upon SBCTA's Property as an accommodation within the meaning of California Civil Code Section 2782.1. Therefore, the foregoing indemnity shall be effective regardless of any negligence on the part of Indemnitees, unless caused solely by the gross negligence or willful misconduct of Indemnitees, and is in addition to any other rights or remedies which Indemnitees may have under the law or under this LICENSE. Upon request of SBCTA, LICENSEE shall provide insurance coverage for possible claims or losses covered by the indemnification and defense provisions of this LICENSE.
- 8.3. Claims against the Indemnitees by LICENSEE or its Personnel shall not limit the LICENSEE's indemnification obligations hereunder in any way, whether or not such claims against Indemnitees may result in any limitation on the amount or type of damages, compensation, or benefits payable by or for LICENSEE or its Personnel under workers' compensation, disability benefits or other employee benefits laws or insurance.
- 8.4. The indemnification and defense obligations of LICENSEE set forth in this section shall survive the termination and End Date of this LICENSE.

9. INSURANCE

- 9.1. SBCTA's Insurance. SBCTA may maintain insurance covering the Premises and SBCTA's ownership and operation thereof in such types and amounts as it deems necessary in its sole discretion. Such insurance shall be for the sole benefit of SBCTA and under its sole control. LICENSEE's insurance policies shall provide primary coverage to SBCTA; when any such policy issued to SBCTA provides duplicate coverage or is similar in coverage, SBCTA's policy will be excess over LICENSEE's policies.

- 9.2. Licensee's Insurance. LICENSEE, at its sole cost and expense, shall obtain and maintain in full force and effect during the Term of this LICENSE insurance as required by SBCTA in the amounts and coverages specified and issued by insurance companies as described in, and meeting all other requirements set forth in EXHIBIT "B". SBCTA reserves the right, throughout the Term of this LICENSE, to review and change the amount and type of insurance coverage it requires at such time LICENSEE requests an amendment or modification to this LICENSE, if applicable, in connection with any Work to be performed on the Premises. Prior to (i) entering the Premises or (ii) performing any Work or maintenance on the Premises, LICENSEE shall furnish SBCTA with insurance endorsements and/or certificates evidencing the existence, amounts and coverages of the insurance required to be maintained hereunder. SBCTA shall not be liable for the payment of any premiums or assessments for insurance required to be maintained by LICENSEE under this LICENSE. LICENSEE is a self-insured public entity for purposes of professional liability, automobile liability, general liability and workers' compensation, and warrants that through its program of self-insurance it has adequate coverage or resources to protect against any claim, demand, liability, damage, cost and expense, including reasonable attorney's fees and costs (including any claims based on LICENSEE's indemnity obligation to SBCTA) arising out of SBCTA's and LICENSEE's performance of the terms, conditions or obligations of this Lease. LICENSEE shall be allowed to use its program of self-insurance to satisfy the insurance requirements of this LICENSE.
- 9.3. Modifications to Insurance. Should any action by the LICENSEE require SBCTA to increase fire and extended coverage insurance premiums, or if LICENSEE's vacation of the Premises causes any increase in such premiums, then LICENSEE shall pay as an additional fee to SBCTA the amount of such increase upon demand by SBCTA, the amount required to correct at LICENSEE's expense the cause of such disallowance, penalty or surcharge to the satisfaction of the particular insurance authority.

10. MAINTENANCE AND REPAIR

LICENSEE, at LICENSEE's sole expense, shall during the Term of this LICENSE maintain the Improvements within the Premises, and the Premises itself, in a good condition, free from weeds, litter, debris, refuse or other nuisance, and shall perform all maintenance and clean-up of the Premises and the Improvements as necessary to keep the Premises and the Improvements in good order and condition to SBCTA's sole satisfaction. If any portion of the SBCTA Property, including improvements or fixtures, suffers damage by reason of the access to or Use of the Premises by LICENSEE or LICENSEE's employees, agents, customers, invitees, licensees, consultants, contractors and subcontractors (collectively, "LICENSEE's Parties"), including but not limited to damage arising from any tests or investigations conducted upon the Premises by LICENSEE or LICENSEE's Parties, LICENSEE shall, at its own cost and expense, immediately repair all such damage and restore the SBCTA Property to as good a condition as before such cause of damage occurred. Repair of damage shall include, without limitation, re-grading and resurfacing of any holes, ditches, indentations, mounds or other inclines created by any excavation by LICENSEE or LICENSEE's Parties. LICENSEE shall not perform any maintenance on railroad tracks and facilities without express prior written approval of and direction from SBCTA

or the railroads with valid operating authority over SBCTA's lines and compliance with all applicable standards, specifications and safety requirements.

11. ALTERATIONS AND CONSTRUCTION

Except as otherwise provided herein, LICENSEE shall make no alterations, additions or Improvements to the Premises without obtaining the prior written consent of SBCTA in each instance. Any work performed or caused to be performed by LICENSEE on the Improvements or the Premises shall be performed (a) at LICENSEE's sole cost and expense; (b) in accordance with any and all applicable permit requirements, laws, rules, regulations and safety requirements (including SBCTA's rules and regulations), and (c) in a manner which is (i) equal to or greater than the then applicable standards of the industry for such work, and (ii) satisfactory to SBCTA. LICENSEE shall submit written notice and work plans to SBCTA for review and approval at least thirty (30) days prior to commencement of any work on the Premises. Any such work must be carried out pursuant to the work plans approved in writing by SBCTA and in compliance with any and all SBCTA rules, regulations and other requirements. SBCTA shall have the right at any time and from time to time to post and maintain notices of non-responsibility. Unless otherwise requested by SBCTA, upon completion of any work, LICENSEE shall restore the SBCTA Property to its condition immediately preceding the commencement of such work.

12. CONTRACTORS; APPROVAL AND INSURANCE

Any of LICENSEE's Parties performing any Work on the Improvements or the Premises shall first be approved in writing by SBCTA and acquire all required right of entry permits and authorizations from SBCTA and any rail operator utilizing affected or adjacent railroad tracks. With respect to such Work, LICENSEE shall, at its sole cost and expense, obtain and maintain in full force and effect throughout the term of such Work, insurance, as required by SBCTA, in the amounts and coverage specified on and issued by insurance companies as described in EXHIBIT "B". Additionally, LICENSEE shall cause any and all of its contractors and subcontractors which may (i) be involved with such Work, or (ii) may, for any reason, need to enter onto the Premises, to obtain and maintain in full force and effect during the Term of this LICENSE, or throughout the term of such Work (as applicable), insurance, as required by SBCTA, in the amounts and coverage specified on, and issued by insurance companies as described in EXHIBIT "B". SBCTA reserves the right, throughout the Term of this LICENSE, to review and change the amount and type of insurance coverage it requires at such time LICENSEE requests an amendment or modification to this LICENSE, if applicable, in connection with any Work to be performed on the Premises.

13. REIMBURSEMENT

LICENSEE agrees to reimburse SBCTA for all reasonable costs and expenses that SBCTA incurs in connection with Work on or maintenance of the Premises or the Improvements, including, but not limited to, costs incurred by SBCTA in furnishing any materials or performing any labor, reviewing LICENSEE's Work plans and inspecting any Work, installing or removing protection beneath or along SBCTA's tracks, furnishing of watchmen, flagmen and inspectors as SBCTA deems necessary and such other items or acts as SBCTA in its sole discretion deems necessary to monitor or aid in compliance with this LICENSE, protect the safety of, and railway operations upon, its tracks and right-of-way, and to otherwise protect its interests. The costs and expenses addressed in this Section 13 shall include all costs that SBCTA incurs in complying with the Work or maintenance requirements of the railroads with valid operating authority over SBCTA's lines.

14. LANDSCAPING

If required by SBCTA, then LICENSEE, at its sole cost and expense, shall install barrier landscaping to shield the Improvements from public view. SBCTA shall have the right to review and approve landscaping plans prior to installation. All landscaping activities shall be done in accordance with the provisions of Section 11 above (Alterations and Construction).

15. MARKERS

Except as modified by any additional provisions attached at Exhibit “D”, project markers in form and size satisfactory to SBCTA, identifying the Improvements and their owner(s), shall be installed and constantly maintained by and at the expense of LICENSEE at such locations as SBCTA shall designate. Such markers shall be relocated or removed upon request of SBCTA without expense to SBCTA. Absence of markers in or about SBCTA Property does not constitute a warranty by SBCTA of the absence of subsurface installations.

16. COMPLIANCE WITH LAWS

LICENSEE shall comply with all applicable federal, state and local laws, regulations, rules and orders in its Work on, or maintenance, inspection, testing or use of, the SBCTA Property, and shall furnish satisfactory evidence of such compliance promptly upon request of SBCTA. LICENSEE shall obtain all required permits or leases required by any governmental authority for its use of the Premises, at its sole cost and expense. LICENSEE shall comply with all SBCTA policies, rules and regulations applicable to its properties. Subject to SBCTA’s approval, LICENSEE shall at its own cost and expense install and construct all physical improvements to or needed to serve the Premises that are required by any federal, state or local building code or other law or regulation applicable to the Premises, or that are made necessary by the nature of LICENSEE’s use of the Premises. LICENSEE shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon, or connected with, the Premises, all at LICENSEE’s sole expense.

17. SBCTA’S RIGHT OF ACCESS

- 17.1. Inspections. SBCTA shall have the right at any time (upon provision of reasonable notice of inspection to LICENSEE) or in case of emergency (without notice), to inspect the Premises in order to protect SBCTA’s interests therein and to monitor compliance with this LICENSE, including compliance with applicable federal, state and local laws, regulations, rules and orders. Failure to submit to or cooperate with any inspection may result in termination of the LICENSE
- 17.2. Tests. If, in SBCTA’s sole judgment, any installation on, or use or condition of the Premises may have an adverse effect on the Premises or SBCTA Property, adjacent property or SBCTA’s operations, SBCTA shall be permitted to conduct any tests or assessments, including but not limited to environmental assessments, of, on or about the Premises, as it determines to be necessary or useful to evaluate the condition of the Premises. LICENSEE shall cooperate with SBCTA in any tests or inspections deemed necessary by SBCTA.
- 17.3. Costs. LICENSEE shall pay or reimburse SBCTA, as appropriate, for all reasonable costs and expenses incurred due to tests, inspections or any necessary corrective Work, maintenance and inspections thereafter. SBCTA may establish an inspection fee, which

may be changed from time to time, as part of an inspection program. The user shall pay such fee for each such inspection. Failure to pay the fee may result in termination of the LICENSE.

- 17.4. Sale or Lease of Premises. SBCTA may at any time place on or about the Premises (including the Improvements) any ordinary “for sale” and “for lease” signs. LICENSEE shall also permit SBCTA and its agents, upon request, to enter the Premises or any part thereof, at reasonable times during normal business hours, to show the Premises to prospective tenants, purchasers or mortgagees.

18. ENVIRONMENTAL ASSESSMENT

Upon execution of this LICENSE, SBCTA may, in its sole discretion and if applicable, require LICENSEE to retain a duly licensed environmental consultant acceptable to SBCTA who shall perform an environmental assessment of the Premises and LICENSEE’s and LICENSEE’s Parties’ business activities and prepare a report on LICENSEE’s and/or LICENSEE’s Parties’ compliance with the provisions of this section. If determined by SBCTA to be necessary or useful to evaluate the condition of the Premises, SBCTA may require LICENSEE to cause a similar environmental assessment to be conducted on an annual basis, and/or upon or within one (1) year after the expiration or earlier termination of this LICENSE, the cost of which shall be the sole responsibility of LICENSEE. LICENSEE shall provide a copy of the report or reports from the consultant(s) promptly to SBCTA upon receipt and upon request shall promptly provide to SBCTA a copy of all data, documents and other information prepared or gathered in connection therewith.

19. HAZARDOUS/TOXIC MATERIAL USE AND INDEMNITY

- 19.1. LICENSEE shall operate and maintain the Premises in compliance with all Environmental Laws, and shall not cause or permit the Premises to be in violation of any Environmental Law which is now or may hereafter become applicable to LICENSEE or the Premises. As used herein, “Environmental Law(s)” means any federal, state or local environmental, health and/or safety-related law, regulation, standard, decision of a court, permit or permit conditions, currently existing or as amended or adopted in the future. Except for any Hazardous Material expressly approved by SBCTA in writing as shown on Exhibit “C”, LICENSEE shall not cause or permit, or allow any of LICENSEE’s Parties to cause or permit, any Hazardous Material to be brought upon, stored, used, generated, treated or disposed of on or about the SBCTA Property. Any Hazardous Material on the site shall be stored, used, generated and disposed of in accordance with all applicable Environmental Laws. As used herein, “Hazardous Material” means any chemical, substance or material, including any mixture or solution, which by virtue of its properties or effects is potentially harmful to health, safety or property, or which is now or becomes in the future listed, defined or regulated in any manner under any Environmental Law as a hazardous or dangerous material or substance.
- 19.2. LICENSEE shall indemnify, defend (by counsel acceptable to SBCTA) and hold harmless the Indemnitees, as defined in Section 8 (Indemnification), from and against all loss, liability, claim, damage, cost or expense (including without limitation, any fines, penalties, judgments, litigation expenses, attorneys’ fees, and consulting, engineering, and construction fees and expenses) incurred by Indemnitees as a result of (a) LICENSEE’s breach of any prohibition or provision of this section, or (b) any

release of Hazardous Material brought upon, stored, used, generated, treated or disposed of on or about the SBCTA Property by LICENSEE upon or from the Improvements or the Premises, or contamination of the SBCTA Property which: (i) occurs due to the use and occupancy of the Improvements or the Premises by LICENSEE or LICENSEE's Parties, or (ii) is made worse due to the act or failure to act of LICENSEE or LICENSEE's Parties.

- 19.3. The foregoing indemnity shall be effective regardless of any negligence on the part of Indemnitees, unless caused solely by the gross negligence or willful misconduct of Indemnitees; shall survive expiration or termination of this LICENSE; and is in addition to any other rights or remedies which Indemnitees may have under the law or under this LICENSE.
- 19.4. In addition, in the event of any release on or contamination of the Premises, LICENSEE, at its sole expense, shall promptly take all actions necessary to clean up the affected property (including the SBCTA Property and all affected adjacent property – whether or not owned by SBCTA) and to return the affected property to the condition existing prior to such release or contamination, to the satisfaction of SBCTA and any governmental authorities having jurisdiction, unless such release or contamination was solely caused by the gross negligence or willful misconduct of SBCTA.

20. UNDERGROUND STORAGE TANKS

- 20.1. NEITHER LICENSEE NOR LICENSEE'S PARTIES SHALL INSTALL OR USE ANY UNDERGROUND STORAGE TANKS ON THE PREMISES UNLESS SPECIFICALLY APPROVED IN ADVANCE IN WRITING BY SBCTA, WHICH APPROVAL MAY BE WITHHELD IN SBCTA'S SOLE DISCRETION.
- 20.2. At SBCTA's option, upon the termination of this LICENSE at any time and for any reason, LICENSEE shall, prior to the effective date of such termination, remove and close all underground storage tanks and related equipment installed by LICENSEE, and clean up and remove all Hazardous Material in, on, under and about the Premises, caused by such installation, in accordance with the requirements of all Environmental Laws and to the satisfaction of SBCTA and any governmental authorities having jurisdiction thereover, and deliver to SBCTA a copy of a certificate of closure issued for such tanks by the appropriate governmental authority. Upon acceptance of the planned use of an underground storage tank, the LICENSEE may be required to obtain an Environmental Liability policy with limits approved by SBCTA's Risk Manager.

21. CONDEMNATION

In the event all or any portion of the Premises shall be taken or condemned for public use by a governmental agency or any other party having the power of eminent domain (including conveyance by deed in lieu of or in settlement of condemnation proceedings), LICENSEE shall receive compensation (if any) only for the taking and damage to the Improvements. Any other compensation or damages arising out of such taking or condemnation awarded to LICENSEE are hereby assigned by LICENSEE to SBCTA.

22. BROKER'S FEES

LICENSEE represents and warrants that it has dealt with no broker, agent or other third party in connection with this transaction and LICENSEE agrees to indemnify and hold SBCTA harmless from and against any claims by any broker, agent or other party claiming a commission or other form of compensation by virtue of having dealt with LICENSEE with regard to obtaining this LICENSE.

23. SUBORDINATE RIGHTS

This LICENSE is subject and subordinate to the prior and continuing rights and obligation of SBCTA, its successors and assigns, to use the SBCTA Property in the exercise of its powers and in the performance of its duties, including those as a public transportation body, and to all Bonds, and their respective indentures, issued by SBCTA in any of its capacities and/or by any of its affiliated entities now in place or hereafter issued. Accordingly, there is reserved and retained unto SBCTA, its successors, assigns and permittees, the right to construct, reconstruct, operate, maintain, use and/or relocate existing and future rail tracks, facilities and appurtenances and existing and future transportation, communication, pipeline and other facilities and appurtenances in, upon, over, under, across and along the SBCTA Property or any portion thereof, and in connection therewith the right to grant and convey to others, rights and interests to the SBCTA Property or the Premises and in the vicinity of the Improvements, regardless of any effect or impact on the Improvements. LICENSEE shall bear all costs and losses it incurs associated with any modifications to the Improvements necessary to accommodate SBCTA's exercise of any right hereunder. This LICENSE is subject to all licenses, leases, easements, restrictions, conditions, covenants, encumbrances, liens, claims and other matters of title ("title exceptions") which may affect the SBCTA Property now or hereafter. This LICENSE is executed and delivered by SBCTA without any warranty of title, express or implied, and the words "grant" or "convey" as used herein shall not be construed as a warranty of title or a covenant against the existence of any such title exceptions.

24. ABANDONMENT

Should LICENSEE at any time abandon the use of the Improvements or the Premises, or any part thereof, or fail at any time for a continuous period of ninety (90) days to use the same for the purposes contemplated herein, then this LICENSE shall terminate to the extent of the portion so abandoned or discontinued, and in addition to any other rights or remedies, SBCTA shall immediately be entitled to exclusive possession and ownership of the portion so abandoned or discontinued, without the encumbrance of this LICENSE.

25. GENERAL PROVISIONS

25.1. Notices. All notices and demands which either of the Parties is required to or desires to give to the other shall be made in writing by personal delivery, by express courier service or by certified mail postage prepaid, and addressed to the other Party at its address set forth in the Basic License Provisions. Either of the Parties may change its address for the receipt of notice by giving written notice thereof to the other Party in the manner herein provided. Notices shall be effective only upon receipt by the Party to whom notice or demand is given.

25.2. Governing Law. This LICENSE shall be governed by the laws of the State of California.

- 25.3. Binding Effect. The terms, provisions and covenants and conditions contained in this LICENSE shall apply to, inure to the benefit of, and be binding upon, the parties hereto and upon their respective heirs, legal representatives, successors and permitted assigns, except as otherwise herein expressly provided. If more than one person executes this LICENSE as LICENSEE, then each shall be jointly and severally liable for all obligations of LICENSEE hereunder.
- 25.4. No Third Party Beneficiaries. This LICENSE is not intended by either party to confer any benefit on any third party other than the constituent members of SBCTA, including without limitations any broker, finder, or brokerage firm.
- 25.5. Severability. If any term, covenant, condition or provision of this LICENSE, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, covenants, conditions, or provisions of this LICENSE, or the application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
- 25.6. Interest on Past-due Obligations. Except as expressly herein provided, any amount due to SBCTA that is not paid when due shall bear interest, beginning on the 31st date of when due, without demand, at the maximum rate then allowable by law. Such interest will be due SBCTA as it accrues. Payment of such interest shall not excuse or cure any default by LICENSEE under this LICENSE, provided, however, that interest shall not be payable on late charges incurred by LICENSEE..
- 25.7. Captions. The captions included in this LICENSE are for convenience only and in no way define, limit, or otherwise describe the scope or intent of this LICENSE or any provision hereof, or in any way affect the interpretation of this LICENSE.
- 25.8. Survival of Obligations. All obligations of LICENSEE hereunder not fully performed as of the expiration or earlier termination of the Term of this LICENSE shall survive the expiration or earlier termination of this LICENSE, including without limitation all indemnity and defense obligations, all payment obligations with respect to Fees and all obligations concerning the condition of the SBCTA Property and the Improvements.
- 25.9. Waiver of Covenants or Conditions. The waiver by either Party of any term, covenant, agreement or condition under this LICENSE shall not invalidate this LICENSE, nor shall it be considered a waiver by it of any other covenant or condition or of the same covenant or condition in another instance. To the extent patterns of practice between the Parties are inconsistent with the terms of this LICENSE, such patterns of practice shall not waive in part or in full SBCTA's right to insist upon strict accordance with any of the provisions of this LICENSE. The subsequent acceptance of payments hereunder by SBCTA shall not be deemed to be a waiver of any preceding breach by LICENSEE of any provisions, covenant, agreement or condition of this LICENSE, other than the failure of LICENSEE to pay the particular payment so accepted, regardless of SBCTA's knowledge of such preceding breach at the time of acceptance of such payment.
- 25.10. Effective Date/Nonbinding Offer. Submission of this LICENSE for examination or signature by LICENSEE does not constitute an offer of or option for a license, and it is

not effective as a license or otherwise until executed and delivered by both SBCTA and LICENSEE. Each individual executing this LICENSE on behalf of SBCTA or LICENSEE represents and warrants to the other Party that he or she is authorized to do so.

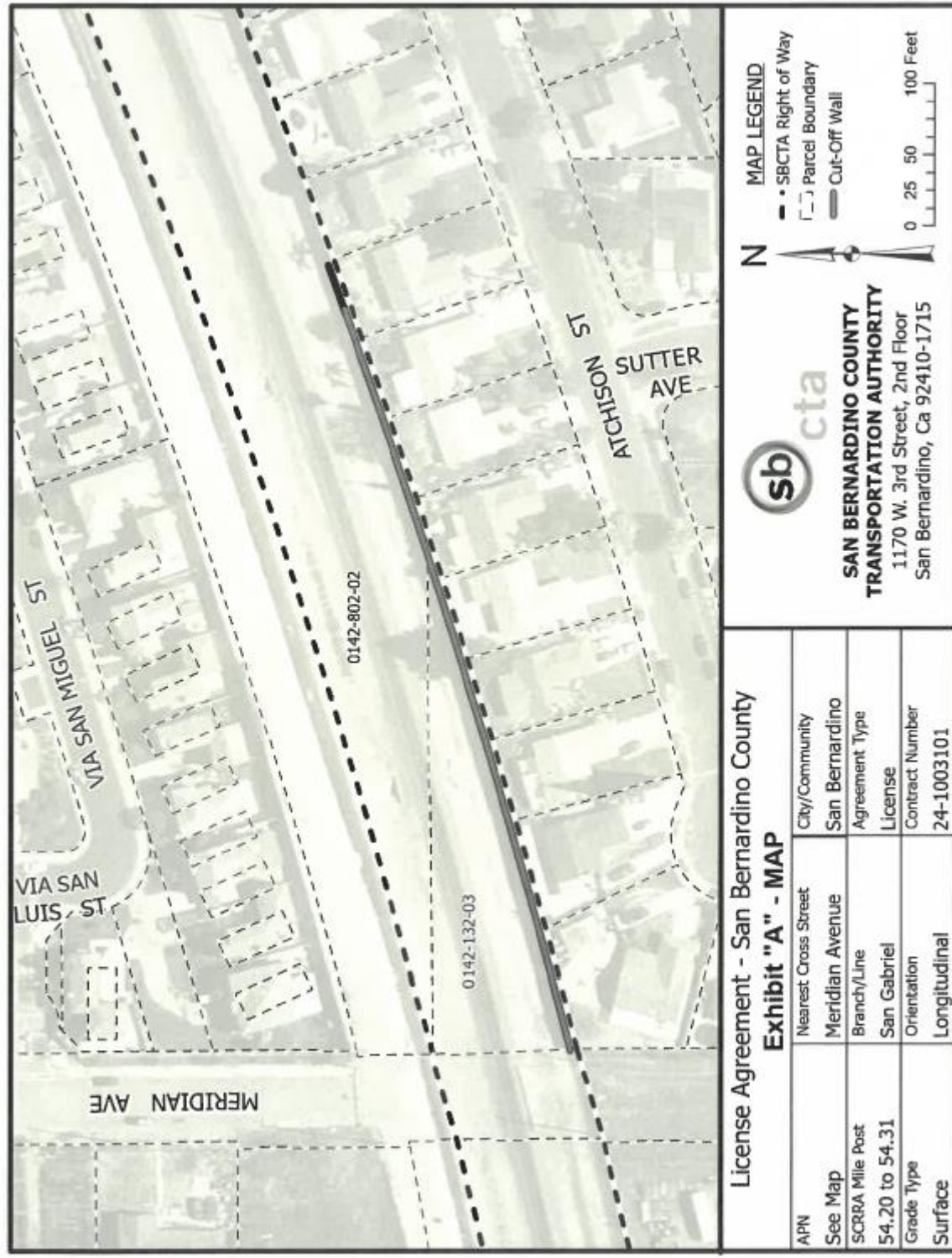
- 25.11. Assignment. This LICENSE and the license granted herein are personal to the LICENSEE. LICENSEE shall not assign or transfer (whether voluntary or involuntary) this LICENSE in whole or in part, or permit any other person or entity to use the rights or privileges hereby conveyed, without the prior written consent of SBCTA, which may be withheld in SBCTA's sole and absolute discretion, and any attempted act in violation of the foregoing shall be void and without effect and be a material breach of this LICENSE, which gives SBCTA the right to immediately terminate this LICENSE and seek all other available remedies for breach. Notwithstanding the foregoing, LICENSEE may, with SBCTA's consent, assign or transfer this LICENSE to any entity that it controls, is controlled by, or is under common control with LICENSEE.
- 25.12. Entire Agreement; Amendments. This LICENSE, including all attached Exhibits, constitutes the entire agreement between the Parties and supersedes all prior verbal or written agreements and understandings between the Parties with respect to the items set forth in this LICENSE. The Parties each acknowledge that no representations, inducements, promises or agreements, oral or written, have been made by either SBCTA or LICENSEE, or anyone acting on behalf of SBCTA or LICENSEE, other than those contained in this LICENSE. No amendments, changes, revisions, or discharges, at any time in whole or in part, of this LICENSE shall be binding upon the Parties unless they are in writing and executed by the Parties.
- 25.13. Attorneys' Fees. If any legal action is instituted to enforce or declare a Party's rights hereunder, each Party, including the prevailing Party, must bear its own attorneys' fees and costs. This section shall not apply to those attorneys' fees and costs directly arising from any third-party legal action against SBCTA, including such attorneys' fees and costs payable under Section 18, INDEMNIFICATION, or Section 19, HAZARDOUS/TOXIC MATERIAL USE AND INDEMNITY.
- 25.14. Nondiscrimination. LICENSEE certifies and agrees that all persons employed by LICENSEE and LICENSEE's affiliates, subsidiaries, or holding companies, and any contractors retained by LICENSEE with respect to the Premises, are and shall be treated equally without regard to or because of race, religion, ancestry, national origin, or sex, and in compliance with all federal and state laws prohibiting discrimination in employment, including but not limited to the Civil Rights Act of 1964; the Unruh Civil Rights Act; the Cartwright Act; and the California Fair Employment Practices Act.
- 25.15. Further Acts. LICENSEE agrees to perform any further acts and to execute and deliver in recordable form any documents which may be reasonably necessary to carry out the provisions of this LICENSE, including, at SBCTA's sole discretion, the relocation of the Improvements and the license granted hereby.
- 25.16. Time of Essence. Time is of the essence for this LICENSE.
- 25.17. Certificates. LICENSEE agrees from time to time within thirty (30) days after request of SBCTA, to deliver to SBCTA, or SBCTA's designee, an estoppel certificate stating

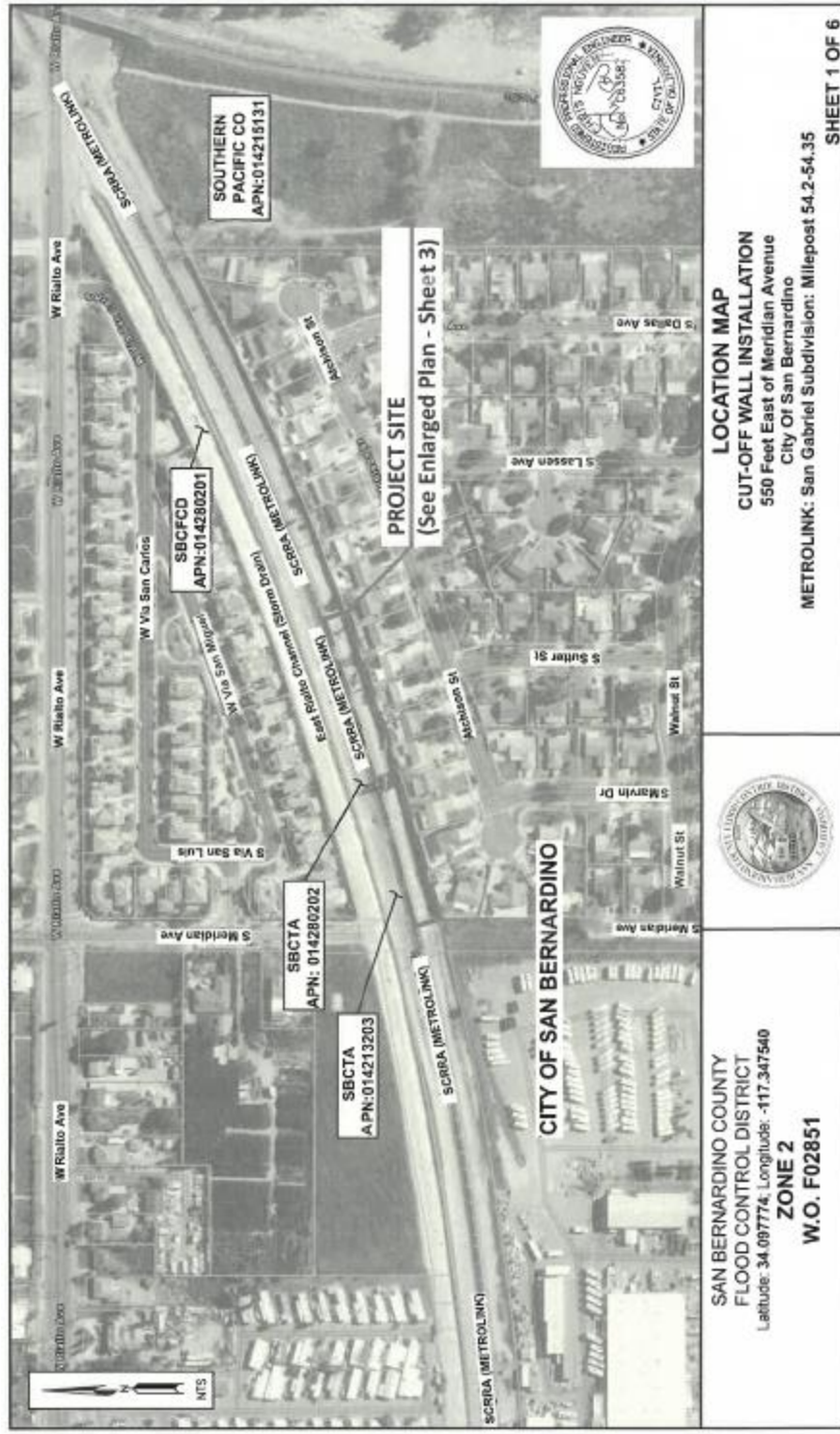
that this LICENSE is in full force and effect, the date to which all applicable payments have been paid, the unexpired Term of this LICENSE and such other matters pertaining to this LICENSE as may be requested by SBCTA.

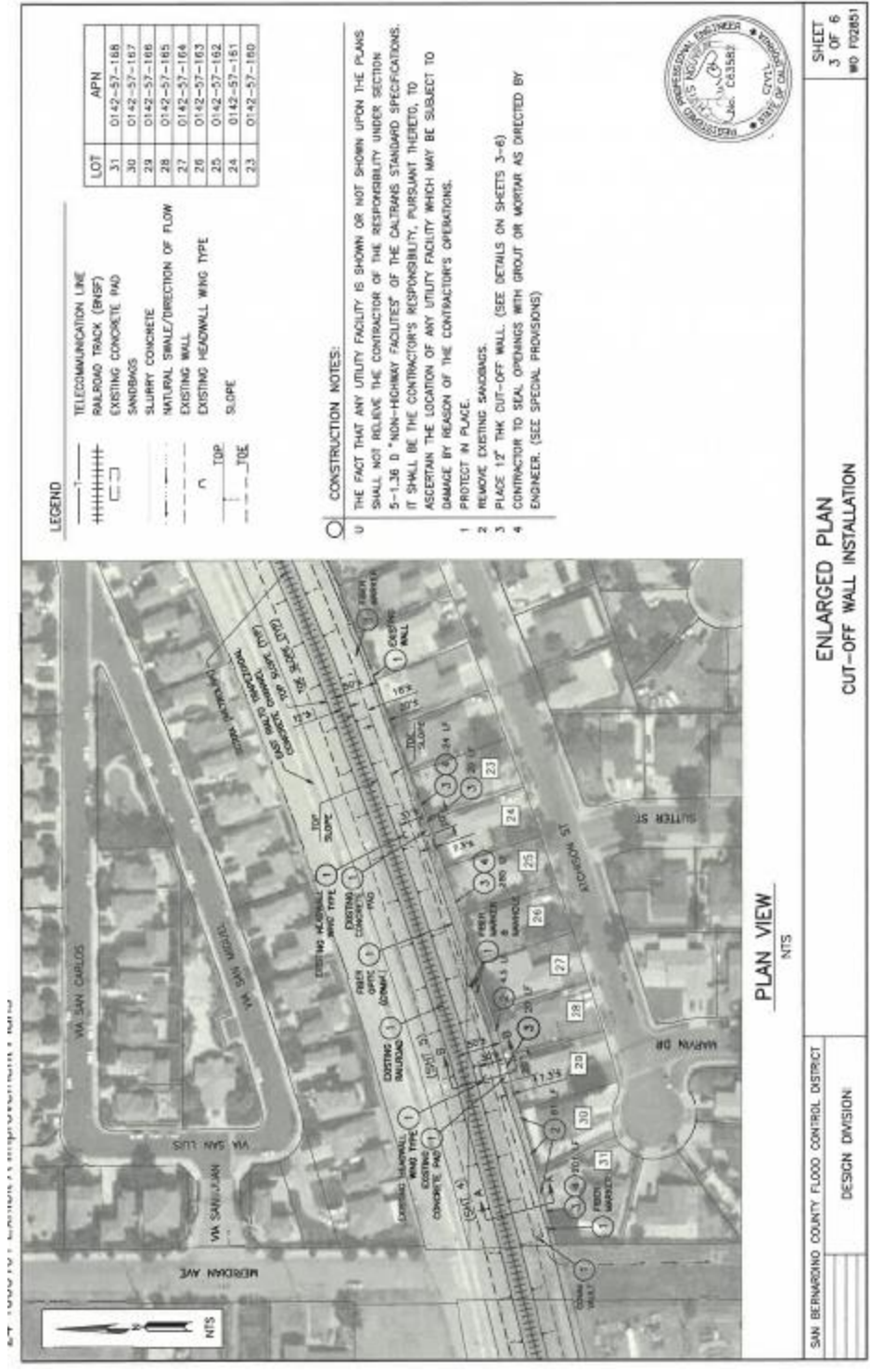
- 25.18. Security Measures. LICENSEE hereby acknowledges that the payments payable to SBCTA hereunder do not include the cost of guard service or other security measures, and that SBCTA shall have no obligation whatsoever to provide same. LICENSEE assumes all responsibility for the protection of LICENSEE, LICENSEE's Parties and their property from acts of third parties.
- 25.19. Performance Under Protest. If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment, and there shall survive the right on the part of said party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay under the provisions of this LICENSE.
- 25.20. No Recording. LICENSEE shall not record or permit to be recorded in the official records of the county where the Premises are located, this LICENSE, any memorandum of this LICENSE or any other document giving notice of the existence of this LICENSE or the license granted hereby.
- 25.21. Flagmen. Where applicable, as a part of or in addition to all other safety obligations, LICENSEE shall maintain, at LICENSEE's expense, competent flagmen to protect and control movement of vehicles and equipment of LICENSEE or any other user of the Premises while upon the Premises, consistent with any applicable laws and regulations regarding work protection, including the rules and policies of SBCTA and/or any railroad operator having rights to utilize any affected or adjacent railroad tracks.
- 25.22. Additional Provisions. Those additional provisions set forth in Exhibit "D", if any, are hereby incorporated by this reference as if fully set forth herein. To the extent that any additional provisions in Exhibit "D" conflict with the provisions contained in this Part II, Standard License Provisions, the provisions in Exhibit "D" shall control.
- 25.23. Counterparts. This LICENSE may be executed in counterparts, which constitute one document. The parties shall execute this LICENSE in duplicate and intend each countersigned original to have identical legal effect.
- 25.24. Supersedure. Not applicable

EXHIBIT “A”

MAP/DIAGRAM/ DEPICTION OF PREMISES







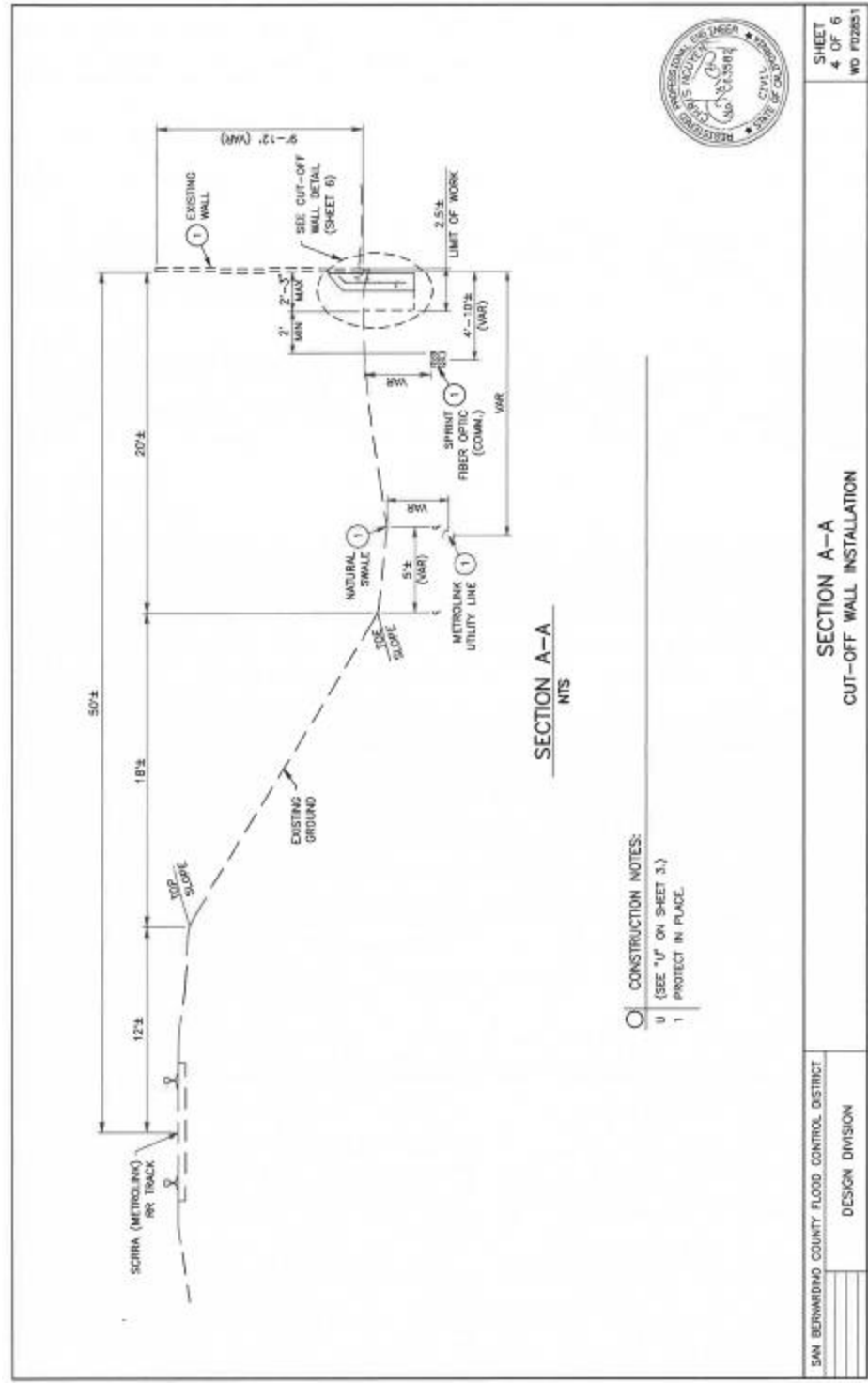


EXHIBIT “B”

INSURANCE REQUIREMENTS FOR LICENSE AGREEMENT

EXHIBIT "B"
INSURANCE REQUIREMENTS

1. AGREEMENT shall mean the license to which this Exhibit is attached. WORK shall mean any activity or use permitted under the AGREEMENT. The holder of the AGREEMENT is hereinafter referred to as PERMITTEE. PERMITTEE shall at all times during the term of the AGREEMENT or for such other periods as required herein, procure and maintain broad form insurance against claims for injuries to persons or damages to property that may arise from, or in connection with, the use of SBCTA property hereunder by the PERMITTEE, its agents, representatives, employees, or subcontractors, with coverage at least as broad as the following minimum requirements specified below. Selected subparagraphs to this Paragraph 1 shall apply:

- 1.1. ☒ Worker's Compensation/Employer's Liability. The policies must include the following:

- Coverage A. Statutory Benefits
- Coverage B. Employer's Liability
- Bodily Injury by accident - \$1,000,000 per accident
- Bodily Injury by disease - \$1,000,000 policy limit/\$1,000,000 each employee

Such policies shall contain a waiver of subrogation in favor of the parties named as Indemnitees below. Such insurance shall be in strict accordance with the applicable workers' compensation laws in effect during performance of the WORK by PERMITTEE, any subcontractor of any tier. All subcontractors of any tier performing any portion of the WORK for PERMITTEE shall also obtain and maintain the same insurance coverage as specified in this subparagraph, with a waiver of subrogation in favor of PERMITTEE and all parties named as Indemnitees by the AGREEMENT. Where coverage is provided through the California State Compensation Insurance Fund, the requirement for a minimum A.M. Best rating does not apply.

- 1.2. ☒ Commercial General Liability. The policy must include the following:

- PERMITTEE shall maintain commercial general liability (CGL) insurance (Insurance Services Office (ISO) Form CG 00 01), and if necessary excess/umbrella commercial liability insurance, with a combined limit of liability of not less than \$7,000,000 each occurrence. If the AGREEMENT value is equal to or in excess of \$25,000,000, then the combined limit of liability shall be no less than \$25,000,000 each occurrence.
- The policy shall, at a minimum, include coverage for any and all of the following: bodily injury, property damage, personal injury, broad form contractual liability (including coverage to the maximum extent possible for the indemnifications in the AGREEMENT), premises-operations (including explosion, collapse and underground coverage), duty to defend in addition to (without reducing) the limits of the policy(ies), and products and completed operations.
 - \$2,000,000 per occurrence limit for property damage or bodily injury
 - \$1,000,000 per occurrence limit for personal injury and advertising injury
 - \$2,000,000 per occurrence limits for products/completed operations coverage (ISO Form 20 37 10 01) if SBCTA's Risk Manager determines it is in SBCTA's best interests to require such coverage,
 - If a general aggregate applies, it shall apply separately to this project/location. The project name must be indicated under "Description of Operations/Locations" (ISO Form CG 25 03).
- Coverage is to be on an "occurrence" form. "Claims made" and "modified occurrence" forms are not acceptable.
- A copy of the declaration page or endorsement page listing all policy endorsements for the CGL policy must be included.

All subcontractors of any tier performing any portion of the WORK for PERMITTEE shall also obtain and maintain the CGL insurance coverage with limits not less than:

- Each occurrence limit: \$1,000,000
- General aggregate limit: \$2,000,000
- Personal injury and advertising limit \$1,000,000
- Products-completed operations aggregate limit \$2,000,000

All subcontractors' deductibles or self-insured retentions must be acceptable to SBCTA's Risk Manager.

1.2.1. ☐ Contractual Liability – Railroads. The CGL policy shall not exclude coverage of contractual liability relating to railroads or shall be endorsed by ISO Form CG 24 17, or equivalent acceptable to SBCTA, to remove such exclusions to coverage.

1.3. ☒ Umbrella/Excess CGL. The policy must include the following:

- If the PERMITTEE elects to include an umbrella or excess policy to cover any of the total limits required beyond the primary commercial general liability policy limits and/or the primary commercial automobile liability policy limits, then the policy must include the following:
 - The umbrella or excess policy shall follow form over the PERMITTEE's primary general liability coverage and shall provide a separate aggregate limit for products and completed operations coverage.
 - The umbrella or excess policy shall not contain any restrictions or exclusions beyond what is contained in the primary policy.
 - The umbrella or excess policy shall contain a clause stating that it takes effect (drops down) in the event the primary limits are impaired or exhausted.
 - The umbrella or excess policy must also extend coverage over the automobile policy if it is to be used in combination with the primary automobile policy to meet the total insurance requirement limits.

There shall be no statement limiting the coverage provided to the parties listed as additionally insureds or as indemnitees in the AGREEMENT.

1.4. ☒ Commercial Auto. The policy must include the following:

- A total limit of liability of not less than \$5,000,000 each accident. This total limit of liability may be met by combining the limits of the primary auto policy with an umbrella or excess policy in accordance with Section 1.3 (Umbrella/Excess CGL), above.
- Such insurance shall cover liability arising out of any vehicle, including owned, hired, leased, borrowed and non-owned vehicles assigned to or used in performance of the WORK.
- Combined Bodily Injury and Property Damage Liability insurance

The commercial automobile liability insurance shall be written on the most recent edition of ISO Form CA 00 01 or equivalent acceptable to SBCTA.

1.5. ☐ Pollution Liability The policy must include the following:

- \$2,000,000 per claim or occurrence limits/\$4,000,000 in the aggregate
- If the WORK involves mold identification / remediation, the policy shall not contain a mold exclusion and the definition of "Pollution" shall include microbial matter including mold.
- If the WORK involves lead-based paint or asbestos identification/remediation, the policy shall not contain lead-based paint or asbestos exclusions.

- 1.6. ☒ **Railroad Protective Liability Insurance:** Insurance Services Office Form Railroad Protective Liability, AAR-AASHTO (ISO/RIMA), in the name of SCRRA with respect to the operations they or any of their subcontractors perform on the Property. Minimum Limits: \$2 million per occurrence, combined single limit, for coverage and for losses arising out of injury to or death of all persons and for physical loss or damage to or destruction of Property, including the loss of use thereof. A \$6 million annual aggregate shall apply. If providing coverage on the London claims-made form, the following provisions shall apply:

- The limits of liability shall be not less than \$3 million per occurrence, combined single limit. A \$9 million aggregate may apply.
- Declarations item 6, extended claims made date, shall allow an extended claims made period no shorter than the length of the original policy period plus one year.
- If equivalent or better, wording is not contained in the policy form, the following endorsement must be included:
 - It is agreed that "physical damage to Property" means direct and accidental loss of or damage to rolling stock and their contents, mechanical construction equipment or motive power equipment, railroad tracks, roadbed, catenaries, signals, bridges or buildings.

In cases of low hazard activity and insignificant risk to rail facilities, and if the exposure to the track is physically separated by a building, floor or a continuous fence (no thoroughfares) and the employees of the Contractor are explicitly notified, trained, and supervised such that they are not permitted to have any contact with the track or its related improvements, the Railroad Protective Liability Insurance requirement may be waived by SBCTA, or its designated representative, in SBCTA's sole and absolute discretion, where SBCTA's agreements and obligations with rail operators allow it.

2. General Provisions

- 2.1. Qualifications of Insurance Carriers. If policies are written by insurer carriers authorized and admitted to do business in the state of California, then the insurer carriers must have a current A.M. Best rating of A-VIII or better. If policies are written by insurance carriers that are non-admitted but authorized to conduct business in the state of California, then they must meet the current A.M. Best rating of A-X or better, unless otherwise approved in writing by SBCTA's Risk Manager.
- 2.2. Additional Insurance Coverage. All policies, except those for Workers' Compensation insurance, shall be endorsed by ISO Form CG 20 36, or if not available, then ISO Form CG 20 35, to name San Bernardino County Transportation Authority and its officers, directors, members, employees, agents and volunteers, as additional insureds ("Additional Insureds"). With respect to general liability arising out of or connected with work or operations performed by or on behalf of the PERMITTEE permitted under this AGREEMENT, coverage for such Additional Insureds shall not extend to liability to the extent prohibited by section 11580.04 of the Insurance Code. The additional insured endorsements shall not limit the scope of coverage for SBCTA to vicarious liability but shall allow coverage for SBCTA to the full extent provided by the policy.
- 2.3. Proof of Coverage. Evidence of insurance in a form acceptable to SBCTA's Risk Manager, including declarations pages of each policy, certificates of insurance and the required additional insured endorsements, shall be provided to SBCTA's Procurement Analyst prior to issuance of the NTP or prior to commencing any WORK, as SBCTA specifies. Certificate(s) of insurance, as evidence of the required insurance shall: be executed by a duly authorized representative of each insurer; show compliance with the insurance requirements set forth in the AGREEMENT together with Exhibit B; set forth deductible amounts applicable to each policy; list all exclusions which are added by endorsement to each policy; and also include the Contract Number and the SBCTA Project Manager's name on the face of the certificate. If requested in writing by SBCTA, PERMITTEE shall submit complete copies of all required insurance policies within ten (10) business days of a written request by SBCTA.

- 2.4. Deductibles. Regardless of the allowance of exclusions or deductibles by SBCTA, CONTRACTOR shall be responsible for any deductible or self-insured retention (SIR) amount and shall warrant that the coverage provided to SBCTA is consistent with the requirements of this Article. CONTRACTOR will pay, and shall require its sub-CONTRACTORS to pay, all deductibles, co-pay obligations, premiums and any other sums due under the insurance required in this Article. Any deductibles or self-insured retentions must be declared to and approved in writing by SBCTA's Risk Manager. At the option of SBCTA, if the deductible or SIR is greater than \$50,000 or five (5) percent of the amount of coverage required under this Contract, whichever is less, the CONTRACTOR shall guarantee that either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects to SBCTA, its directors, officials, officers, employees and agents; or, (2) the CONTRACTOR shall procure a bond guaranteeing the amount of the deductible or self-insured retention. SBCTA will have the right, but not the obligation, to pay any deductible or SIR due under any insurance policy. If SBCTA pays any sums due under any insurance required above, SBCTA may withhold said sums from any amounts due to CONTRACTOR. The Contractor's policies will neither obligate nor prohibit SBCTA or any other Additional Insured, from paying any portion of any Contractor's deductible or SIR.
- 2.5. PERMITTEE's and Subcontractors' Insurance will be Primary. All policies required to be maintained by the PERMITTEE or any subcontractor with the exception of Professional Liability and Worker's Compensation shall be endorsed, with a form at least as broad as ISO Form CG 20 01 04 13), to be primary coverage, and any coverage carried by any of the Additional Insureds shall be excess and non-contributory. Further, none of PERMITTEE's nor subcontractors' pollution, automobile, general liability or other liability policies (primary or excess) will contain any cross-liability exclusion barring coverage for claims by an additional insured against a named insured.
- 2.6. Waiver of Subrogation Rights. To the fullest extent permitted by law, PERMITTEE hereby waives all rights of recovery under subrogation against the Additional Insureds named herein, and any other consultant, subconsultant or sub-subconsultant performing work or rendering services on behalf of SBCTA, in connection with the planning, development and construction of the Project. To the fullest extent permitted by law, PERMITTEE shall require similar written express waivers and insurance clauses from each of its subcontractors of every tier. PERMITTEE shall require all of the policies and coverages required in Exhibit B to waive all rights of subrogation against the Additional Insureds (ISO Form CG 24 04 05 09). Such insurance and coverages provided shall not prohibit PERMITTEE from waiving the right of subrogation prior to a loss or claim.
- 2.7. Cancellation. If any insurance company elects to cancel or non-renew coverage for any reason, PERMITTEE will provide SBCTA thirty (30) days prior written notice of such cancellation or nonrenewal. If the policy is cancelled for nonpayment of premium, PERMITTEE will provide SBCTA ten (10) days prior written notice. In any event, PERMITTEE will provide SBCTA with a copy of any notice of termination or notice of any other change to any insurance coverage required herein which PERMITTEE receives within one business day after PERMITTEE receives it by submitting it to SBCTA at procurement@gosbcta.com to the attention of SBCTA's Procurement Analyst, and by depositing a copy of the notice in the U.S. Mail in accordance with the notice provisions of the AGREEMENT.
- 2.8. Enforcement. SBCTA may take any steps as are necessary to assure PERMITTEE's compliance with its insurance obligations as identified within the AGREEMENT and / or Exhibit B. Failure to continuously maintain insurance coverage as provided herein is a material breach of contract. In the event the PERMITTEE fails to obtain or maintain any insurance coverage required, SBCTA may, but is not required to, maintain this coverage and charge the expense to the PERMITTEE or

withhold such expense from amounts owed PERMITTEE, or terminate the AGREEMENT. The insurance required or provided shall in no way limit or relieve PERMITTEE of its duties and responsibility under the Contract, including but not limited to obligation to indemnify, defend and hold harmless the Indemnites named below. Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve PERMITTEE for liability in excess of such coverage, nor shall it preclude SBCTA from taking other actions as available to it under any other provision of the Contract or law. Nothing contained herein shall relieve PERMITTEE, or any subcontractor of any tier, of their obligations to exercise due care in the performance of their duties in connection with the WORK, and to complete the WORK in strict compliance with the AGREEMENT.

- 2.9. No Waiver. Failure of SBCTA to enforce in a timely manner any of the provisions of Exhibit B shall not act as a waiver to enforcement of any of these provisions at a later date.
- 2.10. Contractors and Subcontractors Insurance. Insurance required of the PERMITTEE shall be also provided by subcontractors, or by PERMITTEE on behalf of all subcontractors, to cover WORK, performed by said subcontractors, permitted under the AGREEMENT. PERMITTEE may reduce types and the amounts of insurance limits provided by subcontractors to be proportionate to the amount of the subcontractor's contract and the level of liability exposure for the specific type of work performed by the subcontractor. PERMITTEE shall be held responsible for all modifications, deviations, or omissions in these insurance requirements as they apply to subcontractor.
- 2.11. Higher limits. If PERMITTEE maintains higher limits than the minimums shown above, SBCTA shall be entitled to coverage for the higher limits maintained by PERMITTEE. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to SBCTA.
- 2.12. Special Risks or Circumstances. SBCTA reserves the right to modify any or all of the above insurance requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

EXHIBIT “C”

PERMITTED HAZARDOUS MATERIAL

No hazardous material is permitted to be used or stored on Premises.

EXHIBIT “D”
ADDITIONAL PROVISIONS

EXHIBIT "D"

ADDITIONAL REQUIREMENTS

The following Additional Requirements are imposed on the Tenant/Licensee/Permittee and all of its contractors, subcontractors, employees, laborers or other persons performing any work upon SBCTA property on behalf of Tenant/Licensee/Permittee, and are made part of the terms of the Lease/License/Permit to which this Exhibit D is attached ("Agreement").

As used hereinafter, the term "Contractor" shall include the Tenant/Licensee/Permittee and each and every one of its contractors, subcontractors, employees, laborers, agents or other persons performing any work upon SBCTA property on behalf of Tenant/Licensee/Permittee; and the term "railroad operator" or "operating railroad" shall mean Southern California Regional Rail Authority (SCRRA), Burlington Northern Santa Fe Railroad Railway Company (BNSF) and/or any other railroad company or rail carrier having operating rights over rail lines owned or controlled by SBCTA.

Contractor shall fully comply with each and every one of the Additional Requirements below which is in any way applicable to the type of use, construction, installation or facility allowed under the Contractor's Agreement and approved by SBCTA as required thereunder ("Permitted Use"). The inclusion of an Additional Requirement below that is not in any way applicable to the Contractor's Permitted Use shall not imply any right, permission or consent to expand the Permitted Use in any way.

1. Contractor agrees to execute and deliver to each railroad operator prior to commencing any work within the rail right-of-way, a railroad Right of Entry Agreement which will include agreement to abide by each railroad operator's rules and requirements for construction on railway property. Contractor shall secure approval from SBCTA and each railroad operator of the design of any structures and facilities prior to commencing work on their construction or installation.
2. Contractor will acquire and comply with any and all additional permits required by the railroad operator(s), affected public utilities and/or by any government agency having jurisdiction. Any permit fees, inspection fees, flagging fees, or costs associated with the use or maintenance of the Premise by any governmental agency, department, or organization, and any labor expenses for the installation or maintenance of any permitted improvements are the Contractor's sole responsibility. Fully conformed copies of all permits are to be provided to SBCTA. Additional permits required of the Contractor may include but are not limited to encroachment permits, Storm Water Pollution Prevention Plans, environmental permits, temporary use permits, regulatory permits and third party utility permits. Contractors shall have all original executed agreements and permits on hand while on site and will present them on demand of representative of SBCTA and/or the railroad operator(s). Prior to the commencement of work, the contractor shall submit to SBCTA for review and approval, a description of the work process including a detailed schedule of all work activities to be carried out on SBCTA property.

SCRRA's Right of Way Engineers Office - (909) 394 - 3418;

BNSF's Roadmaster Office - (909) 386 - 4061

EXHIBIT "D"

3. Contractor at its sole cost and expense shall obtain and maintain, in full force and effect, insurance, as required by SBCTA and the railroad operator(s) during the entire construction period. The Contractor shall furnish copies of the insurance certificates to SBCTA and all affected railroad operators.
4. Contractor agrees to comply with instructions of SBCTA and each railroad operator's Employee-In-Charge (EIC) and other representatives in relation to the proper manner of protection of the tracks and the traffic moving thereon, pole lines, signals and other property of SBCTA or its member agencies, tenants or licensees at or in the vicinity of the work, and shall perform the work at such times as not to endanger or interfere with safe and timely operations of railroad operators or of SBCTA's track and other facilities.
5. Contractor will call the appropriate operating railroad to arrange for flagging services a minimum of fifteen (15) working days prior to beginning work. Although every effort is made to accommodate schedules, prior notification does not guarantee the availability of protective/flagging services for the proposed date of work. The SCRRA/BNSF flagman/EIC has sole authority to protect safe railroad operations and infrastructure, therefore, only they and their representatives are permitted to perform flagging operations within the railroad right-of-way. At all times the contractor shall follow the flagman/EIC's direction. Contractor's work may not proceed in the absence of a flagman in accordance with applicable rules. At no time shall any contractor be permitted to cross any track or place or maintain any personnel or equipment within the railroad right-of-way without the permission of the railroad flagman.

SCRRA's Flagging Office (213) 305-8424

BNSF's Flagging Office (909) 386-4061

6. Prior to the start of construction and at the contractor's expense, all personnel including subcontractors and third parties shall complete SCRRA's/BNSF's Third Party Safety Training course, which is required for all work near or within the railroad right-of-way. Evidence of training must be supplied upon request of SBCTA and its representatives. No work may commence on the railroad right-of-way until this training has been completed. The contractor shall make the necessary arrangements for each equipment operator to have constant and direct radio contact with their foreman. The foreman will in turn have constant and direct contact with the SCRRA/BNSF flagman/EIC.
7. Contractor shall be responsible for the location and protection of any and all surface, sub-surface, and overhead lines, structures and improvements. Contractor shall not damage, destroy or interfere with any existing encumbrances, licenses and rights (whether public or private), granted upon or relating to the railroad right-of-way. It shall be the Contractor's responsibility to contact Underground Alert and locate all underground facilities prior to the commencement of construction. At the same time, the contractor shall notify the operating railroad for signal and communications cables and conduits mark-outs. Contractor shall obtain permission from the owners of any fiber optic, gas, electrical, water, oil or other lines which may be impacted by work on or any use of the Premises by Contractor.

SCRRA Signal Department (909) 592-1346

BNSF Signal Department (909) 386-4051

EXHIBIT "D"

8. In case of signal emergencies or grade crossing problems, the contractor shall call the following emergency numbers.

SCRRA Signal Emergency Department (888) 446-9721

BNSF Signal Emergency Department (909) 386-4051

9. Contractor shall prepare and submit traffic control plan for SBCTA/SCRRA approval for projects that will affect vehicular traffic at an existing highway-rail grade crossing.
10. If SBCTA or any of its associated rail entities or railroad operators deem it necessary in the future, to modify, or to build additional, track or tracks or other facilities in connection with the operation of its railroad, at the request of SBCTA, contractor shall modify, at its own expense, any or all of its permitted facilities to conform to the rail facilities.
11. Both Contractor and SBCTA acknowledge that the Premises is Licensed in "AS IS" condition and any track removal, grading, paving and fencing as may be necessary or required to meet Contractor's needs will be the sole responsibility and at the sole cost of the Contractor and subject to SBCTA's and any affected operating railroad's prior review and approval, which may be withheld in SBCTA's or the affected operating railroad's sole and absolute discretion. SBCTA or the affected operating railroad may require that any track removal and/or other work within the right-of-way be done by SBCTA or the railroad operator, respectively, but all such work shall remain at the sole cost of the Contractor, who may be required to deposit the estimated cost plus 25% in advance of the work, subject to refund or additional charge at the conclusion of the work. No permanent structures may be constructed on the premises without SBCTA's prior written approval. Contractor will be responsible for the removal of any or all permitted improvements upon termination of Agreement as directed by SBCTA.
12. Contractor shall pay for any and all utilities for its benefit, security and use.
13. SBCTA makes no warranties as to the suitability of the location for Contractor's intended use, and Contractor assumes all risks as to environmental compliance, zoning, visibility, or any other factors which may affect Contractor's intended use of the premises.
14. Boring of carrier or direct burial utilities by directional boring methods is prohibited.
15. Signs are not permitted on or along the perimeter of the Premises unless such signs were requested and approved under Contractor's original proposal and covered by the required insurance. The contractor shall install permanent signs identifying the location of pipes at the edge of the railroad right-of-way unless within a public grade crossing.
16. Contractor shall not bring upon or use any import soil on the Premises in conjunction with any purposes allowed under this Agreement, until said import soil has been laboratory tested by a *certified hazardous waste testing laboratory* and the test results have been approved by SBCTA. Additionally, any soil currently existing on the Premises may not be spread on the Premises unless and until it is characterized as clean soil to the reasonable satisfaction of SBCTA. All soil piles are to be placed on a barrier to prevent intermingling with surface soils.

EXHIBIT "D"

17. Contractor shall keep the Premises free and clear of weeds, trash, vegetation, unauthorized vehicle parking and graffiti and from occupancy by transients/homeless persons or individuals. Contractor shall be fully responsible for all maintenance and maintenance of adjoining SBCTA property that is required or necessary in connection with Contractor's use of Premises.
18. Prior to commencement of construction, the contractor shall submit to SBCTA / SCRRA a plan showing the proposed method of casing installation, construction access, stockpile locations, SWPPP control measures, fencing type and location and a milestone schedule.
19. For pipelines carrying flammable or hazardous materials, the contractor shall adhere to special conditions stated in the Right of Entry (ROE) Agreement.
20. The jacking and receiving pits shall be constructed outside of the railroad right of way unless shown on the SBCTA approved plans and shall not be located between any track and the automatic signal gate arms. The contractor shall layout the proposed jack and bore pits prior to the commencement of work. Only after the SBCTA/SCRRA inspector has approved the layout will the Contractor be allowed to begin work.
21. Contractor shall construct a temporary fence along the railroad right-of-way, or along the edge of pits closest to the track, on both sides of the pit, extending 50-feet in both directions from the pit, and measuring a minimum of 6-feet high. Fences are not required for work at grade crossings. Contractor shall pave the Premises area with asphalt or concrete, when requested, around the entire perimeter of the property as described in the Agreement in Part I and Exhibit "A". Contractor shall be responsible for total expense of fencing and asphalt.
22. All jack and bore operations within the railroad right-of-way shall be performed continuously on a 24-hour basis until work is completed with a SCRRA/BNSF flagman and SCRRA/BNSF inspector present at all times. Should work begin without the flagman and inspector present, the work will be halted and any casing installed will be abandoned in place, pressure grouted full, and capped to the satisfaction of SBCTA.
23. The contractor shall submit to SBCTA/SCRRA for review, drawings and calculations for any shoring that may affect or be influenced by the railroad tracks. All shoring designs shall comply with the requirements of, and be approved by, SBCTA and/or the affected operating railroad. All drawings and calculations shall be signed and stamped by a California licensed Civil or Structural Professional Engineer.
24. Prior to commencement of work, the contractor shall submit to SBCTA/SCRRA for review, load calculations for the proposed jacking casing with applied load as defined by Cooper E-80 with a 50% added impact load. The calculations shall be signed and stamped by a California licensed Civil or Structural Professional Engineer.
25. Should ground water or loose or unstable soils conditions be encountered during construction, the contractor shall immediately stop work, notify the railroad flagman, provide necessary structural support to track and other railroad structures, and notify the affected operating railroads and SBCTA. It shall be the responsibility of the contractor to make necessary corrections to the construction process to allow for said conditions.
26. All underground utilities under railroad tracks shall be encased in a larger pipe or conduit called the "casing pipe". Said casing pipe shall be installed across the entire width of the

EXHIBIT "D"

railroad right-of-way and shall extend beyond the right of way a minimum of 10-feet. The top of the casing shall have a minimum depth of 6-feet below the top of tie and a minimum depth of 5-feet below ground surface including bottom of ditches and other low points within the railroad right-of-way. All ends of the casing pipe shall be sealed unless otherwise authorized by SBCTA. Casing and carrier pipes shall be constructed to prevent leakage of any substance. When casing pipes are sealed at each end, vent pipes shall be installed. All casing pipes shall be installed with a minimum slope of 1%. Installation of casing pipes by open trenching is prohibited.

27. Abandoned pipes shall be removed from their casing pipes. The empty casing pipe shall be pressure grouted full for the entire length of the pipe. Should there be no casing pipe; the abandoned pipe shall be pressure grouted full the entire length of the pipe. A SBCTA / SCRRA inspector must be present during the grouting process.
28. Casing jacking shall adhere to the following requirements:
 - a. This method shall be in accordance with the American Railway Engineering and Maintenance of Way Association recommended practices, Volume 1, Chapter 1, Part 4, "Earth Boring and Jacking Culvert Pipe Through Fills." This operation shall be conducted without hand-mining ahead of the pipe and without the use of any type of boring, augering, or drilling equipment.
 - b. Bracing and backstops and jacks shall be designed and used with sufficient rating so that the jacking can progress without stoppage (except for adding lengths of pipe) until the leading edge of the pipe reaches the receiving pit.
 - c. During jacking, an earth plug 1.5 times the diameter of the casing shall be maintained at all times. Jacking operations shall be continuous on a non-stop, 24-hour per day basis until the jacking operation is completed.
29. Casing boring shall adhere to the following requirements:
 - a. This method consists of pushing the pipe into the fill with a boring auger rotating within the pipe to remove the spoil. When augers or similar devices are used for casing replacement, the front of the pipe shall be provided with mechanical arrangements or devices that will positively prevent the auger from leading the casing so that there will be no unsupported excavation ahead of the casing. The auger and cutting head arrangement shall be removable from within the pipe in the event an obstruction is encountered. The over-cut by the cutting head shall not exceed the outside diameter of the pipe by more than one-half inch. The face of the cutting head shall be arranged to provide reasonable obstruction to the free flow of soft or poor material.
 - b. The use of water or other liquids to facilitate casing placement and /or spoil removal is prohibited.
 - c. Plans and descriptions of the auger stop arrangement to be used shall be submitted to SBCTA / SCRRA for approval prior to commencement of work.

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- d. Any method which employs simultaneous boring and jacking or drilling and jacking for pipes over 8-inches in diameter that does not adhere to the above requirements will not be permitted. For casings 8-inches and smaller in diameter, augering or boring without the same requirements may be considered if approved by SBCTA/SCRRA.
- 30. If an obstruction is encountered during installation of the casing pipe that will stop the forward action of the pipe, and it becomes evident that it is impossible to advance the pipe, operations will cease and the pipe shall be abandoned in-place and pressure grouted full before continuing with work. Location, length, and depth of abandoned casing pipes and carrier pipes shall be shown on the as-built drawings.
- 31. Bored or jacked installations shall have a bored-hole diameter essentially the same as the outside diameter of the casing plus the thickness of the protective coating. If voids should develop or if the bored-hole diameter is greater than the outside diameter of the casing pipe, plus coating, by more than approximately 1-inch, grouting or other methods as approved by SBCTA/SCRRA shall be employed to fill such voids.
- 32. Pressure grouting of the soils before or during jacking or boring may be required to stabilize the soil, control water, prevent loss of material, and prevent settlement or displacement of the ground and/or tracks. Grout shall be cement, chemical or other special injection material selected to accomplish the necessary stabilization. The grouting contractor shall be a specialist in the field with a minimum of 5-years continuous experience of successfully grouting soil. Materials to be used and the method of injection shall be prepared by a California licensed Geotechnical Engineer, or by an experienced and qualified company specializing in this work and submitted for approval by SBCTA/SCRRA prior to the commencement of work. Proof of experience and competency shall accompany the submission.
- 33. When water is known or expected to be encountered, pumps of sufficient capacity to handle the flow shall be maintained at the site and be constantly attended operationally on a 24-hour per day basis until the SBCTA/SCRRA inspector determines their operation can be safely halted. When dewatering, close observation shall be maintained to detect any settlement or displacement of track, ground, or facilities.
- 34. The dewatering system shall lower and maintain the ground water level a minimum of 2-feet below the invert at all times during construction by utilizing well points, vacuum well points, or deep wells to prevent the inflow of water or water and soil into the heading. Ground water observation wells may be required to demonstrate that the dewatering requirements are being complied with.
- 35. The proposed methods of dewatering shall be submitted to SBCTA/SCRRA prior to the commencement of work. The discharge from the dewatering operations in the vicinity of the railroad shall be carefully monitored. Should excessive fine soils particles, pollutants, or hazardous materials or fluids be observed at any time during the dewatering process, the dewatering shall be halted immediately and cannot resume until the unsatisfactory condition is remedied to the satisfaction of the SBCTA/SCRRA inspector.

EXHIBIT "D"

36. All backfilling shall be at 90% relative dry compaction. For areas within or that affect the railroad right-of-way, the contractor shall submit a compaction report prepared by a California licensed Geotechnical Professional Engineer prior to release of any deposited fund balance.
37. The Contractor shall remove all temporary facilities constructed on the railroad right-of-way, debris, and other items not originally at the site prior to construction and shall notify SBCTA and any affected operating railroad that all construction has been completed. After as-builts have been received, SBCTA inspects the construction site and signs-off the work, SBCTA will release any unused deposit funds it holds. Contractor shall be responsible to arrange refunds due from any affected operating railroads.
38. A minimum of five feet (5') clearance is required above signal and communication lines for overhead crossings.
39. Poles for any use within the railroad right-of-way must be located fifty-feet (50') out from the centerline of the railroad main, branch and running tracks, CTC sidings, and heavy tonnage spurs. Pole locations adjacent to industry track must provide at least a ten foot (10') clearance from the centerline of track, when measured at right angles. If located adjacent to curved track, then said clearance must be increased at the rate of 1.5 inches per degree of curved track.
40. Regardless of the voltage, un-guyed poles shall be located a minimum distance from the centerline of any track, equal to the height of the pole above the ground-line plus ten feet (10'). If guying is required, the guys shall be placed in such a manner as to keep the pole from leaning/falling in the direction of the tracks.
41. Poles must be located a minimum distance from the railroad signal and communication line equal to the height of the pole above the ground-line or else be guyed at right angles to the lines. High voltage towers (34.5 kV and higher) must be located off railroad right-of-way.
42. Grade crossings or temporary grade crossing must not be installed under or within five-hundred feet (500') of the end of any railroad bridge, or three hundred feet (300') from the centerline of any culvert or switch area.
43. For overhead crossings, complete spanning of the property is encouraged with supportive structures and appurtenances located outside of the railroad property. For electric supply and communication lines, normally the crossing span shall not exceed one-hundred fifty-feet (150') with adjacent span not exceeding 1.5 times the crossing span length. For heavier type construction, longer spans will be considered.
44. To ensure that overhead crossings are clear from contact with any equipment passing under such wires, communication lines shall be constructed with a minimum clearance above top of rail of twenty-eight feet (28').. Electric lines must have a fluorescent ball marker on low wire over centerline track.
45. The utility owner will label the poles closest to the crossing with the owner's name and telephone number for emergency contact.
46. Overhead flammable and hazardous material lines are prohibited.

EXHIBIT “D”

47. Because inductive interference from certain types of lines have the potential to disrupt the railroad signal and communication systems causing failures with the signals, communication, and at-grade crossing warning devices, . SBCTA may require that an inductive coordination study be performed prior to approval of the permitted use at the expense of the utility owner for proposed electrical lines crossing tracks.
48. Joint-use construction is encouraged at locations where more than one utility or type of facility is involved. However, electricity and petroleum, natural gas or other flammable materials shall not be combined.

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