

CITY COUNCIL AGENDA: JANUARY 20, 2015

CONSENT CALENDAR

SUBJECT: RESCIND RESOLUTION 61-2014 AND ADOPT A REVISED RESOLUTION APPROVING AND AUTHORIZING THE PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS WITH THE UNION PACIFIC RAILROAD COMPANY

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: At the August 19, 2014, City Council meeting, the Council approved Resolution 61-2014 which approved and authorized the Purchase and Sale Agreement and Escrow Instructions ("Agreement") with the Union Pacific Railroad Company. The purpose of the acquisition is to preserve the railroad property within and near Porterville for the purpose of meeting future transportation needs.

The Property is generally defined as the 8.2± mile rail line which is bounded to the north by Frazier Highway (Avenue 196) and to the south by Teapot Dome Avenue (Avenue 128), together with all culverts, ballast, bridge structures and appurtenances.

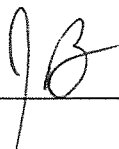
Upon review of the closing documents, the Union Pacific Railroad Company has requested that the Agreement not be recorded, but rather be adopted by reference through the resolution. Furthermore, an amendment to the Agreement has been approved and is incorporated therein.

Attached is a draft resolution to rescind Resolution No. 61-2014 and a draft resolution with the corrections incorporated.

RECOMMENDATION: That the City Council:
1. Adopt draft resolution to rescind Resolution No. 61-2014; and
2. Adopt the new draft resolution

ATTACHMENTS:
1. Resolution No. 61-2014
2. Draft Resolution to Rescind Resolution No. 61-2014
3. Draft Resolution

DD



APPROPRIATED/FUNDED



CM



ITEM NO.

17

RESOLUTION NO. 61-2014

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE
APPROVING AND AUTHORIZING THE PURCHASE AND SALE AGREEMENT
AND ESCROW INSTRUCTIONS WITH THE UNION PACIFIC RAILROAD
COMPANY, A DELAWARE CORPORATION

WHEREAS, the City of Porterville desires to preserve the railroad property within and near Porterville for the purpose of meeting future transportation needs; and

WHEREAS, the Union Pacific Railroad Company, a Delaware Corporation has agreed to sell the abandoned 8.2± mile rail line, bounded to the north by Frazier Hwy (Avenue 196) and to the south by Teapot Dome Avenue (Avenue 128), together with all culverts, ballast, bridge structures and appurtenances, to the City of Porterville; and

WHEREAS, City staff has negotiated an agreement for the purchase of the Property, which terms and conditions are set forth in the Purchase and Sale Agreement and Escrow Instructions ("Agreement") attached as Exhibit A.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF PORTERVILLE DOES HEREBY RESOLVE AS FOLLOWS:

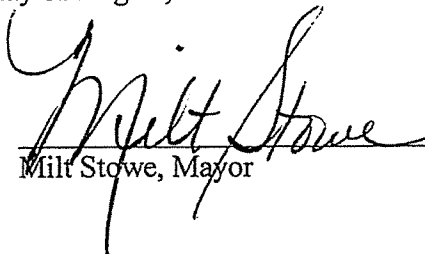
Section 1. That the above recitals are true and correct and incorporated herein.

Section 2. That the Agreement, attached as Exhibit A, is hereby approved

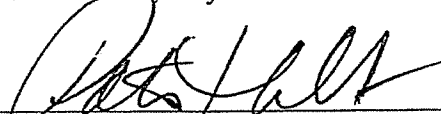
Section 3. That the City Council authorizes and directs the City Manager and/or City Attorney to make any final modifications to the Agreement that are consistent with the substantive terms of the Agreement approved hereby, and to thereafter authorize the Mayor to sign the Agreement on behalf of the City.

Section 4. That the City Council authorizes and directs the Mayor to (i) sign such other and further documents, including but not limited to escrow instructions and (ii) take such other and further actions, as may be necessary and proper to carry out the terms of the Agreement.

PASSED, APPROVED, and ADOPTED this 19th day of August, 2014.


Milt Stowe, Mayor

ATTEST:
John D. Lollis, City Clerk


By: Patrice Hildreth, Chief Deputy City Clerk

**ATTACHMENT
ITEM NO. |**

**PURCHASE AND SALE AGREEMENT
AND ESCROW INSTRUCTIONS**

Between

**UNION PACIFIC RAILROAD COMPANY,
a Delaware corporation**

SELLER

And

**CITY OF PORTERVILLE,
a California municipal corporation**

BUYER

DATED: _____, 2014

Exhibit A

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- EXHIBIT E - ESCROW HOLDER GENERAL PROVISIONS
- EXHIBIT F - SEPARATE STATEMENT OF DOCUMENTARY TRANSFER TAX

("Escrow Holder")

_____, California _____
Attention: _____
Telephone: _____
E-Mail: _____

Escrow No. _____
Date of Opening of
Escrow: _____

**PURCHASE AND SALE AGREEMENT
AND ESCROW INSTRUCTIONS**

THIS PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS (the "Agreement") is made as of _____, 2014 ("Execution Date"), by and between **UNION PACIFIC RAILROAD COMPANY**, a Delaware corporation ("Seller"), and **CITY OF PORTERVILLE**, a California municipal corporation ("Buyer").

**ARTICLE 1
PROPERTY**

1.1 The Property. Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller the real property in Porterville, Tulare County, California, shown on the print dated February 5, 2014 attached as **Exhibit A** (the "Property"), together with all culverts, ballast, bridge structures and appurtenances thereto (the "Personal Property"), subject to the terms and conditions of this Agreement, any and all applicable federal, state and local laws, orders, rules, regulations, any and all outstanding rights of record or open and obvious on the ground, and all matters in the form of the Quitclaim Deed attached as **Exhibit B** (the "Deed"), including, without limitation, the following reservation:

EXCEPTING from this sale and RESERVING unto Seller, its successors and assigns, forever all minerals and all mineral rights of every kind and character now known to exist or hereafter discovered, including, without limitation, oil and gas and rights thereto, together with the sole, exclusive and perpetual right to explore for, remove and dispose of said minerals by any means or methods suitable to Seller, its successors and assigns, but without entering upon or using the surface of the Property, and in such manner as not to damage the surface of the Property or to interfere with the use of the Property by Buyer, its successors or assigns. It is understood that this mineral reservation does not include any water rights.

1.2 The Bridges. All of Seller's right, title and interest in and to the Bridges shall be transferred to Buyer by Bill of Sale in the form attached hereto as **Exhibit C** and made a part hereof.

ARTICLE 2 PURCHASE PRICE

2.1 Purchase Price The purchase price ("Purchase Price") for the Property is THREE MILLION DOLLARS (\$3,000,000.00).

2.2 Payment of Purchase Price. Buyer shall pay the Purchase Price as follows:

2.2.1 Deposit. Concurrently with Buyer's execution and delivery of this Agreement to Seller, Buyer shall deliver to Escrow Holder, for deposit into the above-referenced numbered escrow account (the "Escrow"), the sum of TEN THOUSAND DOLLARS (\$10,000.00) as a deposit toward the Purchase Price (the "Deposit"). Buyer shall pay the Deposit by cashier's or certified check drawn upon a California financial institution, or by cash deposit or a wire transfer of U.S. funds for immediate credit ("Good Funds"). The Deposit will be applied towards the Purchase Price at Closing (as defined in Section 8.2.1) and will become nonrefundable upon the expiration of the Feasibility Review Period (as defined in Section 5.3), except in the event of a material default by Seller or the failure of a condition precedent to Buyer's obligations hereunder, or termination of this Agreement pursuant to Article 10.

2.2.2 Investment of Deposit. The Deposit, upon receipt by Escrow Holder, will be invested by Escrow Holder in an interest-bearing money market or a savings account with a national banking association or federally chartered savings and loan association. Interest earned on the Deposit will accrue to the benefit of Buyer; provided, however, that in the event of any default by Buyer under this Agreement, all interest on the Deposit will accrue to the benefit of Seller. All references to the Deposit in this Agreement include any interest accrued on the Deposit from Escrow Holder's investment thereof. Escrow Holder shall use Buyer's tax identification number which is 94-6000398 to report any interest which may accrue on the Deposit.

2.2.3 Balance. At least one (1) business day prior to the Closing Date (as defined in Section 8.2.1), Buyer shall deliver to Escrow Holder a sum equal to the Purchase Price, together with Buyer's share of prorations and costs of Escrow as provided in Sections 8.6 through 8.8, less the amount of the Deposit. Buyer shall pay such sum in Good Funds.

2.3 Deposit as Liquidated Damages. IN THE EVENT THE SALE OF THE PROPERTY IS NOT CONSUMMATED BECAUSE OF A DEFAULT UNDER THIS AGREEMENT ON THE PART OF BUYER, ESCROW HOLDER MAY BE INSTRUCTED BY SELLER TO CANCEL THE ESCROW. IF ESCROW IS CANCELLED, THEN SELLER WILL THEREUPON BE RELEASED FROM ITS OBLIGATIONS UNDER THIS AGREEMENT. THE DEPOSIT WILL BE RETAINED BY SELLER AS LIQUIDATED DAMAGES, BUYER SHALL DELIVER TO SELLER ALL OF THE MATERIALS REQUIRED TO BE DELIVERED TO SELLER PURSUANT TO SECTION 3.2, AND ESCROW HOLDER IS HEREBY AUTHORIZED AND INSTRUCTED TO RELEASE THE DEPOSIT TO SELLER. ESCROW HOLDER IS HEREBY RELIEVED OF LIABILITY FOR SO RELEASING THE DEPOSIT TO SELLER. IF BUYER ATTEMPTS TO INTERFERE

WITH THE RELEASE OF THE DEPOSIT BY ESCROW HOLDER TO SELLER, THEN SELLER WILL NOT BE LIMITED IN THE AMOUNT OF DAMAGES IT MAY RECOVER FROM BUYER. IN THE EVENT OF A DEFAULT BY BUYER AS AFORESAID, BUYER SHALL PAY ALL TITLE AND ESCROW CANCELLATION CHARGES. THE PARTIES ACKNOWLEDGE THAT SELLER'S ACTUAL DAMAGES IN THE EVENT OF A DEFAULT BY BUYER WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. THEREFORE, BY PLACING THEIR SIGNATURES OR INITIALS BELOW, THE PARTIES ACKNOWLEDGE THAT THE DEPOSIT, THE ACTUAL TITLE, AND ESCROW CANCELLATION CHARGES AND BUYER'S DELIVERY OF THE MATERIALS DESCRIBED IN SECTION 3.2 HAVE BEEN AGREED UPON, AFTER NEGOTIATION, AS REASONABLE LIQUIDATED DAMAGES PURSUANT TO THE TERMS HEREOF AND CALIFORNIA CIVIL CODE SECTIONS 1671 AND 1677 AND WILL CONSTITUTE SELLER'S EXCLUSIVE REMEDY AGAINST BUYER IN THE EVENT OF A DEFAULT ON THE PART OF BUYER PROVIDED THE DEPOSIT IS RELEASED TO SELLER AS AFORESAID. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION 2.3, BUYER AND SELLER ACKNOWLEDGE AND AGREE THAT IN THE EVENT OF A DEFAULT BY BUYER, THE OBLIGATIONS OF AND INDEMNITY BY BUYER IN SECTION 3.2, THE CONFIDENTIALITY PROVISIONS OF SECTION 12.21 AND THE PROVISIONS OF SECTIONS 9.3 AND 12.20 (HEREAFTER "SURVIVING OBLIGATIONS") WILL NOT BE LIMITED, IMPAIRED OR OTHERWISE AFFECTED BY ANY TERMINATION OF THIS AGREEMENT OR ANY LIQUIDATED DAMAGES RECEIVED BY SELLER PURSUANT TO THIS SECTION 2.3 AS A RESULT OF SUCH DEFAULT.

SELLER: _____

BUYER: _____

2.4 Waiver of Right to Record Lis Pendens. AS A MATERIAL CONSIDERATION FOR SELLER ENTERING INTO THIS AGREEMENT, BUYER EXPRESSLY WAIVES (A) ANY RIGHT UNDER CALIFORNIA CODE OF CIVIL PROCEDURE, PART II, TITLE 4.5 (SECTION 405 – 405.61) OR AT COMMON LAW OR OTHERWISE TO RECORD OR FILE A LIS PENDENS OR A NOTICE OF PENDENCY OF ACTION OR SIMILAR NOTICE AGAINST ALL OR ANY PORTION OF THE PROPERTY, (B) ITS RIGHT TO SPECIFIC PERFORMANCE IN CONNECTION WITH ANY ALLEGED DEFAULT BY SELLER HEREUNDER AND (C) ITS RIGHT TO BRING ANY ACTION THAT WOULD IN ANY WAY AFFECT TITLE TO OR THE RIGHT OF POSSESSION OF ALL OR ANY PORTION OF THE PROPERTY. BUYER HEREBY WAIVES THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 3389. BUYER ACKNOWLEDGES AND AGREES THAT PRIOR TO THE ACTUAL CLOSE OF ESCROW, BUYER DOES NOT AND WILL NOT HAVE ANY RIGHT, TITLE AND/OR INTEREST IN THE PROPERTY OR ANY PORTION THEREOF. BUYER AND SELLER HEREBY EVIDENCE THEIR SPECIFIC AGREEMENT TO THE TERMS OF THIS WAIVER BY PLACING THEIR SIGNATURES OR INITIALS IN THE PLACE PROVIDED BELOW.

SELLER: _____

BUYER: _____

**ARTICLE 3
AS IS SALE; RELEASE AND INDEMNITY; INSPECTION**

3.1 As Is Sale; Release and Indemnity

3.1.1 "As Is" Sale. Buyer and its representatives, prior to the Closing Date, will have been afforded the opportunity to make such inspections of the Property and matters related thereto as Buyer and its representatives desire, including, without limitation, governmental laws and regulations to which the Property is subject. Buyer shall accept the Property upon the basis of its review and determination of the applicability and effect of such laws and regulations. Buyer acknowledges and agrees that the Property is to be sold and quitclaimed to and accepted by Buyer in an "as is" condition with all faults, and that the Property has been used for, among other things, railroad operating right-of-way. Seller does not make any representations or warranties of any kind whatsoever, either express or implied, with respect to the Property or any of such related matters; in particular, but without limitation, Seller makes no representations or warranties with respect to the use, condition, title, occupation or management of the Property, compliance with applicable statutes, laws, codes, ordinances, regulations or requirements relating to leasing, zoning, subdivision, planning, building, fire, safety, health or environmental matters, compliance with covenants, conditions and restrictions (whether or not of record), other local, municipal, regional, state or federal requirements, or other statutes, laws, codes, ordinances, regulations or requirements (collectively, "Condition of the Property"). Buyer acknowledges that it is entering into this Agreement on the basis of Buyer's own investigation of the physical and environmental conditions of the Property, including the subsurface conditions and Buyer assumes the risk that adverse physical and environmental conditions may not have been revealed by its investigation.

3.1.2 Release. BUYER, FOR ITSELF, ITS SUCCESSORS AND ASSIGNS, HEREBY WAIVES, RELEASES, REMISES, ACQUITS AND FOREVER DISCHARGES SELLER, SELLER'S EMPLOYEES, AGENTS, OR ANY OTHER PERSON ACTING ON BEHALF OF SELLER, OF AND FROM ANY CLAIMS, ACTIONS, CAUSES OF ACTION, DEMANDS, RIGHTS, DAMAGES, COSTS, EXPENSES, PENALTIES, FINES OR COMPENSATION WHATSOEVER, DIRECT OR INDIRECT, WHICH BUYER NOW HAS OR WHICH BUYER MAY HAVE IN THE FUTURE ON ACCOUNT OF OR IN ANY WAY ARISING OUT OF OR IN CONNECTION WITH THE CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE KNOWN OR UNKNOWN PHYSICAL OR ENVIRONMENTAL CONDITION OF THE PROPERTY (INCLUDING, WITHOUT LIMITATION, ANY CONTAMINATION IN, ON, UNDER OR ADJACENT TO THE PROPERTY BY ANY HAZARDOUS OR TOXIC SUBSTANCE OR MATERIAL), OR ANY FEDERAL, STATE OR LOCAL LAW, ORDINANCE, RULE OR REGULATION APPLICABLE THERETO, INCLUDING, WITHOUT LIMITATION, THE TOXIC SUBSTANCES CONTROL ACT, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT, AND THE RESOURCE CONSERVATION AND RECOVERY ACT. THE FOREGOING APPLIES REGARDLESS

OF ANY NEGLIGENCE OR STRICT LIABILITY OF SELLER, ITS AFFILIATES, THEIR EMPLOYEES, AGENTS, OFFICERS, SUCCESSORS OR ASSIGNS. WITH RESPECT TO THE FOREGOING RELEASE, BUYER EXPRESSLY WAIVES THE BENEFITS AND PROTECTIONS OF SECTION 1542 OF THE CIVIL CODE OF THE STATE OF CALIFORNIA, WHICH READS AS FOLLOWS:

1542. Certain Claims Not Affected by General Release. A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

BUYER HEREBY EVIDENCES ITS SPECIFIC AGREEMENT TO THE TERMS OF THIS RELEASE BY PLACING ITS SIGNATURE OR INITIALS BELOW.

Buyer's Initials

3.1.3 Indemnity. FROM AND AFTER CLOSING, BUYER SHALL, TO THE MAXIMUM EXTENT PERMITTED BY LAW, INDEMNIFY, DEFEND AND SAVE HARMLESS SELLER, ITS AFFILIATES, THEIR EMPLOYEES, AGENTS, OFFICERS, SUCCESSORS AND ASSIGNS, FROM AND AGAINST ANY AND ALL SUITS, ACTIONS, CAUSES OF ACTION, LEGAL OR ADMINISTRATIVE PROCEEDINGS, CLAIMS, DEMANDS, FINES, PUNITIVE DAMAGES, LOSSES, COSTS, LIABILITIES AND EXPENSES, INCLUDING ATTORNEY'S FEES, IN ANY WAY ARISING OUT OF OR CONNECTED WITH THE CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE KNOWN OR UNKNOWN PHYSICAL OR ENVIRONMENTAL CONDITION OF THE PROPERTY (INCLUDING, WITHOUT LIMITATION, ANY CONTAMINATION IN, ON, UNDER OR ADJACENT TO THE PROPERTY BY ANY HAZARDOUS OR TOXIC SUBSTANCE OR MATERIAL), OR ANY FEDERAL, STATE OR LOCAL LAW, ORDINANCE, RULE OR REGULATION APPLICABLE THERETO, INCLUDING, WITHOUT LIMITATION, THE TOXIC SUBSTANCES CONTROL ACT, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT, AND THE RESOURCE CONSERVATION AND RECOVERY ACT. THE FOREGOING APPLIES REGARDLESS OF ANY NEGLIGENCE OR STRICT LIABILITY OF SELLER, ITS AFFILIATES, THEIR EMPLOYEES, AGENTS, OFFICERS, SUCCESSORS OR ASSIGNS.

3.1.4 General Allocation of Environmental Responsibility. With respect to any existing or future environmental contamination of the soil and/or groundwater in, on or under the Property, from and after Closing, Buyer, at no cost to Seller, agrees to be solely responsible for conducting any investigation, monitoring, remediation, removal, response or other action required by any governmental agency, court order, law or regulation or otherwise necessary to make the Property suitable for Buyer's use of the Property.

3.1.5 Survival. The provisions of this Section 3.1 will survive the Closing and the delivery of the Deed.

3.1.6 Additional and Independent Consideration. The release, indemnity and general allocation of environmental responsibility by Buyer under this Section 3.1 are additional and independent consideration to Seller for the sale and purchase of the Property, without which Seller would not sell the Property for the Purchase Price.

3.2 Inspection

3.2.1 During the term of the Feasibility Review Period (as defined in Section 5.3), Buyer and its representatives (including architects and engineers) have the right to enter upon and inspect the Property and conduct such boundary and topographic surveys, soil and engineering tests and environmental assessments with engineers or consultants licensed in the State of California as Buyer may reasonably require. Such inspections and tests must not materially damage the Property in any respect, and must be conducted in accordance with standards customarily employed in the industry and in compliance with all governmental laws, rules and regulations. Buyer shall notify Seller in writing at least forty-eight (48) hours prior to the date that each and every of such testing or inspections are to be conducted on the Property, and provide evidence, satisfactory to Seller, of the availability of adequate public liability and other insurance, which insurance must name Seller as an additional insured. If Buyer wishes to perform any environmental sampling, then Buyer shall (a) before conducting any sampling, provide Seller with Buyer's work plan for sampling and shall modify the work plan as reasonably requested by Seller, (b) give Seller reasonable advance notice of the dates when sampling will be conducted so that Seller and/or its consultants have the opportunity to be present, (c) conduct any sampling in accordance with the work plan referred to under (a) above and with generally accepted environmental engineering standards, and (d) provide Seller with the draft report on such sampling for Seller's review and comments prior to the report being placed in final form, and give reasonable consideration to such comments. **To the extent permitted under California public records laws, Buyer and its agents and contractors will maintain in confidence all information, reports, and evaluations generated in connection with any environmental assessments and will not make disclosure without the prior written consent of Seller. In the event Buyer receives a public records request for such information, Buyer shall provide Seller notice of such request. If Buyer discovers hazardous or toxic substances or materials on the Property, Buyer will immediately notify Seller.**

3.2.2 Following each entry by Buyer on the Property, Buyer shall promptly restore the Property to its original condition as existed prior to any such inspections and/or tests. If Buyer, its agents, representatives or employees undertake any boring or other disturbance of the soil, the soil so disturbed must be recompacted to the original condition of the Property and Buyer shall obtain at its own expense a certificate from a soils engineer that certifies that such soil so disturbed has been recompacted to the original condition of the Property.

3.2.3 Buyer shall indemnify, hold harmless and defend (with counsel acceptable to Seller) Seller and Seller's affiliates ("Seller's affiliates" means any corporation which directly or indirectly controls or is controlled by or is under common control with Seller), its and their officers, agents servants and employees against and from any and all liability, loss, cost, damage or expense (including, without limitation, attorneys' fees) of whatsoever nature growing out of or

in connection with personal injury to or death of persons whomsoever (including, without limitation, exposure to hazardous or toxic substances), or loss or destruction of or damage to property whatsoever (including, without limitation, contamination by hazardous or toxic substances and any required testing, removal or cleanup thereof), where such personal injury, death, loss, destruction or damage arises from or is related to the occupation or use of the Property by, Buyer, its officers, agents or employees before Closing and occurs from any such cause.

3.2.4 If Buyer discovers any hydrocarbon substances or any other hazardous or toxic substances, asbestos or asbestos-bearing materials, waste or materials subject to legal requirements or corrective action, Buyer shall immediately notify Seller of the same, and Buyer will be subject to the confidentiality provisions of Section 3.2.1 above and Section 12.21. As a material consideration for Seller entering into this Agreement, Buyer shall, upon request by Seller, promptly deliver to Seller, without charge therefor, the results and copies of any and all surveys, reports, tests, studies or assessments made by or for Buyer, development approvals and correspondence with governmental entities with respect to the Property.

3.2.5 Buyer shall pay in full for all materials joined or affixed to the Property and for all persons who perform labor upon the Property, and must not permit or suffer any mechanic's or materialman's lien of any kind or nature to be enforced against the Property for any work done or materials furnished thereon at the instance or request or on behalf of Buyer. Buyer shall indemnify, hold harmless and defend (with counsel acceptable to Seller) Seller and Seller's affiliates, its and their officers, agents, servants and employees against and from any and all liens, claims, demands, costs and expenses of whatsoever nature in any way connected with or growing out of such work done, labor performed or materials furnished before Closing.

3.2.6 The indemnity obligations of Buyer under this Section will survive any termination of this Agreement or the delivery of the Deed and the transfer of title.

ARTICLE 4 TITLE TO PROPERTY

4.1 Title. At the Closing (as defined in Section 8.2.1), Seller shall execute and deliver to Buyer the Deed to the Property in the form of **Exhibit B** attached hereto. Title will be evidenced by the issuance by Chicago Title Company ("Title Company") of a CLTA Standard Coverage Owner's Policy of Title Insurance in the full amount of the Purchase Price (the "Title Policy"), insuring fee simple title to the Property in Buyer, subject only to:

4.1.1 A lien to secure payment of real property taxes and assessments, not delinquent;

4.1.2 Matters affecting the condition of title created or permitted to be created by or with the written consent of Buyer;

4.1.3 Standard exceptions in the Title Policy, and exceptions that are disclosed by the Title Report described in Section 5.1 or any supplementary report and that are approved or deemed approved by Buyer in accordance with Section 5.1;

4.1.4 Any other exceptions or reservations set forth in the Deed; and

4.1.5 Those certain leases or licenses identified in the records of Seller listed on Exhibit B to Exhibit D (collectively, the "Licenses"). At Closing, the Licenses will be assigned by Seller to and assumed by Buyer to the extent the Licenses affect the Property, by duly executed Assignment and Assumption Agreement (the "Assignment") in the form attached as Exhibit D. Rentals and other payments under the Licenses shall be prorated between Seller and Buyer as of the date of Closing.

4.2 Signboards. Four (4) advertising signboards and signboard appurtenances are located on the Property pursuant to Master Signboard Site License Agreement between Seller and Eller Media Company ("Eller") dated September 30, 1997 (the "Eller Agreement"), and pursuant to the following sublicense agreements with Eller:

(a) Agreement dated March 28, 1968 with Euclid Citrus Association, as amended, identified in the records of Seller as Audit No. S119170;

(b) Agreement dated November 23, 1954 with Glen O. Pettis, as amended, identified in the records of Seller as Audit Nos. S105464;

(c) Agreement dated August 2, 1973 with Cleveland Outdoor Advertising, as amended, identified in the records of Seller as Audit No. S172523; and

(d) Agreement dated April 1, 1994 with 3M National, as amended, identified in the records of Seller as Audit No. Audit S713771 (collectively, the "Sublicenses").

Upon Closing, Seller will send or cause to be sent to Eller notice of (1) withdrawal of the signboard sites on the Property from the Eller Agreement, and (2) Seller's election to have the Sublicenses assigned to Buyer if Closing occurs. The notice of withdrawal and election to assign the Sublicenses will be given in accordance with the provisions of the Eller Agreement. The withdrawal will be effective not less than thirty-five (35) days after the notice of withdrawal is sent to Eller. Seller will have no duty to enforce the obligations of Eller or the sublicensees with respect to withdrawal of the signboard sites or the assignment of the Sublicenses. Seller will, upon request from Buyer, assign to Buyer any of Seller's rights to enforce any such obligations of Eller and/or the sublicensees. The fee of \$_____ under the Eller Agreement for withdrawal of the signboard sites will be paid by Seller.

4.3 Unidentified Licenses. Seller agrees to deliver to Buyer, within thirty (30) days after the Execution Date, copies of all agreements covering the Property that are disclosed by Seller's Standard Real Estate Search. Seller's Standard Real Estate Search means the following procedure: Seller's Real Estate Department (i) determines the location of the property in question and converts the information into a data base inquiry which is run against Seller's Real

Estate Management System data base of over 300,000 active agreements to generate a list of documents affecting the property in question as revealed by the data base, and (ii) searches for the listed documents in the Real Estate Department records in Omaha, Nebraska, which location is where documents in Seller's Real Estate Management System data base are stored and maintained in the ordinary course of Seller's business. If any agreement that affects the Property is identified during Seller's Standard Real Estate Search, Seller's rights (including, without limitation, any income) and obligations under such agreement, to the extent such agreement affects the Property, will be assigned to and assumed by Buyer at Closing. Seller makes no representations or warranties with respect to the accuracy or completeness of the list of agreements generated by Seller's Standard Real Estate Search. Buyer acknowledges that the Property may be subject to licenses and other third party rights ("Unidentified Licenses") that have not been identified by Seller to Buyer from Seller's review of its records. It is the responsibility of Buyer to determine if any of these Unidentified Licenses exist. If any Unidentified License that affects the Property is identified after the Execution Date, Seller's rights (including, without limitation, any income) and obligations under such Unidentified License will be assigned to and assumed by Buyer at or after Closing to the extent such Unidentified License affects the Property, by duly executed Assignment in the form of **Exhibit D**.

4.3 Extended Coverage. Buyer, at its option and at its sole cost and expense, may obtain ALTA extended coverage and/or an ALTA survey, provided, however, that the failure to obtain such extended coverage will not be a condition to nor delay the Close of Escrow beyond the Closing Date, and that Seller will not be required to assume any obligations or liabilities in addition to Seller's obligations and liabilities under this Agreement.

ARTICLE 5 BUYER'S CONDITIONS TO CLOSING

The following are conditions precedent to Buyer's obligation to purchase the Property:

5.1 Approval of Title.

(a) Within thirty (30) days after Opening of Escrow, Buyer, at its sole cost and expense, shall obtain a preliminary title report on the Property ("Title Report") together with copies of all the documents referred to in the Title Report that are provided by the Title Company with the Title Report, and furnish a copy of same to Seller. Within the earlier to occur of (i) sixty (60) days after receipt by Buyer of the Title Report, or (ii) ninety (90) days after Opening of Escrow ("Title Contingency Date"), Buyer shall deliver written notice to Seller ("Buyer's Title Notice") of all matters of title to the Property disapproved by Buyer ("Disapproved Items"). If Buyer timely notifies Seller of Disapproved Items and all or some of the Disapproved Items (except for those Disapproved Items, if any, which will be removed upon the Close of Escrow in accordance with the terms of this Agreement) are not cured or deleted as exceptions to title within ten (10) days after Seller's receipt of Buyer's Title Notice ("Seller's Cure Period"), Buyer will have the option of either waiving its disapproval of such Disapproved Items and proceeding to the Close of Escrow or terminating this Agreement, in which event the

provisions of Section 5.1(b) will govern. The procurement by Seller of a commitment for the issuance of the Title Policy, or an endorsement thereto, insuring Buyer against any Disapproved Item set forth in Buyer's Title Notice, will be deemed a cure by Seller of such Disapproved Item. In the event Buyer elects to terminate this Agreement pursuant to this Section 5.1, Buyer shall notify Seller of its election by written notice no later than five (5) days after expiration of Seller's Cure Period. Buyer's failure to timely deliver written notice to Seller of its election will be deemed to be Buyer's election to proceed to the Close of Escrow and to waive its disapproval of such Disapproved Items. In no event will Seller's failure to cure or delete as exceptions to the Title Policy any Disapproved Items be deemed to be a breach of this Agreement by Seller or entitle Buyer to any offset against the Purchase Price.

(b) If this Agreement is terminated pursuant to this Section 5.1., the Deposit will be returned to Buyer and neither party will have any further rights or obligations under this Agreement (other than the Surviving Obligations).

5.2 Legal Description. Within ninety (90) days after Opening of Escrow, Buyer, at its sole cost and expense, shall prepare a legal description of the Property and shall deliver the same to Seller for Seller's review and approval. Seller shall provide Buyer written notice of Seller's approval or disapproval of the legal description within twenty (20) days after Seller's receipt of the legal description. Failure to provide such notice shall be deemed notice of disapproval. In the event Seller disapproves the legal description, Seller shall have thirty (30) days to prepare a corrected legal description at its sole cost and expense. Such corrected legal description shall be subject to Buyer's review and approval. If this Agreement is terminated pursuant to this Section 5.2, the Deposit will be returned to Buyer and neither party will have any further rights or obligations under this Agreement (other than the Surviving Obligations).

5.3 Feasibility Review. Buyer will have approved, within ninety (90) days after Opening of Escrow ("Feasibility Review Period"), the condition of the Property and the feasibility of the Buyer's development plan therefor. Buyer's feasibility review pertains to Buyer's review of and satisfaction with the following:

- (i) The availability of approvals by all governmental bodies having jurisdiction over the Property for Buyer's development of the Property; and
- (ii) Buyer's engineering studies, soils investigations, environmental assessments, surveys and physical inspection of the Property.

Buyer may elect, at any time prior to the expiration of the Feasibility Review Period, to terminate this Agreement as a result of Buyer's disapproval of any of the foregoing matters; provided however, that if Buyer fails to notify Seller and Escrow Holder of Buyer's disapproval of the feasibility of Buyer's proposed development of the Property by written notice delivered to Seller no later than the date of expiration of the Feasibility Review Period, Buyer will be deemed to have approved the feasibility and this condition will be deemed satisfied. If this Agreement is terminated pursuant to the foregoing provisions of this Section 5.3, the Deposit will be returned to Buyer and neither party will have any further rights or obligations under this Agreement (except for the Surviving Obligations).

5.4 Compliance by Seller. Seller will have complied with each and every condition and material covenant of this Agreement to be kept or complied with by Seller.

ARTICLE 6 SELLER'S CONDITIONS TO CLOSING

The following are conditions precedent to Seller's obligation to sell the Property.

6.1 Seller's Management Approval. The terms and conditions of this transaction are subject to approval in accordance with Seller's Management Policy Statement. Seller shall give Buyer notice of approval or disapproval within sixty (60) days after the Opening of Escrow, and failure to give such notice within said time period will be deemed notice of disapproval. If, within such 60-day time period the terms of this Agreement are not approved for any reason in accordance with Seller's Management Policy Statement, then this Agreement will be deemed terminated forthwith. If this Agreement is terminated pursuant to the foregoing provisions of this Section 6.1, the Deposit will be returned to Buyer and neither party will have any further rights or obligations under this Agreement (except for the Surviving Obligations).

6.2 Property Removal from Lease. The Property is presently included in a lease between Seller and San Joaquin Valley Railroad Co., identified in Seller's records as Audit No. SPX4908 (the "Lease"). On or before Closing, Seller shall cause the Property to be removed from the Lease and provide evidence of same to Buyer.

6.3 Compliance by Buyer. Buyer will have complied with each and every condition and material covenant of this Agreement to be kept or complied with by Buyer.

ARTICLE 7 SUBDIVISION MAP ACT

7.1 Subdivision Compliance. This Agreement is expressly conditioned upon any necessary compliance with the California Subdivision Map Act ("Subdivision Compliance"). If Buyer determines the Property is not already in compliance, Buyer shall undertake and use commercially reasonable efforts to pursue, at its sole cost and expense, such action as may be necessary, if any, to effect Subdivision Compliance. In the event that Buyer has not effected any necessary Subdivision Compliance by the end of the Feasibility Review Period, Buyer may terminate this Agreement by written notice sent to Seller not later than the end of the Feasibility Review Period, Buyer shall bear all escrow cancellation and similar fees, the Deposit will be returned to Buyer, and neither party will have any further rights or obligations (except for the Surviving Obligations). Notwithstanding the foregoing, the parties acknowledge that it is the intent of the parties that this transaction will be exempt from the mapping requirements of the California Subdivision Map Act due to Seller's status as a public utility, and the legal description of the Property shall be a metes and bounds description and not a platted parcel.

7.2 Seller's Cooperation. In connection with Buyer pursuing any necessary Subdivision Compliance, Seller shall cooperate in good faith by executing necessary documents, provided, however, that Seller shall not be required to incur any cost or expense in connection therewith and that any action Buyer desires Seller to take shall be reasonably acceptable to Seller as to substance and legal form. In no event shall Buyer take any action (nor shall Seller be required to take any action) in connection with such Subdivision Compliance which would (a) affect in any manner whatsoever Seller's adjacent property, (b) encumber the Property prior to Closing of Escrow, (c) obligate Seller as owner of the Property or otherwise to pay money, construct improvements or dedicate any interest in real property, or (d) detrimentally affect the value, use or development of the Property or Seller's adjacent property.

7.3 Termination If the City of Porterville or other governmental entity having jurisdiction attaches conditions to any necessary Subdivision Compliance which are unacceptable to Seller, Seller may terminate this Agreement. In the event of such termination, the Deposit will be returned to Buyer, the parties shall share equally all escrow cancellation and similar fees, and neither party will have any further rights or obligations (except for the Surviving Obligations).

ARTICLE 8 OPENING AND CLOSING OF ESCROW

8.1 Opening of Escrow and Escrow Instructions. Upon execution of this Agreement, the parties shall deposit three (3) executed counterparts of this Agreement (and Buyer shall deposit the Deposit) with Escrow Holder and this instrument will serve as the instructions to Escrow Holder for consummation of the purchase and sale contemplated hereby, including Escrow Holder's general provisions which are contained in **Exhibit E** attached hereto to the extent said general provisions do not conflict with the provisions contained in these Escrow Instructions. Escrow Holder shall insert the date of the Opening of Escrow on the upper right hand corner of the first page of this Agreement on each of the three counterparts. The Opening of Escrow is the date upon which Escrow Holder has received executed counterparts of this Agreement from both Buyer and Seller and has received the Deposit from Buyer. Escrow Holder shall deliver to both Buyer and Seller a set of counterparts of the Agreement executed by Buyer, Seller and Escrow Holder and shall retain a set in Escrow. Escrow Holder is responsible only for undertaking such matters in conjunction with the Closing as are specifically provided for in this Agreement or in any additional or supplementary escrow instructions delivered by the parties. If the Opening of Escrow has not occurred by _____, 2014, this Agreement will be null and void and of no further force and effect.

8.2 Closing.

8.2.1 Closing Date. The consummation of the transaction contemplated by this Agreement and recording of the Deed (the "Closing" or "Close of Escrow") will occur and delivery of all items to be made at the Closing under the terms of this Agreement will be made within thirty (30) days after expiration of the Feasibility Review Period (the "Closing Date").

8.2.2 Preclosing Conditions. Provided that Escrow Holder can comply with these instructions, that Escrow Holder has received the deliveries described in Sections 8.3 and 8.4 below, that Escrow Holder has not received prior written notice from a party that any condition to such party's obligations has not been fulfilled, or that Buyer has elected to terminate its rights and obligations under this Agreement pursuant to Article 5 or Seller has elected to terminate its rights and obligations under this Agreement pursuant to Article 6 and the Title Company has issued or is unconditionally prepared to issue to Buyer, as of the Closing Date, the Title Policy, then Escrow Holder is authorized and instructed to (a) record the Deed, (b) deliver the Purchase Price to Seller, less prorations and costs of Escrow in accordance with Section 8.6, (c) deliver a conformed copy of the recorded Deed, a fully executed counterpart of each of the Bill of Sale, and the Assignment to Buyer and Seller, and (d) deliver the closing statements to Buyer and Seller in accordance with Section 8.2.4. Escrow Holder is instructed to request that the amount of the documentary transfer tax due be shown on a separate paper and affixed to the Deed by the County Recorder after the permanent record is made, which request must be in the form of **Exhibit F**.

8.2.3 Failure to Close. If the Closing does not occur on or before the Closing Date, then either party not then in default may elect to terminate this Agreement and cancel Escrow by giving written notice of such termination and cancellation to the other party and to Escrow Holder. In the event of such termination and cancellation, neither party will have any further obligations hereunder (other than the Surviving Obligations) and, unless the Escrow fails to close due to (a) a material default by Seller, (b) the failure of a condition precedent to Buyer's obligations hereunder, or (c) termination of this Agreement pursuant to Article 10, the Deposit and any interest accrued thereon will be paid to or retained by Seller, and all documents and other instruments must be returned to the party depositing the same into Escrow. If neither party is in default, then Buyer and Seller will share equally the cost of cancellation of Escrow. If only one of the parties hereto is in default or if this Agreement expressly so provides, then such defaulting party shall pay for the entire cost of cancellation of Escrow. The termination of this Agreement and cancellation of Escrow will be without prejudice to whatever legal rights, as such rights may be limited by the terms of this Agreement, that Buyer or Seller may have against each other arising out of this Agreement and the Escrow. If neither party so elects to terminate this Agreement and cancel Escrow, Escrow Holder shall close the Escrow as soon as possible.

8.2.4 Notification: Closing Statements. If Escrow Holder cannot comply with the instructions in this Agreement and to be provided, Escrow Holder is not authorized to cause the recording of the Deed or close this Escrow. If Escrow Holder is unable to cause the recording of the Deed, Escrow Holder shall notify Jennifer Byers at (559) 782-7460 and Jason Sokolewicz at (402) 544-8580, without delay. If Escrow Holder is able to comply with the instructions herein and to be provided, at the Closing Escrow Holder shall deliver to Seller at the addresses provided in Section 12.9 a true, correct and complete copy of the Seller's closing statement, in the form customarily prepared by Escrow Holder and shall deliver to Buyer at the address provided in Section 12.9 a true, correct and complete copy of Buyer's closing statement, in the form customarily prepared by Escrow Holder.

8.3 Deliveries by Seller. Not later than one business day prior to the Closing Date, Seller shall deposit with Escrow Holder the following items:

8.3.1 Deed. The Deed in the form of **Exhibit B** duly executed and acknowledged by Seller.

8.3.2 Bill of Sale. The Bill of Sale in the form of **Exhibit C** duly executed by Seller.

8.3.3 Assignment. The Assignment in the form of **Exhibit D** duly executed by Seller.

8.3.4 Transfer Tax Letter. The Transfer Tax Letter duly executed by Seller in the form of **Exhibit F**.

8.3.5 Non-Foreign Status Certificate. A Non-Foreign Status Certificate pursuant to Internal Revenue Code Section 1445 duly executed by Seller.

8.3.6 California Form 593-C. California Form 593-C (Real Estate Withholding Certificate) duly executed by Seller.

8.3.7 Other Documents. Any other documents, instruments, data, records, correspondence or agreements called for under this Agreement that have not previously been delivered.

8.4 Deliveries by Buyer. Not later than one (1) business day prior to the Closing Date (or such other time specified below), Buyer shall deposit with Escrow Holder the following items:

8.4.1 Purchase Price. A sum, including the Deposit, in an amount equal to the Purchase Price, plus Buyer's share of the prorations and costs of Escrow that are required pursuant to this Article 8 to close Escrow.

8.4.2 Bill of Sale. The Bill of Sale in the form of **Exhibit C** duly executed by Buyer.

8.4.3 Assignment. The Assignment in the form of **Exhibit D** duly executed by Buyer.

8.4.4 Other Documents. Any other documents, instruments, data, records, correspondence or agreements called for under this Agreement that have not been previously delivered.

8.5 Other Instruments. Seller and Buyer shall each deposit such other instruments and take such other actions as are reasonably required by Escrow Holder or otherwise required to close the Escrow and consummate the purchase of the Property in accordance with the terms of this Agreement.

8.6 Prorations. All revenues and expenses of the Property, including, without limitation, real property taxes, special taxes, assessments and utility fees and/or deposits, and rentals under the Licenses, if any, will be prorated and apportioned between Buyer and Seller as of 12:01 a.m. on the Closing Date, so that Seller bears all expenses with respect to the Property and has the benefit of all income with respect to the Property through and including the date immediately preceding the Closing Date. Seller and Buyer agree that any of the aforesaid prorations that cannot be calculated accurately as of the Closing Date will be prorated on the basis of the parties' reasonable estimates, and will be recomputed between Seller and Buyer when actual tax statements for the year of Closing are received, and either party owing the other party a sum of money based on such subsequent proration adjustment will promptly pay said sum to the other party, and, if payment is not made within ten (10) days after delivery of a bill therefor, will pay interest thereon at the lesser of the rate of ten percent (10%) per annum or the highest rate permitted by law, from the Closing Date to the date of payment.

If the real property taxes on the Property are assessed as part of Seller's State Board of Equalization ("SBE") assessment in Tulare County, California, then Seller may collect from Buyer at Closing Buyer's share of such real property taxes from the date of Closing through the period ending on June 30 after the January 1 following the date of Closing, and Seller shall then pay when due Seller's SBE assessment. For example, if Closing occurs on July 15, 2014, then Seller may collect real property taxes from July 15, 2014 to and including June 30, 2015, or if Closing occurs on January 30, 2015, then Seller may collect such taxes from January 30, 2015 through and including June 30, 2016.

8.7 Special Taxes, Bonds or Assessments. If, at the time of Closing, any portion of the Property is affected by an assessment or other charge, whether for taxes or bonds, or interest thereon, which is or may become payable in installments, and an installment payment of such assessment is then a lien, then such installment will be prorated as of midnight at the end of the day preceding the Close of Escrow. All installments not then yet due whether or not the same have been prepaid will not be prorated and Buyer shall assume such bonds or assessments. Any prepaid assessments made in advance of its due date will be credited to Seller. In addition, Buyer shall assume any and all future bonds, assessments, special taxes, fees or charges applicable to the Property for liabilities now or hereafter imposed by any governmental authority (collectively referred to as "Governmental Requirements") including, without limitation, any such Governmental Requirements imposed by the City of Porterville, and those for (a) common area improvements, whether or not specifically set forth in this Agreement, (b) local assessment or improvement districts, (c) any special tax assessments, (d) traffic mitigation improvements, (e) park and recreation fees, and/or (f) any other public facility infrastructure or traffic mitigation required or imposed by the City of Porterville. Buyer shall assume all such bonds or future assessments without offset or adjustment.

8.8 Costs and Expenses. The costs and expenses of Escrow upon Close of Escrow will be paid by Buyer, including, without limitation, all recording charges, the premium for the Title Policy, the cost of any documentary or other transfer taxes applicable to the sale, and all other standard costs and charges of the Escrow.

8.9 Disbursement of Funds. On the Close of Escrow, Escrow Holder shall disburse the Purchase Price less Seller's share of prorations as determined pursuant to Section 8.6 in immediately available funds, and, unless otherwise instructed by Seller, Escrow Holder shall cause such funds to be sent by wire transfer as follows:

US Bank
 Omaha, Nebraska 68102
 ABA Routing #104000029
 For Credit Union Pacific Railroad Company
 Account No. 148744571164

Escrow Holder shall wire such funds to Seller as of 11:00 a.m. PST on such date in order that such funds may be received by Seller on the Close of Escrow; provided, however, that if such funds cannot be wired to Seller on the Close of Escrow, Escrow Holder shall, unless otherwise directed in writing by Seller, invest the funds overnight in an interest-bearing account.

8.10 Delivery of Documents. Upon the Close of Escrow, Escrow Holder shall promptly deliver all instruments and documents to such party's attorney specified in Section 12.9, and if no attorney is specified, then to such party directly. Escrow Holder shall promptly deliver to the party entitled thereto the recorded originals of such instruments or documents upon Escrow Holder's receipt of the same.

8.11 Supplemental Taxes. Seller and Buyer acknowledge that the Property may be subject to supplemental taxes due as a result of change of ownership taking place through this Escrow. Any necessary adjustment due either party on receipt of a supplemental tax bill will be made by the parties outside of this Escrow and Escrow Holder is released of any liability in connection with same.

ARTICLE 9 REPRESENTATIONS, WARRANTIES AND COVENANTS;

9.1 Representations, Warranties and Covenants of Seller. Seller hereby represents, warrants and covenants to Buyer as of the date of this Agreement, as follows:

9.1.1 Organization. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and qualified to do business in California.

9.1.2 Enforceability. This Agreement and all documents executed by Seller which are to be delivered to Buyer at the Closing are intended, provided Buyer has duly executed those documents requiring Buyer's signature, to be legal, valid, and binding obligations of Seller, and do not and at the time of Closing will not violate any provisions of any agreement or judicial order to which Seller is a party or to which Seller or the Property is subject.

9.1.3 Bankruptcy. No petition in bankruptcy (voluntary or otherwise), assignment for the benefit of creditors, or petition seeking reorganization or arrangement or other

action under federal or state bankruptcy or insolvency laws is pending against or contemplated by Seller.

9.2 Representations, Warranties and Covenants of Buyer. Buyer hereby represents, warrants and covenants to Seller as of the date of this Agreement, as follows:

9.2.1 Organization. Buyer is a municipal corporation, duly organized, validly existing and in good standing under the laws of the State of California and qualified to do business in California, with full power and authority to enter into and comply with the terms of this Agreement.

9.2.2 Enforceability. This Agreement and all documents executed by Buyer which are to be delivered to Seller at the Closing are intended, provided Seller has duly executed those documents requiring Seller's signature, to be legal, valid, and binding obligations of Buyer, and do not and at the time of Closing will not violate any provisions of any agreement or judicial order to which Buyer is a party or to which it is subject.

9.2.3 Bankruptcy. No petition in bankruptcy (voluntary or otherwise), assignment for the benefit of creditors, or petition seeking reorganization or arrangement or other action under federal or state bankruptcy or insolvency laws is pending against or contemplated by Buyer.

9.3 Mutual Representations and Covenants, Brokers and Finders. No broker's fee, finder's fee, commission or similar compensation will be paid to principals of Buyer or Seller in connection with this Agreement. In the event of a claim for broker's fee, finder's fee, commission or other similar compensation in connection herewith, Buyer, if such claim is based upon any agreement alleged to have been made by Buyer, agrees to indemnify and hold Seller harmless against any and all liability, loss, cost, damage or expense (including reasonable attorneys' fees and costs) which Seller may sustain or incur by reason of such claim; and Seller, if such claim is based upon any agreement alleged to have been made by Seller, agrees to indemnify and hold Buyer harmless against any and all liability, loss, cost, damage or expense (including reasonable attorneys' fees and costs) which Buyer may sustain or incur by reason of such claim. The provisions of this Section will survive the Close of Escrow or termination of this Agreement.

9.4 Post-Sale Conditions. The Property shall be quitclaimed by Seller subject to the following covenant, condition and restriction which Buyer by the acceptance of the Deed shall covenant for itself, its successors and assigns, faithfully to keep, observe and perform:

Restriction on Use. The Property must not be used for (i) residential, (ii) lodgings or accommodations (including, without limitation, hotels, motels, boarding houses, dormitories, hospitals, nursing homes, or retirement centers), or (iii) educational or child-care facilities (including, without limitation, schools, kindergartens or day-care centers).

The foregoing covenant, condition and restriction shall run with the Property, and a breach of the foregoing covenant, condition and restriction, or the continuance thereof, may, at the option of Seller, its successors or assigns, be enjoined, abated or remedied by appropriate proceedings.

**ARTICLE 10
ACQUISITION UNDER THREAT OF CONDEMNATION**

10.1 Condemnation. Intentionally deleted.

**ARTICLE 11
POSSESSION**

Possession of the Property will be delivered to Buyer on the Close of Escrow, subject to any Licenses.

**ARTICLE 12
MISCELLANEOUS**

12.1 Agreement Expenses. The parties agree to bear their respective expenses, incurred or to be incurred in negotiating and preparing this Agreement and in Closing and carrying out the transactions contemplated by this Agreement.

12.2 Satisfaction or Waiver of Contingencies. The consummation of the Closing will be conclusive evidence that the contingencies and conditions to Closing have been fully satisfied or waived.

12.3 Successors and Assigns.

(a) This Agreement will be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns, except that Buyer's interest under this Agreement may not be assigned, encumbered or otherwise transferred, whether voluntarily, involuntarily, by operation of law or otherwise, except as provided below. Any assignment, encumbrance or other transfer in violation of the foregoing will be void and Buyer will be deemed in default hereunder.

(b) Notwithstanding the foregoing, Buyer may assign this Agreement, with Seller's prior written consent, which shall not be unreasonably withheld; provided that such entity assumes the provisions of this Agreement, in writing for the benefit of Seller, in form and substance satisfactory to Seller, and that at least ten (10) days prior to the Closing Date, Buyer shall give Seller written notice of the assignment together with a fully executed original of the assignment and assumption agreement. No assignment by Buyer will relieve Buyer of its obligations under this Agreement.

12.4 Parties in Interest. Except as expressly provided in this Agreement, nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or

by reason of this Agreement on any persons other than the parties to it and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement, nor will any provision give any third persons any right to subrogation or action over or against any party to this Agreement.

12.5 Entire Agreement. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter contained in it and supersedes all prior or contemporaneous oral or written agreements, representations, statements, documents, or understandings of the parties.

12.6 Amendment. No supplement, modification, or amendment of this Agreement will be binding unless executed in writing by the party to be bound.

12.7 Waiver. No waiver of any of the provisions of this Agreement will be deemed, or will constitute, a waiver of any other provision, whether or not similar, nor will any waiver constitute a continuing waiver. No waiver will be binding unless executed in writing by the party making the waiver.

12.8 Timeliness. Seller and Buyer acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation and provision of this Agreement and that failure to timely perform any of the material terms, conditions, obligations or provisions of this Agreement by either party is a material breach of and a non-curable (but waivable) default under this Agreement by the party so failing to perform.

12.9 Notices. Any notice or other communication required or permitted to be given under this Agreement ("Notices") must be in writing and must be (a) personally delivered; (b) delivered by a reputable overnight courier; or (c) delivered by certified mail, return receipt requested and deposited in the U.S. Mail, postage prepaid. Notices will be deemed received at the earlier of (a) actual receipt or (b) one business day after deposit with an overnight courier as evidenced by a receipt of deposit; or (c) three business days following deposit in the U.S. Mail, as evidenced by a return receipt. Notices must be directed to the parties at their respective addresses shown below, or such other address as either party may, from time to time, specify in writing to the other in the manner described above:

If to Seller: UNION PACIFIC RAILROAD COMPANY
 ATTN: Jason Sokolewicz, Manager – Real Estate
 1400 Douglas Street, Mail Stop 1690
 Omaha, Nebraska 68179
 Telephone: (402) 544-8580

With copy to: UNION PACIFIC RAILROAD COMPANY
 ATTN: Madeline E. Roebke, General Attorney
 1400 Douglas Street, Mail Stop 1580
 Omaha, Nebraska 68179
 Telephone: (402) 544-1121

If to Buyer: CITY OF PORTERVILLE
 ATTN: Jennifer Byers, Acting Community Development Director
 291 Main Street
 Porterville, California 93257
 Telephone: (559) 782-7460

12.10 Governing Law and Venue. This Agreement is to be construed in accordance with, and governed by, the laws of the State of California, and any action or proceeding, including arbitration, brought by any party in which this Agreement is subject, will be brought in the county in which the Property is located.

12.11 Effect of Headings. The headings of the paragraphs of this Agreement are included for purposes of convenience only, and will not affect the construction or interpretation of any of its provisions.

12.12 Invalidity. Any provision of this Agreement which is invalid, void, or illegal, will not affect, impair, or invalidate any other provision of this Agreement, and such other provisions of this Agreement will remain in full force and effect.

12.13 Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

12.14 Number and Gender. When required by the context of this Agreement, each number (singular and plural) will include all numbers, and each gender will include all genders.

12.15 Joint and Several Liability. In the event either party hereto now or hereafter consists of more than one person, firm, or corporation, then and in such event, all such persons, firms, or corporations will be jointly and severally liable as parties under this Agreement.

12.16 Recording. Neither party may record this Agreement or any memorandum thereof.

12.17 Advice of Professionals. Each party has had the opportunity to be advised by legal counsel and other professionals in connection with this Agreement, and each party has obtained such advice as each party deems appropriate.

12.18 Negotiated Terms. The parties agree that the terms and conditions of this Agreement are the result of negotiations between the parties and that this Agreement will not be construed in favor of or against any party by reason of the extent to which any party or its professionals participated in the preparation of this Agreement.

12.19 Recitals and Exhibits. The recitals and contents of all Exhibits to this Agreement are incorporated by reference and constitute a material part of this Agreement.

12.20 Professional Fees and Costs. If any legal or equitable action, arbitration, bankruptcy, reorganization, or other proceeding, whether on the merits, application, or motion, are brought or undertaken, or an attorney retained, to enforce this Agreement or any closing document, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement or any closing document, then the successful or prevailing party or parties in such undertaking (or the party that would prevail if an action were brought) will be entitled to recover reasonable attorney's and other professional fees, expert witness fees, court costs and other expenses incurred in such action, proceeding, or discussions, in addition to any other relief to which such party may be entitled. The parties intend this provision to be given the most liberal construction possible and to apply to any circumstances in which such party reasonably incurs expenses. The provisions of this Section will survive the Close of Escrow or the termination of this Agreement.

12.21 Confidentiality. All information, studies and reports relating to the Property obtained by Buyer, either by the observations and examinations of its agents and representatives or as disclosed to it by Seller, must remain confidential and Buyer shall not disclose any such matters to any person or governmental agency except as unconditionally required by law. If the transaction contemplated herein fails to close for any reason, Buyer shall deliver and return to Seller, at no cost to Seller, all such information, reports and studies, provided by Seller, and Buyer shall make no further distributions or disclosures of any such information, reports and studies, unless and to the extent unconditionally required by law, including the California Public Records Act. Buyer agrees that, to the extent permitted by law, except for its lender, accountants, attorneys or a permitted assignee of Buyer, Buyer shall keep the contents of this Agreement confidential and that no publicity or press release to the general public with respect to this transaction shall be made by Buyer without the prior written consent of Seller. The provisions of this Section will survive the termination of this Agreement.

12.22 Not an Offer. The submission of this Agreement to Buyer for review or signature does not constitute an offer to sell the Property to Buyer or the granting of an option or other rights with respect to the Property to Buyer. No agreement with respect to the purchase and sale of the Property will exist, and this writing will have no binding force or effect, until executed and delivered by both Seller and Buyer.

12.23 Back-Up Offers. Intentionally deleted.

12.24 Severability. Any provision of this Agreement that is determined by a court of competent jurisdiction to be invalid or unenforceable will be invalid or unenforceable only to the extent of such determination, which will not invalidate or otherwise render ineffective any other provision of this Agreement.

12.25 Merger. Except as otherwise expressly provided in this Agreement, the covenants, representations and warranties of Buyer and Seller in this Agreement will merge into the Deed to be delivered by Seller to Buyer at Closing and will not survive the Closing of Escrow.

12.26 Tax-Deferred Exchange. Seller may arrange for the exchange upon the Closing of Escrow of one or more parcels of property for the Property in order to effect a tax-deferred exchange within the meaning of Section 1031 of the Internal Revenue Code of 1986, as amended, and comparable provisions of state statutes. Buyer agrees to cooperate with Seller in connection with any such exchange. Such cooperation by Buyer shall include, but is not limited to, executing documents as reasonably may be required by Seller.

SELLER:

**UNION PACIFIC RAILROAD COMPANY,
a Delaware corporation**

By: _____

Name: _____

Title: _____

BUYER:

**CITY OF PORTERVILLE,
a California municipal corporation**

By: _____

Name: _____

Title: _____

THE UNDERSIGNED ESCROW HOLDER ACKNOWLEDGES ITS RECEIPT OF THE DEPOSIT AND THREE (3) EXECUTED COPIES OF THIS AGREEMENT AND AGREES TO ACT IN ACCORDANCE THEREWITH.

ESCROW HOLDER:

By: _____
_____, Escrow Officer

EXHIBIT A

PRINT OF PROPERTY TO BE ATTACHED

EXHIBIT B

RECORDING REQUESTED BY
And When Recorded Mail to:

City of Porterville
291 N. Main Street
Porterville, CA 93257

Mail Tax Statements to:

City of Porterville
291 N. Main Street
Porterville, CA 93257

Space Above Line for Recorder's Use Only

QUITCLAIM DEED

UNION PACIFIC RAILROAD COMPANY, a Delaware corporation (formerly known as Southern Pacific Transportation Company, a Delaware corporation), Grantor, in consideration of the sum of Ten Dollars (\$10.00), and other valuable consideration to it duly paid, the receipt whereof is hereby acknowledged, does hereby REMISE, RELEASE and forever QUITCLAIM unto **CITY OF PORTERVILLE**, a California municipal corporation, Grantee, whose address is 291 N. Main Street, Porterville, California 93257, and unto its successors and assigns forever, all of Grantor's right, title, interest, estate, claim and demand, both at law and in equity, of, in, and to the real estate (hereinafter the "Property") situated in Tulare County, State of California, as more particularly described in **Exhibit A**, hereto attached and hereby made a part hereof.

EXCEPTING FROM THIS QUITCLAIM AND RESERVING UNTO GRANTOR, its successors and assigns, forever, all minerals and all mineral rights of every kind and character now known to exist or hereafter discovered underlying the Property, including, without limiting the generality of the foregoing, oil and gas and rights thereto, together with the sole, exclusive and perpetual right to explore for, remove and dispose of said minerals by any means or methods suitable to Grantor, its successors and assigns, but without entering upon or using the surface of the Property, and in such manner as not to damage the surface of the Property, or to interfere with the use thereof by Grantee, its successors or assigns. It is understood that this mineral reservation does not include any water rights.

The Property is quitclaimed by Grantor subject to the following covenant, condition and restriction which Grantee by the acceptance of this Deed covenants for itself, its successors and assigns, faithfully to keep, observe and perform:

Restriction on Use. The Property must not be used for (i) residential, (ii) lodgings or accommodations (including, without limitation, hotels, motels, boarding houses, dormitories, hospitals, nursing homes, or retirement centers), or (iii) educational or child-care facilities (including, without limitation, schools, kindergartens or day-care centers).

The foregoing covenant, condition and restriction shall run with the Property, and a breach of the foregoing covenant, condition and restriction, or the continuance thereof, may, at the option of Grantor, its successors or assigns, be enjoined, abated or remedied by appropriate proceedings.

IN WITNESS WHEREOF, the Grantor has caused this deed to be duly executed as of the ____ day of _____, 2014.

Attest:

**UNION PACIFIC RAILROAD COMPANY,
a Delaware corporation**

Assistant Secretary

By: _____
Title: _____

(Seal)

ACKNOWLEDGMENT

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

On this ___ day of _____, 2014, before me, _____,
Notary Public in and for said County and State, personally appeared
_____ and _____ who are the
_____ and the Assistant Secretary, respectively, of Union Pacific
Railroad Company, a Delaware corporation, and who are personally known to me (or proved to
me on the basis of satisfactory evidence) to be the persons whose names are subscribed to in the
within instrument, and acknowledged to me that they executed the same in their authorized
capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of
which the persons acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

(Seal)

BILL OF SALE

UNION PACIFIC RAILROAD COMPANY, a Delaware corporation ("Seller") for and in consideration of One Dollar (\$1.00) and other valuable consideration does hereby sell, transfer and deliver to CITY OF PORTERVILLE, a California municipal corporation ("Buyer"), its successors and assigns, the following described personal property (collectively, the "Personal Property"), to wit:

All culverts, ballast, bridge structures and appurtenances thereto located on certain real property located in Porterville, Tulare County, California, more particularly described in **Exhibit A** attached hereto and hereby made a part hereof.

SELLER, BY THIS INSTRUMENT, MAKES NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AND FURTHER MAKES NO WARRANTY AS TO THE MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, IT BEING UNDERSTOOD THAT THE BUYER IS PURCHASING THE PERSONAL PROPERTY DESCRIBED ABOVE IN AN "AS IS" AND "WHERE IS" CONDITION WITH ALL FAULTS, AND ASSUMES FROM AND AFTER THE DATE HEREOF ALL RISKS IN CONNECTION THEREWITH, ACKNOWLEDGING THAT BUYER HAS EXAMINED THE PERSONAL PROPERTY AND KNOWS ITS CONDITION. BUYER AND SELLER AGREE TO SIGN **EXHIBIT B** HERETO ATTACHED AND HEREBY MADE A PART HEREOF.

By its acceptance of this Bill of Sale and from and after the date hereof, Buyer, its successors and assigns, agrees that, in its use and maintenance of the Personal Property, it will accept and assume all liability, loss, damage, costs and expenses arising from or growing out of the existence, use or maintenance of the Personal Property, including any third party's use or maintenance of the Personal Property.

This Bill of Sale may be executed in two or more counterparts, each of which shall be deemed an original, but all of which will constitute the same instrument.

IN WITNESS WHEREOF, Buyer and Seller have each duly executed this instrument as of the ____ day of _____, 2014.

SELLER:

**UNION PACIFIC RAILROAD COMPANY,
a Delaware corporation**

By: _____
Name: _____
Title: _____

BUYER:

**CITY OF PORTERVILLE,
a California municipal corporation**

By: _____

Name: _____

Title: _____

EXHIBIT A
TO
BILL OF SALE

LEGAL DESCRIPTION

EXHIBIT B
TO
BILL OF SALE

1. The attached **Attachment 1** contains consumer information concerning the proper handling and distribution of creosote pressure-treated wood.

2. Buyer shall provide information on the safe and proper handling of chemically treated ties to each person or company to whom it sells or otherwise conveys ties purchased hereunder. Such information shall include, but not be limited to, delivery to each and every worker and to all persons and companies of a copy of the MSDS Data Sheet Creosote Pressure Treated Wood that is attached hereto and marked Attachment 1, in such translations and along with such other information as may be necessary, to allow such workers, persons and companies to understand and employ safe and proper methods of use, handling and disposal.

3. In addition to providing information, Buyer shall dispose of (and/or store if ties are removed and stored) any and all ties purchased hereunder in a safe manner and in accordance with all applicable federal, state and local laws and regulations and the lawful requirements of responsible government agencies.

4. Buyer shall require the same commitments by contract with any person or company to which it sells ties for resale which are purchased hereunder.

5. Buyer shall defend, indemnify and save harmless Seller, its successors and assigns, from and against all costs, expenses, fines penalties and other liability whatsoever arising directly or indirectly, whether in whole or in part, out of the failure of Buyer to perform any of its obligations described herein.

Dated this _____ day of _____, 2014.

UNION PACIFIC RAILROAD COMPANY

By: _____
Title: _____

CITY OF PORTERVILLE,
a California municipal corporation

By: _____
Title: _____

ATTACHMENT 1

EXHIBIT D

ASSIGNMENT AND ASSUMPTION AGREEMENT

FOR VALUE RECEIVED, UNION PACIFIC RAILROAD COMPANY, a Delaware corporation ("Assignor"), acting by and through its duly authorized officers, has ASSIGNED AND TRANSFERRED, and by these presents does ASSIGN AND TRANSFER unto CITY OF PORTERVILLE, a California municipal corporation ("Assignee"), all of Assignor's right, title and interest in and to the leases and licenses (collectively, "Licenses") to the extent the Licenses affect the real property described in Exhibit A (the "Property"), which Licenses, and all amendments thereto, are described in Exhibit B, together with all security deposits and other deposits held by Assignor under the terms of said Licenses.

TO HAVE AND TO HOLD the Licenses unto Assignee, its successors and assigns. This Assignment is made and accepted without recourse against Assignor as to the performance by any party under such Licenses.

Assignee agrees to (a) perform all of the obligations of Assignor pursuant to the Licenses as they relate to the Property accruing on and after the date hereof, and (b) indemnify and hold Assignor harmless from and against any and all claims, causes of actions and expenses (including reasonable attorney's fees) incurred by Assignor and arising out of (1) Assignee's failure to comply with terms of the Licenses as they relate to the Property on and after the date hereof, or (2) claims under the Licenses as they relate to the Property by the licensees named in the Licenses accruing on and after the date hereof.

All exhibits attached to this Agreement are incorporated herein for all purposes.

This Assignment and Assumption will inure to and be binding upon the parties, their successors and assigns.

Dated the ____ day of _____, 2014.

**UNION PACIFIC RAILROAD COMPANY,
a Delaware corporation**

By: _____
Title: _____

**CITY OF PORTERVILLE,
a California municipal corporation**

By: _____
Title: _____

EXHIBIT A TO EXHIBIT D

**LEGAL DESCRIPTION OF PROPERTY
TO BE ATTACHED**

EXHIBIT B TO EXHIBIT D

LIST OF LICENSES TO BE ASSIGNED

EXHIBIT E

ESCROW HOLDER GENERAL PROVISIONS

EXHIBIT F

**SEPARATE STATEMENT OF
DOCUMENTARY TRANSFER TAX**

County Recorder
Tulare County
221 S. Mooney Blvd, Room 103
Visalia, California 93291

_____, 2014

Ladies and Gentlemen:

In accordance with Revenue and Taxation Code Section 11932, it is requested that this statement of documentary transfer tax not be recorded with the attached deed, but affixed to the deed after recordation and before return as directed on the deed.

The deed names UNION PACIFIC RAILROAD COMPANY, a Delaware corporation, as Grantor, and CITY OF PORTERVILLE, a California municipal corporation, as Grantee. The property being transferred is located in the City of Porterville, County of Tulare, State of California.

The amount of documentary transfer tax due on the attached deed is _____ Dollars (\$ _____), computed on the full value of the property (less the value of any liens and encumbrances remaining on the property at the time of sale).

Very truly yours,

**UNION PACIFIC RAILROAD COMPANY,
a Delaware corporation**

By: _____
Title: _____


STATE OF CALIFORNIA)
 CITY OF PORTERVILLE) SS
 COUNTY OF TULARE)

I, JOHN D. LOLLIS, the duly appointed City Clerk of the City of Porterville do hereby certify and declare that the foregoing is a full, true and correct copy of the resolution passed and adopted by the Council of the City of Porterville at regular meeting of the Porterville City Council duly called and held on the 19th day of August, 2014.

THAT said resolution was duly passed, approved, and adopted by the following vote:

Council:	REYES	WARD	STOWE	HAMILTON	GURROLA
AYES:	X	X	X	X	X
NOES:					
ABSTAIN:					
ABSENT:					

JOHN D. LOLLIS, City Clerk


 By: Luisa M. Zavala, Deputy City Clerk

RESOLUTION NO. ____-2015

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE
TO RESCIND RESOLUTION NO. 61-2014

WHEREAS, at the August 19, 2014, City Council meeting, the Council approved Resolution 61-2014 which approved and authorized the Purchase and Sale Agreement and Escrow Instructions ("Agreement") with the Union Pacific Railroad Company; and

WHEREAS, the purpose of the acquisition is to preserve the railroad property within and near Porterville for the purpose of meeting future transportation needs; and

WHEREAS, the Property is generally defined as the 8.2± mile rail line which is bounded to the north by Frazier Hwy. (Avenue 196) and to the south by Teapot Dome Avenue (Avenue 128), together with all culverts, ballast, bridge structures and appurtenances; and

WHEREAS, upon review of the closing documents, the Union Pacific Railroad Company has requested that the Agreement not be recorded, but rather be adopted by reference through the resolution. Furthermore, an amendment to the Agreement has been approved and is incorporated therein.

NOW THEREFORE BE IT RESOLVED that the City Council does hereby rescind Resolution No. 61-2014.

This Resolution shall become effective on January 15, 2015.

PASSED, APPROVED AND ADOPTED this 20th day of January, 2015.

Milt Stowe, Mayor

ATTEST:
John D. Lollis, City Clerk

By _____
Patrice Hildreth, Chief Deputy City Clerk

ATTACHMENT
ITEM NO. 2

RESOLUTION NO. ____-2014

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE
APPROVING AND AUTHORIZING THE PURCHASE AND SALE AGREEMENT
AND ESCROW INSTRUCTIONS WITH THE UNION PACIFIC RAILROAD
COMPANY, A DELAWARE CORPORATION

WHEREAS, the City of Porterville desires to preserve the railroad property within and near Porterville for the purpose of meeting future transportation needs; and

WHEREAS, the Union Pacific Railroad Company, a Delaware Corporation has agreed to sell the abandoned 8.2± mile rail line, bounded to the north by Frazier Highway (Avenue 196) and to the south by Teapot Dome Avenue (Avenue 128), together with all culverts, ballast, bridge structures and appurtenances, to the City of Porterville; and

WHEREAS, City staff has negotiated an agreement dated September 23, 2014, and Amendment #1 dated January 15, 2015, for the purchase of the Property, which terms and conditions are set forth in the Purchase and Sale Agreement and Escrow Instructions.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF PORTERVILLE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That the above recitals are true and correct and incorporated herein.

Section 2. That the Agreement is hereby approved.

Section 3. That the City Council authorizes and directs the City Manager and/or City Attorney to make any final modifications to the Agreement that are consistent with the substantive terms of the Agreement approved hereby, and to thereafter authorize the Mayor to sign the Agreement on behalf of the City.

Section 4. That the City Council authorizes and directs the Mayor to (i) sign such other and further documents, including, but not limited to, escrow instructions and, (ii) take such other and further actions, as may be necessary and proper, to carry out the terms of the Agreement.

PASSED, APPROVED, and ADOPTED this 20th day of January, 2015.

Milt Stowe, Mayor

ATTEST:
John D. Lollis, City Clerk

By: Patrice Hildreth, Chief Deputy City Clerk

ATTACHMENT
ITEM NO. 3

