[Union Pacific Railroad track lease for Third St. and Cargo Way for the Third Street LRT Project.]

Resolution authorizing the Director of Transportation to execute a track lease with the Union Pacific (UP) and Burlington Northern Santa Fe (BNSF) Railroads that leases approximately three hundred ten (310) feet of UP's spur track at the intersection of Third Street and Cargo Way for a term of 25 years, rent of \$10 per year, and a one-time administrative fee of \$500 for a total cost of \$750, and requires the City to repair and maintain the track and construct and maintain a railroad crossing signal system.

WHEREAS, The City and County of San Francisco through its Municipal

Transportation Agency desires to construct a new light rail line along Third Street (Third Street Light Rail Project); and,

WHEREAS, As part of the Third Street Light Rail Project new light rail line, the Muni desires to construct light rail track across existing freight railroad lead tracks at Third Street and Cargo Way; and,

WHEREAS, The track crossing will be constructed on railroad tracks that are owned and operated jointly by the Union Pacific Railroad (UP) and the Burlington Northern Santa Fe Railroad (BNSF); and,

WHEREAS, Muni desires to maintain the track crossing and train control signals with its own forces in order to better control the light rail operation on Third Street; and,

WHEREAS, The California Public Utilities Commission has approved the installation of Muni's tracks across UP and BNSF's tracks through CPUC Decision 03-10-050 and requires evidence that UP and BNSF agrees to the crossing; and,

WHEREAS, The UP and BNSF has required that the City lease and maintain a portion of its tracks at the intersection as a condition of consent; and,

WHEREAS, Muni, UP and BNSF have negotiated a twenty five year lease (that is automatically extended year-to-year after the 25 year term) that leases approximately three hundred ten (310) feet of UP and BNSF track at Third and Cargo Way to the City for an annual rent of \$10 per year, with a one-time administrative fee of \$500, and requires Muni to maintain and repair the track, and construct and maintain the railroad crossing signal system; and,

WHEREAS, The San Francisco Municipal Railway's Short Range Transit Plan
Update reflects the currently projected cost requirements for funding Third Street revenue
operations, which includes Muni's portion of maintenance and construction obligations
under this agreement; and,

WHEREAS, The Lease requires Muni to indemnify UP and BNSF against any harm to UP or BNSF arising from Muni's construction activity; and,

WHEREAS, The Lease requires each party to be responsible for personal injury or property damage to its employees, invitees (e.g. passengers), or its own equipment during the operation of the track crossing unless the other party runs a stop signal, or if a third party obtains punitive damages against the party causing injury or damage or the party acted intentionally or with willful or conscious disregard of the rights and safety of others; now, therefore, be it

RESOLVED, That the Municipal Transportation Agency Board of Directors hereby approves the lease agreement with the Union Pacific Railroad and the

Burlington Northern Santa Fe Railroad for approximately 310 feet of track at Third Street and Cargo Way for a term of 25 years, for \$10 per year, and a one-time administrative fee of \$500, for a total cost of \$750, and requires the City to maintain and repair the track and construct and maintain a railroad crossing signal system; and be it further

RESOLVED, That the Municipal Transportation Agency Board of Directors urges the Board of Supervisors to approve the lease agreement and authorizes the Director of Transportation to execute all related documents for the lease with the Union Pacific Railroad.



City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

File Number:

041077

Date Passed:

Resolution authorizing the Director of Transportation to execute a track lease with the Union Pacific (UP) and Burlington Northern Santa Fe (BNSF) Railroads that leases approximately three hundred ten (310) feet of UP's spur track at the intersection of Third Street and Cargo Way for a term of 25 years, rent of \$10 per year, and a one-time administrative fee of \$500 for a total cost of \$750, and requires the City to repair and maintain the track and const and maintain a railroad crossing signal system.

August 17, 2004 Board of Supervisors — ADOPTED

Ayes: 10 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Gonzalez, Maxwell,

McGoldrick, Peskin, Sandoval

Absent: 1 - Ma

File No. 041077

I hereby certify that the foregoing Resolution was ADOPTED on August 17, 2004 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young Clerk of the Boand

Mayor Gavin Wewsom

Date Approved