

INDUSTRY TRACK LEASE AGREEMENT

THIS AGREEMENT ("Agreement") is made _____, 20____ ("Effective Date"), between **UNION PACIFIC RAILROAD COMPANY**, a Delaware corporation ("Railroad"), and **COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY**, a county sanitation district organized and existing under the provisions of the County Sanitation District Act, California Health and Safety Code Section 4700 et seq. ("Industry").

RECITALS:

1. Under prior agreement(s), Railroad and Industry, or their predecessors, agreed to the construction of Industry Track Nos. 371, 740, 741, 744, 747, at or near Bartolo, Los Angeles County, California (Circ 7: CX801, Yards 18 and 77, Mile Post: 12.56, Los Angeles Subdivision), generally shown on the drawing dated November 14, 2023, attached hereto as **Exhibit A** (the "Track").
2. Industry professes that it is the lawful owner of the industry owned portion of the Track and desires rail service from Railroad over the Track.
3. Railroad is willing to provide such rail service, on the terms and conditions of this Agreement.

AGREEMENT:

Article 1. TRACK IDENTIFICATION

- A. As used in this Agreement with respect to any particular track comprising all or part of the Track:

“**Point of Switch**”: the beginning of the track.

“**Clearance Point**”: the initial 13-foot clearance point on the track, which is the point on the centerline of the track that is thirteen (13) feet distant, measured at right angles, from the centerline of the adjacent track.

“**Railroad Property Line**”: the point on the track that intersects the property line or right-of-way boundary line of Railroad.

“**Derail Device**”: a track safety device in the rail designed to guide a railcar off the track at a selected spot as a means of protection against collisions or accidents.

“**End of RR Ops**”: the point on the track identified for end of operations by Railroad. Rail infrastructure beyond this point shall not be Track in this agreement.

- B. For the purpose of this Agreement, the following segments of the Track shall be identified as follows:

Track 740

Engineering Station 0+00	the Point of Switch
Engineering Station 2+87±	the Clearance Point
Engineering Station 6+38±	the location of a Derail Device
Engineering Station 154+47±	the East End of Railroad Ownership (signal bridge)
Engineering Station 160+77±	the end of track

Track 741

Engineering Station 0+00	the Point of Switch
Engineering Station 1+68±	the Clearance Point
Engineering Station 1+68±	the End of RR Ops

Track 744

Engineering Station 0+00	the Point of Switch
Engineering Station 1+24±	the Switch Connection with track 745
Engineering Station 1+24±	the End of RR Ops

Track 747

Engineering Station 0+00	the Point of Switch
Engineering Station 1+92±	the Switch Connection with track 749
Engineering Station 1+92±	the End of RR Ops

Track 371

Engineering Station 0+00	the Point of Switch
Engineering Station 1+58±	the Clearance Point
Engineering Station 2+11±	the end of track

C. The parties acknowledge that the Track from time to time may be assigned different identifying descriptions, including without limitation the Railroad station name, subdivision, yard and track numbers (if applicable), and Milepost numbers, which shall not affect the applicability of this Agreement. All references in this Agreement to the Track apply to the Track as constructed, even if it differs from its depiction on **Exhibit A**. References in this Agreement to the Track also apply to rearrangements, reconstructions, extensions, or additions to the Track. However, Industry must in all events obtain Railroad's prior written approval of the plans for any proposed Track changes.

D. Railroad has the right at any time, but not the obligation, to rearrange or reconstruct the Track or modify its elevation in order to develop or modify Railroad property or tracks. If Railroad chooses to exercise this option, Railroad shall bear all costs of any such change in the Track by Railroad, except that Industry shall bear the cost if the change is due to governmental requirements, safety needs, or any other cause beyond Railroad's reasonable control.

Article 2. OWNERSHIP OF THE TRACK

A. Railroad shall own the following portions of Track: track 740 from the Point of Switch up to and including the Derail Device, from the East End of Railroad Ownership to the end of track, and track 371 from the Point of Switch to the Clearance Point (“Railroad Track Portion”).

B. Industry shall own the portion of track 740 between the Derail Device and the East End of Railroad Ownership, the portion of track 741 from the Point of Switch to End of RR Ops, the portion of track 744 from the Point of Switch to End of RR Ops, the portion of track 747 from the Point of Switch to End of RR Ops, and the portion of track 371 from the Clearance Point to the end of track ("Leased Track").

C. Industry shall own all portions of tracks 741, 744, 747 beyond the End of RR Ops ("Industry Track Portion").

Article 3. FEE TO BE PAID TO INDUSTRY

Intentionally omitted.

Article 4. USE AND OPERATION OF THE TRACK

A. Industry acknowledges that it is not authorized to receive rail transportation service ("Service") from Railroad at the Track. If Industry desires for Railroad to provide Service in the future, Industry shall apply for Service pursuant to Railroad's then current review process for new Service. For the avoidance of any confusion, nothing in this Agreement shall be deemed or construed as creating an obligation or promise for Railroad to provide Service to Industry now or in the future. Service is subject to Railroad approval which may be withheld in Railroad's sole and absolute discretion. The Parties acknowledge and agree that any Service approved in the future will be documented in Railroad's then current form of track agreement.

B. Railroad grants Industry the right of ingress and egress to the Track over Railroad's property in the most practical means for the sole, specific purpose of Industry's fulfilling its obligations under this Agreement. Industry shall not have any right to enter Railroad's property for the purpose of loading, unloading, or moving railcars unless that right is specified elsewhere in this Agreement.

C. Railroad has the right to use the Track for Railroad's own purposes, including normal switching operations, setting out of bad order cars, and the temporary placement of vehicles and maintenance of way equipment.

Article 5. NON-USE ACCESS FEE

Intentionally omitted.

Article 6. TERM; TERMINATION

A. The term of this Agreement begins on the Effective Date and, until terminated as provided below in this Article, extends for one (1) year with automatic year-to-year extensions.

B. Each party has the right to terminate this Agreement without cause by giving the other party not less than one hundred eighty (180) days notice of termination. In addition, notwithstanding any provision hereof to the contrary, Railroad shall have the right to deem this Agreement terminated, without notice to Industry, if at any time Industry ceases its possession of and sells or leases the Leased Track, Industry Track Portion or Industry's facility that is served by the Track.

C. Termination of this Agreement will not affect any of the rights, obligations, or liabilities of the parties that have accrued before termination.

D. Notwithstanding any provision herein to the contrary, if at any time Industry continues in default in the performance of any covenant or promise in this Agreement for a period of thirty (30) days after notice from Railroad to Industry specifying such default, Railroad may, at its option, forthwith terminate this Agreement; provided, however, that if a default by Industry reasonably requires more than thirty (30) days to cure, Industry shall have such time as reasonably necessary, to exceed a total of ninety (90) days, as long as Industry diligently pursues such cure to completion; and further provided that if a default by Industry is deemed by Railroad to be unusually dangerous or hazardous, Railroad may immediately suspend its performance under this Agreement during the thirty-day default cure period. Such termination shall be effective on the expiration of such cure period after Railroad sent notice of default if default still exists and no further notice of termination shall be required.

E. Upon termination of this Agreement for any reason, Industry shall vacate and surrender the quiet and peaceable possession of the right-of-way or other property owned by Railroad upon which the Track is located, if any. Railroad shall have the right to remove the portion of the Track it owns. Not later than the last day of the term of this Agreement, Industry, at its sole cost and expense, shall (a) remove from Railroad's right-of-way or other property all portions of the Track owned by Industry, obstructions, contamination caused by or arising from the use of the Track for Industry's purposes, and other property not belonging to Railroad or authorized by Railroad located thereon and (b) restore Railroad's right-of-way or other property to as good a condition as it was in before the Effective Date. If Industry fails to perform such removal and restoration to the satisfaction of Railroad, Railroad may perform the work at Industry's expense but in any event and subject to the terms of this Agreement, Railroad shall not be responsible for any liability, claims, loss, expenses, or damages incurred as a result of any act of Industry, including without limitation Industry's contamination and/or failure to vacate, surrender, remove, or restore the Track or any real or personal property adjacent to, underneath, or next to the Track. Any portion(s) of the Track owned by Industry and not removed as provided herein may, at Railroad's election, be deemed abandoned and become the property of Railroad or Railroad, at Industry's sole cost and expense, may remove such portion(s) of the Track from Railroad's property and dispose of same and restore Railroad's property. If Railroad performs such track removal, disposal, and/or restoration, Industry shall reimburse Railroad within thirty (30) days of its receipt of billing from Railroad, for all costs and expenses incurred by Railroad (less any resulting salvage value) in connection therewith.

Article 7. PERMITS AND PROPERTY

Industry warrants that it and/or its predecessor(s), at no expense to Railroad, have obtained and shall maintain in force, all governmental permits and approvals and all property rights now or in the future necessary for the construction, maintenance, and operation of all portions of the Track located off Railroad's property, if any.

Article 8. MAINTENANCE BY RAILROAD

A. Railroad, at Railroad's expense, shall inspect and maintain the Railroad Track Portion and any Leased Track (including, without limitation, rail, ties, ballast and other track material, and all track appurtenances).

B. Railroad, at Railroad's expense, shall maintain any wayside signal system (including, without limitation, leaving signals, switch circuit controllers, power switches and derails, and Positive Train Control System components) that (a) is located within Railroad's right of way or within a Control Point controlled and dispatched remotely by Railroad or (b) is located on Industry property and comprises

part of Railroad's signal circuits. For purposes of the foregoing, a "Control Point" is a location where the signals and/or switches of a traffic control system are operated and/or controlled from a distant location.

C. Railroad shall maintain any road crossing warning device that protects any of the Railroad Track Portion and Leased Track at Railroad expense if such device protects only Railroad-owned Track and/or Leased Track, and at Industry expense on a pro rata basis to the extent such device also protects the Industry Track Portion. In no event shall Railroad be responsible for maintaining road crossing warning devices that do not protect any of the Railroad Track Portion or Leased Track.

D. Industry grants Railroad the right of ingress and egress over Industry's property as reasonably necessary to allow Railroad to perform maintenance under this Article. Industry shall not interfere with Railroad's maintenance activities hereunder, nor with Railroad signal operation.

Article 9. MAINTENANCE BY INDUSTRY

A. Industry shall maintain in a safe condition the property under and adjacent to the Industry Track Portion and Industry property upon which Railroad's employees or contractors may enter pursuant to this Agreement, including, without limitation, removal of snow, ice, vegetation, and other substances and/or materials that might create a hazardous or unsafe condition, elimination of any tripping or slipping hazards, and maintenance of proper drainage and grading to permit safe operation over the Track.

B. Maintenance, repairs, and any track reconstruction performed by Industry must conform to Railroad's standards.

Article 10. SAFETY; COMPLIANCE WITH LAWS

A. Clearances/Impairments. Except as otherwise provided elsewhere in this Agreement, Industry must not construct, maintain, place, or allow the construction or placement of, any structure or object (including, without limitation, platforms, fences, vehicles, equipment, and when open or closed, gates, doors, and windows) closer to the Track than the standard clearance requirements of Railroad without Railroad's prior written consent as evidenced by an amendment or supplement to this Agreement. The standard clearances of Railroad ("Standard Clearances") are (a) horizontally, nine (9) feet from the centerline of the Track, and increased one and one-half inches (1-1/2") for each degree of curvature of the Track, and (b) vertically, twenty-three feet four inches (23'4") above the top of the rail of the Track. Railroad hereby consents to Industry's impairment of the Standard Clearances by use of a portable loading/unloading device, provided that (a) the device when not in use is moved to a safe distance beyond the Standard Clearances, (b) all fallen debris from the operation of the device within the Standard Clearances shall be immediately cleaned up and properly disposed of, (c) the device is maintained in a safe operable condition, and (d) Industry shall be solely responsible for all damages or injuries arising from the use of any such device, including without limitation from fallen debris, in accordance with Article – "LIABILITY" of this Agreement. Any moveable equipment, including, but not limited to, dock plates and loading or unloading spouts or equipment, that impairs the Standard Clearances requirements may be used only when the rail car is stationary, and when not in use must be securely stored or fastened so as not to violate Standard Clearances requirements.

B. Facilities. Except as otherwise provided elsewhere in this Agreement, Industry must not construct, maintain, or place or allow the construction, maintenance, or placement of, any installations (including, without limitation, pits, load out facilities, buildings, road crossings, beams, pipes, or wires) over or under the Track without Railroad's prior written consent as evidenced by an amendment or supplement to this Agreement.

C. Protection of Railroad Employees/Contractors.

1. Industry shall ensure that Railroad employees and contractors on or near Industry's property, other than the Leased Track, pursuant to this Agreement are not exposed to any unsafe, hazardous, or harmful conditions on or emanating from Industry's property, including, without limitation, exposure, release, or emission of dust or chemicals. If Industry becomes aware of the presence of any such condition and is unable to immediately eliminate the condition, then Industry shall immediately notify Railroad's Response Management Communication Center ("RMCC") of the condition by telephone to **1-888-877-7267**. Providing the notification will not relieve Industry of its obligations and liabilities for the condition.

2. Intentionally omitted.

D. Industry to Train and Oversee Employees/Contractors. Industry shall train and oversee its employees, contractors, and agents as to proper and safe working practices to follow when performing any work in connection with this Agreement, including, without limitation, any work associated with Railroad serving Industry over the Track.

E. Intraplant Switching. Industry must not perform any intraplant switching, unless elsewhere specifically authorized in this Agreement. Intraplant switching means any movement of rail cars on the Track by Industry.

F. Fire Precautions and Vegetation Control. Industry must not allow any fire hazards to exist on Industry's property, other than the Leased Track, that might endanger the Track or operations on the Track. Without limitation of the preceding sentence, Industry must not place, or allow to be placed, any flammable material within ten (10) feet of centerline of the Track. Industry shall remove or otherwise control vegetation adjacent to the Industry Track Portion in accordance with applicable local, state, and federal standards and so that it does not constitute a fire hazard or impair sight lines from the train.

G. Telecommunications and Fiber Optic Cable Systems. Telecommunications and fiber optic cable systems may be buried on Railroad's property. Prior to undertaking work on Railroad's property, Industry shall telephone Railroad during normal business hours (7:00 a.m. to 9:00 p.m., Central Time, Monday through Friday, except holidays) at **1-800-336-9193** (also a 24-hour, 7-day number for emergency calls) to determine if telecommunications or fiber optic cable are buried anywhere on Railroad's property to be used by Industry. If it is, Industry will telephone the telecommunication company(ies) involved, arrange for a cable locator, and make arrangements for relocation or other protection of the cable and will commence no work on Railroad's property until all such protection or relocation has been accomplished.

H. Notice and Flagging.

1. Prior to entering Railroad's right-of-way or other property for the purpose of performing any construction, reconstruction, maintenance, or repair of the Track as set forth in this Agreement, and/or constructing additional track segments connecting to the Track, Industry and/or its contractors shall first advise Railroad's local engineering field manager at least ten (10) working days in advance of such work so that Railroad can determine if flagging and/or other protection is needed. If Railroad deems that flagging and/or other protection is needed, no work of any kind shall be performed, and no person, equipment, machinery, tool, material, vehicle, or thing shall be located, operated, placed, or stored within 25 feet of the Track or any other track of Railroad at any time, for any reason, unless and until a Railroad flagman is provided to watch for trains. In case of a need to perform emergency repair of the Track, Industry shall telephone

Railroad's RMCC at **1-888-877-7267**, and the parties shall cooperate reasonably to address the emergency appropriately.

2. If flagging or other special protective or safety measures are performed by Railroad, such services will be provided at Industry's expense with the understanding that if Railroad provides any flagging or other services, Industry shall not be relieved of any of its responsibilities or liabilities under this Agreement, including without limitation liabilities arising out of or connected to Industry notifications under this Agreement.

3. Industry shall promptly pay to Railroad all charges connected with such services within thirty (30) days after presentation of a bill. The rate of pay per hour for each flagman will be the prevailing hourly rate in effect for an eight-hour day for the class of flagman used during regularly assigned hours and overtime in accordance with union collective bargaining agreements and schedules in effect at the time the work is performed. In addition to the cost of such labor, a composite charge for vacation, holiday, health and welfare, supplemental sickness, Railroad Retirement and Unemployment Compensation, supplemental pension, Employer's Liability and Property Damage, and Administration will be included, computed on actual payroll. The composite charge will be the prevailing composite charge in effect on the day that the flagging is provided. One and one-half times the current hourly rate is paid for overtime, Saturdays, and Sundays; two and one-half times current hourly rate is paid for holidays. Wage rates are subject to change at any time, by law or by agreement between Railroad and its employees, and may be retroactive as a result of negotiations or a ruling of an authorized governmental agency. Additional charges on labor are also subject to change. If the wage rate or additional charges are changed, Industry shall pay on the basis of the new rates and charges. Reimbursement to Railroad will be required covering the full eight-hour day during which any flagman is furnished, unless the flagman can be assigned to other Railroad work during a portion of such day, in which event reimbursement will not be required for the portion of the day during which the flagman is engaged in other Railroad work. Reimbursement will also be required for any day not actually worked by said flagman following the flagman assignment to work on the project for which Railroad is required to pay the flagman and which could not reasonably be avoided by Railroad by assignment of such flagman to other work, even though Industry and/or Industry's contractors may not be working during such time. When it becomes necessary for Railroad to bulletin and assign an employee to a flagging position in compliance with union collective bargaining agreements, Industry or Industry's contractors must provide Railroad a minimum of five (5) days notice prior to the cessation of the need for a flagman. If five (5) days notice of cessation is not given, Industry will still be required to pay flagging charges for the five (5) day notice period required by union agreement to be given to the employee, even though flagging is not required for that period. An additional ten (10) days notice must then be given to Railroad if flagging services are needed again after such five (5) day cessation notice has been given to Railroad.

4. Industry shall be permitted to hire a private contractor to perform flagging or other special protective or safety measures (such private contractor being commonly known in the railroad industry as a contractor-in-charge ("CIC")) in lieu of Railroad providing such services or in concert with Railroad providing such services, subject to prior written approval by Railroad, which approval shall be in Railroad's sole and absolute discretion. If Railroad agrees to permit Industry to utilize a CIC pursuant to the preceding sentence, Industry shall obtain Railroad's prior approval in writing for each of the following items, as determined in all respects in Railroad's sole and absolute discretion: (i) the identity of the third-party performing the role of CIC; (ii) the scope of the services to be performed for the project by the approved CIC; and (iii) any other terms and conditions governing such services to be provided by the CIC. If flagging or other special protective or safety measures are performed by an approved CIC, Industry shall be solely

responsible for (and shall timely pay such CIC for) its services. Railroad reserves the right to rescind any approval pursuant to this paragraph, in whole or in part, at any time, as determined in Railroad's sole and absolute discretion.

I. Compliance with Laws.

1. Industry shall comply with all applicable ordinances, regulations, statutes, rules, decisions, and orders (including, but not limited to, those relating to safety, zoning, rail operations, air and water quality, noise, hazardous substances, hazardous materials, and hazardous wastes) issued by any court or federal, state, or local governmental entity, including, without limitation, the federal Department of Transportation, the Federal Railroad Administration, and the federal Environmental Protection Agency ("Laws"). Industry shall be solely responsible for securing and maintaining, at its expense, any necessary permits, licenses, and approvals required by any Laws for Industry's operations.

2. If at any time Industry is not in full compliance with any Laws, Railroad, after notifying Industry of its noncompliance and Industry's failure to correct such noncompliance within a timeframe that is satisfactory to regulatory and/or other legal authorities, may choose at its sole discretion and without assuming any legal, common law, or statutory obligation, to take whatever action is necessary to bring the Track and any Railroad property affected by such noncompliance into compliance with such Laws; provided, however, that if Industry's failure to comply with the Laws interferes with, obstructs, or endangers Railroad mainline or yard operations in any way, Railroad may initiate compliance action immediately. Industry shall reimburse Railroad for all costs (including without limitation consulting, engineering, clean-up, disposal, legal costs and attorneys' fees, fines, and penalties) incurred by Railroad in complying with, abating a violation of, or defending any claim of violation of such Laws.

J. Minimum Standards; Industry Responsibility. The provisions in this Agreement relating to safety are minimum standards only, and do not relieve Industry of the obligation to comply with Laws or to conduct its operations and maintain its property in a safe manner and free from hazards to human beings and the environment. Industry in all events is solely responsible for the safety of its operations, its employees, and its property, and no consent, approval, review, waiver, investigation, observation, knowledge, or advice of or by Railroad, including any action undertaken with the authority set forth in this Agreement, will relieve Industry of such responsibility.

Article 11. LIABILITY

A. FOR PURPOSES OF THIS ARTICLE, THE FOLLOWING DEFINITIONS SHALL APPLY:

"RAILROAD": RAILROAD AND ITS OFFICERS, AGENTS, AND EMPLOYEES.

"INDUSTRY": INDUSTRY AND ITS OFFICERS, AGENTS, AND EMPLOYEES.

"PARTY": RAILROAD OR INDUSTRY.

"LOSS": LOSS OF OR DAMAGE TO THE PROPERTY OF ANY THIRD PERSON OR PARTY (INCLUDING ENVIRONMENTAL CLAIMS), INJURY OR DEATH OF ANY THIRD PERSON OR PARTY, AND/OR ANY REGULATORY CHARGE, FINE OR PENALTY. "LOSS" SHALL ALSO INCLUDE, WITHOUT LIMITATION, THE FOLLOWING EXPENSES INCURRED BY A PARTY: COSTS, EXPENSES, THE COST

OF DEFENDING LITIGATION OR A REGULATORY PROCEEDING, ATTORNEYS' FEES, EXPERT WITNESS FEES, COURT COSTS, ARBITRATION OR MEDIATION COSTS, MEDIATOR AND/OR ARBITRATOR FEES, AMOUNTS PAID IN SETTLEMENT, THE AMOUNT OF A JUDGMENT, PRE-JUDGMENT AND POST-JUDGMENT INTEREST, AND COSTS OF RESPONSE (INCLUDING ANALYTICAL, REMEDIATION, AND GOVERNMENTAL OVERSIGHT COSTS) ARISING OUT OF ANY INCIDENT INVOLVING THE RELEASE OF HAZARDOUS SUBSTANCES, HAZARDOUS MATERIALS, OR HAZARDOUS WASTES.

B. EXCEPT AS OTHERWISE SPECIFIED IN THIS AGREEMENT, ALL LOSS RELATED TO THE CONSTRUCTION, OPERATION, MAINTENANCE, USE, PRESENCE, OR REMOVAL OF THE TRACK SHALL BE ALLOCATED AS FOLLOWS:

1. EXCEPT AS PROVIDED IN SUB-ARTICLE B.4 OF THIS ARTICLE – “LIABILITY” BELOW, – RAILROAD SHALL DEFEND AND INDEMNIFY INDUSTRY AND HOLD IT HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS FOR LOSS ARISING OUT OF OR CONNECTED TO THE NEGLIGENT ACTS OR OMISSIONS OF RAILROAD.

2. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, INDUSTRY SHALL DEFEND AND INDEMNIFY RAILROAD AND HOLD IT HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS FOR LOSS ARISING OUT OF OR CONNECTED TO THE NEGLIGENT ACTS OR OMISSIONS OF INDUSTRY.

3. EXCEPT AS PROVIDED IN SUB-ARTICLE B.4 OF THIS ARTICLE – “LIABILITY” BELOW, RAILROAD AND INDUSTRY SHALL EACH PAY THEIR PROPORTIONATE SHARE OF ANY AND ALL CLAIMS FOR LOSS ARISING OUT OF OR CONNECTED TO THE JOINT OR CONCURRING NEGLIGENCE OF RAILROAD AND INDUSTRY, SUCH PROPORTIONATE SHARE TO BE DETERMINED BY THE COMPARATIVE FAULT OF EACH PARTY; PROVIDED, HOWEVER, THAT NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS IMPAIRING THE RIGHT OF EITHER PARTY TO SEEK CONTRIBUTION OR INDEMNIFICATION FROM A THIRD PERSON.

4. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, INDUSTRY SHALL DEFEND AND INDEMNIFY RAILROAD AND HOLD IT HARMLESS FROM AND AGAINST ANY LOSS ARISING OUT OF OR CONNECTED TO THE FOLLOWING (REGARDLESS OF THE EXTENT OF RAILROAD’S OR A THIRD PARTY’S FAULT OR LIABILITY):

a. ANY IMPAIRMENT OF CLEARANCES OR INTRAPLANT SWITCHING BY INDUSTRY, REGARDLESS OF WHETHER IT IS A BREACH OF THIS AGREEMENT OR HAS BEEN CONSENTED TO OR WAIVED BY RAILROAD;

b. ANY PRIVATE OR PUBLIC ROAD CROSSING OVER ANY INDUSTRY TRACK PORTION OR ANY LEASED TRACK REGARDLESS OF WHETHER IT IS A BREACH OF THIS AGREEMENT OR HAS BEEN CONSENTED TO OR WAIVED BY RAILROAD;

c. ANY EXPOSURE OF ANY RAILROAD EMPLOYEE OR CONTRACTOR TO ANY UNSAFE, HAZARDOUS, OR HARMFUL CONDITION ON OR EMANATING FROM INDUSTRY'S PROPERTY;

d. ANY EMISSION, DISCHARGE, LEAK, SPILL, OR OTHER FORM OF RELEASE, AS THAT TERM IS DEFINED BY THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980, OF HAZARDOUS SUBSTANCES, HAZARDOUS MATERIALS, OR HAZARDOUS WASTES SHIPPED, RECEIVED, OR STORED BY INDUSTRY, REGARDLESS OF WHETHER SUCH SHIPMENT, RECEIPT, OR STORAGE IS A BREACH OF THIS AGREEMENT OR HAS BEEN CONSENTED TO OR WAIVED BY RAILROAD;

e. ANY DAMAGE TO RAIL EQUIPMENT ON THE TRACK, OR CARGO OR COMMODITY STORED IN RAILCARS ON THE TRACK (EXCLUDING THOSE RAILCARS PLACED BY RAILROAD PURSUANT TO ARTICLE – "USE AND OPERATION OF THE TRACK") RESULTING FROM ANY ACT OR EVENT BEYOND THE CONTROL OF RAILROAD, INCLUDING WITHOUT LIMITATION ANY ACT OF GOD AND SPECIFICALLY INCLUDING WATER DAMAGE FROM WHATEVER SOURCE; OR

f. THIRD PARTY USE OF ALL OR A PORTION OF THE TRACK WITHOUT COMPLIANCE WITH ARTICLE – "ASSIGNMENT; USE BY THIRD PARTIES."

C. THE RIGHT TO INDEMNIFICATION UNDER THIS ARTICLE – "LIABILITY" WILL ACCRUE UPON THE LATER OF THE OCCURRENCE OF THE EVENT GIVING RISE TO THE LOSS OR THE ASSERTION BY A THIRD PARTY OF A CLAIM FOR A LOSS.

D. INDUSTRY EXPRESSLY ASSUMES POTENTIAL LIABILITY UNDER THIS ARTICLE – "LIABILITY" FOR ACTIONS BROUGHT BY INDUSTRY'S OWN EMPLOYEES, AND HEREBY AGREES TO DEFEND, INDEMNIFY, AND HOLD HARMLESS RAILROAD FOR ANY LOSS TO INDUSTRY'S EMPLOYEES REGARDLESS OF FAULT. INDUSTRY HEREBY WAIVES ANY IMMUNITY IT MAY HAVE UNDER WORKERS' COMPENSATION OR INDUSTRIAL INSURANCE ACTS TO INDEMNIFY RAILROAD UNDER THIS –ARTICLE – "LIABILITY." INDUSTRY ACKNOWLEDGES THAT THIS WAIVER WAS MUTUALLY NEGOTIATED BY THE PARTIES.

E. NO COURT OR JURY FINDINGS IN ANY EMPLOYEE'S SUIT UNDER THE FEDERAL EMPLOYER'S LIABILITY ACT AGAINST RAILROAD MAY BE USED BY INDUSTRY IN ANY ATTEMPT TO ASSERT LIABILITY AGAINST RAILROAD.

F. NO PROVISION OF THIS AGREEMENT WITH RESPECT TO INSURANCE WILL LIMIT THE SCOPE OR EXTENT OF THE INDEMNITY UNDER THIS ARTICLE – "LIABILITY" AND INDUSTRY UNDERSTANDS AND ACCEPTS THAT THE TERMS OF THIS ARTICLE ARE WHOLLY SEPARATE FROM AND INDEPENDENT OF THE TERMS OF ARTICLE – "INSURANCE."

Article 12. INSURANCE

A. Irrespective of and in addition to any indemnity provisions hereof, before the term of this Agreement begins, Industry, at its sole expense, shall provide to Railroad prior to execution, and subsequently upon request, a certificate issued by its insurance carrier evidencing the insurance coverage required under **Exhibit B** attached and by reference made a part of this Agreement.

B. Not more frequently than once every two (2) years, Railroad has the right to modify reasonably the required insurance coverage to reflect then-current risk management practices in the railroad industry and underwriting practices in the insurance industry.

C. Industry understands and accepts that the terms of this Article are wholly separate from and independent of the terms of Article -- "LIABILITY."

Article 13. PAYMENT OF INVOICES; COSTS AND EXPENSES

Cost(s) and expense(s) payable by Industry hereunder include without limitation direct and indirect labor and material costs including all then-current assignable Railroad cost additives, and material at then-current values when and where used. Invoices shall be due thirty (30) days after invoice date. Invoices not paid within thirty (30) days are subject to interest at the then-current delinquency rate charged by Railroad.

Article 14. NOTICES

Any notice or other communication required or permitted to be given under this Agreement must be in writing and (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. Facsimile notices are valid only if actually received by the individual to whom addressed, and followed by delivery of actual notice in the manner described above within three (3) business days thereafter. Notices will be deemed received at the earlier of actual receipt, or one (1) business day after deposit with an overnight courier as evidenced by a receipt of deposit, or three (3) business days after 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 Railroad: UNION PACIFIC RAILROAD COMPANY
ATTN: Real Estate Project 0793065
1400 Douglas Street, STOP 1690
Omaha, Nebraska 68179-1690
Facsimile: (402) 501-0340

With copy to: UNION PACIFIC RAILROAD COMPANY
ATTN: Law Department - Industrial Track
1400 Douglas Street, STOP 1580
Omaha, Nebraska 68179-1580
Facsimile: (402) 501-0132

If to Industry: COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY
ATTN: Facilities Planning Department
1955 Workman Mill Road
Whittier, California 90601

Article 15. ASSIGNMENT; USE BY THIRD PARTIES

A. Industry must not assign this Agreement or permit use of the Track by any person or entity other than Railroad without the prior written consent of Railroad. Railroad has the right to withhold its consent in its sole and absolute discretion. Railroad may terminate this Agreement immediately upon notice to Industry for any departure from the terms of this Sub-Article.

B. Subject to the immediately preceding Sub-Article, this Agreement binds and benefits the heirs, executors, administrators, successors, and assigns of Railroad and Industry.

Article 16. ATTORNEYS' FEES

If either party retains an attorney to enforce this Agreement, the prevailing party is entitled to recover reasonable attorneys' fees to the extent allowed by applicable law.

Article 17. WAIVER OF BREACH; SAVINGS

Any waiver by either party of any breach by the other of this Agreement will not affect or impair rights arising from any other or subsequent breach. If any one or more of the provisions in this Agreement shall be invalid, illegal, or unenforceable in any respect under any applicable law: (a) the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired, and (b) to the fullest extent possible and permitted by law, the provisions of this Agreement shall be construed so as to give a maximum effect to the intent manifested by the provision held to be invalid, illegal, or unenforceable.

Article 18. RIGHTS AND OBLIGATIONS OF RAILROAD

If any of the rights and obligations of Railroad under this Agreement are substantially and negatively affected by any changes in the Laws applicable to this Agreement, whether statutory, regulatory, or under federal or state judicial precedent, then Railroad may require Industry to enter into an amendment to this Agreement to eliminate the negative effect on Railroad's rights and obligations to the extent reasonably possible.

Article 19. ENTIRE AGREEMENT

This Agreement, including its Exhibits, along with any license agreements or leases applicable to any installation over, under, or near the Track, is the entire agreement between the parties with respect to the subject matter of this Agreement, and supersedes all oral agreements and prior written agreements between the parties pertaining to this transaction. The Recitals are hereby incorporated into this Agreement and shall be deemed a part hereof. This Agreement may be amended only by a written instrument signed by Industry and Railroad.

Article 20. GOVERNING LAW

This Agreement and any dispute arising from this Agreement will be governed by the laws of the state in which the Track is located without regard to principles of conflicts of laws. Notwithstanding anything to the contrary set forth in the foregoing sentence or elsewhere in this Agreement, federal law shall control on all subjects preempted by federal law. For purposes of clarity, Railroad and Industry each agree that nothing in this Agreement is meant to be, nor shall be interpreted to be, a waiver of principles of legal preemption or preclusion that may apply to Railroad because of its status as a common carrier

regulated by the federal government, including without limitation the Surface Transportation Board and the FRA.

Article 21. DISPUTE RESOLUTION

A. Disputes. Any dispute arising under or related to this Agreement shall be resolved as set out below.

B. Informal Resolution. If either party believes a dispute exists, that party may notify the other party, pursuant to the Article – “NOTICE,” that a dispute exists and of the nature of the dispute. The other party shall respond within ten (10) business days after notice, and notify the complaining party of its position in response and of its agreement to meet and attempt in good faith to resolve the dispute. If the other party responds timely and agrees to meet, the parties’ authorized representatives and counsel shall meet within ten (10) business days after the response date and confer in good faith and exercise reasonable efforts to resolve the dispute. If the parties cannot informally resolve the dispute, then they are free to exercise their rights as they deem appropriate, including without limitation to initiate litigation.

Article 23. TRACK SAFETY DEVICE – DERAILS

Intentionally omitted.

Article 25. USE OF DIGITAL IMAGERY

Industry acknowledges that if it or its consultant provided to Railroad digital imagery depicting the Track (the "Digital Imagery"), Industry authorized Railroad to use the Digital Imagery in the **Exhibit A**. Industry represents and warrants that through a license or otherwise, it has the right to use the Digital Imagery and to permit Railroad to use the Digital Imagery in said manner.

Article 26. CONFIDENTIALITY

For the term of this Agreement and for thirty six (36) months thereafter, no party may disclose any of the terms of this Agreement to any non-party without the prior written consent of the other party except (1) as required by law, (2) to a corporate parent, subsidiary, or affiliate or (3) to its auditor or legal counsel. Each party to this Agreement agrees to indemnify the other from and against any damage(s) suffered by a party as a result of disclosure by a party hereto, or by its auditor or counsel of any of the terms or conditions in violation of this provision. In the event a party determines that the terms of the Agreement have been disclosed to a non-party without the prior written consent of the non-disclosing party, then the non-disclosing party shall have the right to terminate this Agreement immediately upon notice to the other party, and to seek whatever remedies it may have at law or in equity. Notwithstanding the foregoing, Railroad recognizes that Industry is a public agency and is subject to legal requirements regarding disclosure, including but not limited to the California Public Records Act. No liability, confidentiality restriction, or obligation in this Article shall apply to either party in the event disclosure is required under California Public Records Act or other applicable law.

Article 27. SIGNATURE IN COUNTERPARTS

This Agreement may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic means shall be effective as the delivery of a manually executed counterpart of this

Agreement. The parties agree that such electronically exchanged or stored copies will be enforceable as original documents.

Article 28. SPECIAL PROVISIONS

A. Reserved.

The above Special Provisions, if any, are also subject to the terms, provisions, and conditions set forth elsewhere in this Agreement and to any prior regulatory approval that may be needed.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first herein written.

UNION PACIFIC RAILROAD COMPANY

By: _____
Tammy Anderson
Manager, Real Estate – Track

**COUNTY SANITATION DISTRICT NO. 2
OF LOS ANGELES COUNTY**

By: _____
Chairperson, Board of Directors

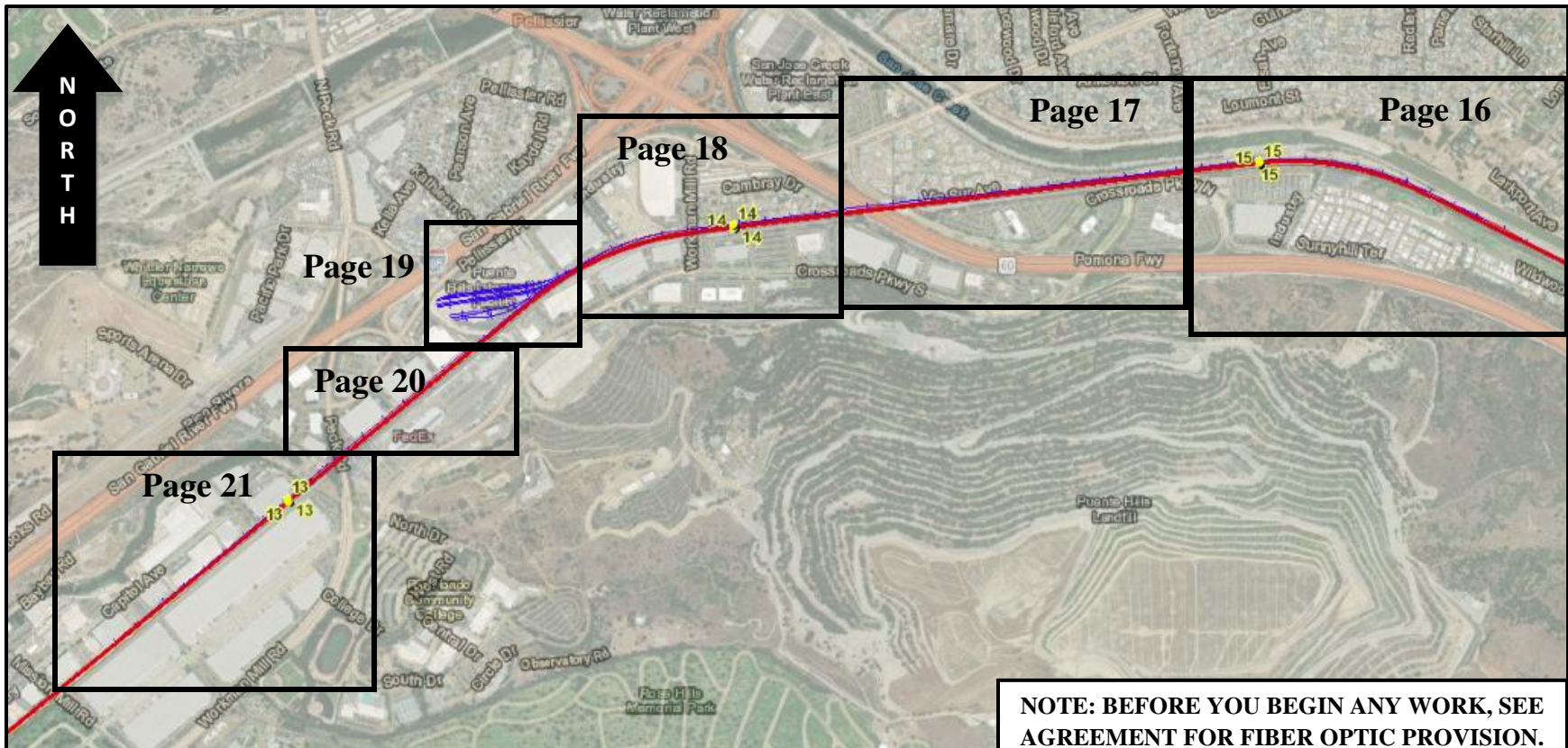
ATTEST:

Secretary to the Board

APPROVED AS TO FORM:

Lewis Brisbois Bisgaard & Smith, LLP

By: _____
District Counsel

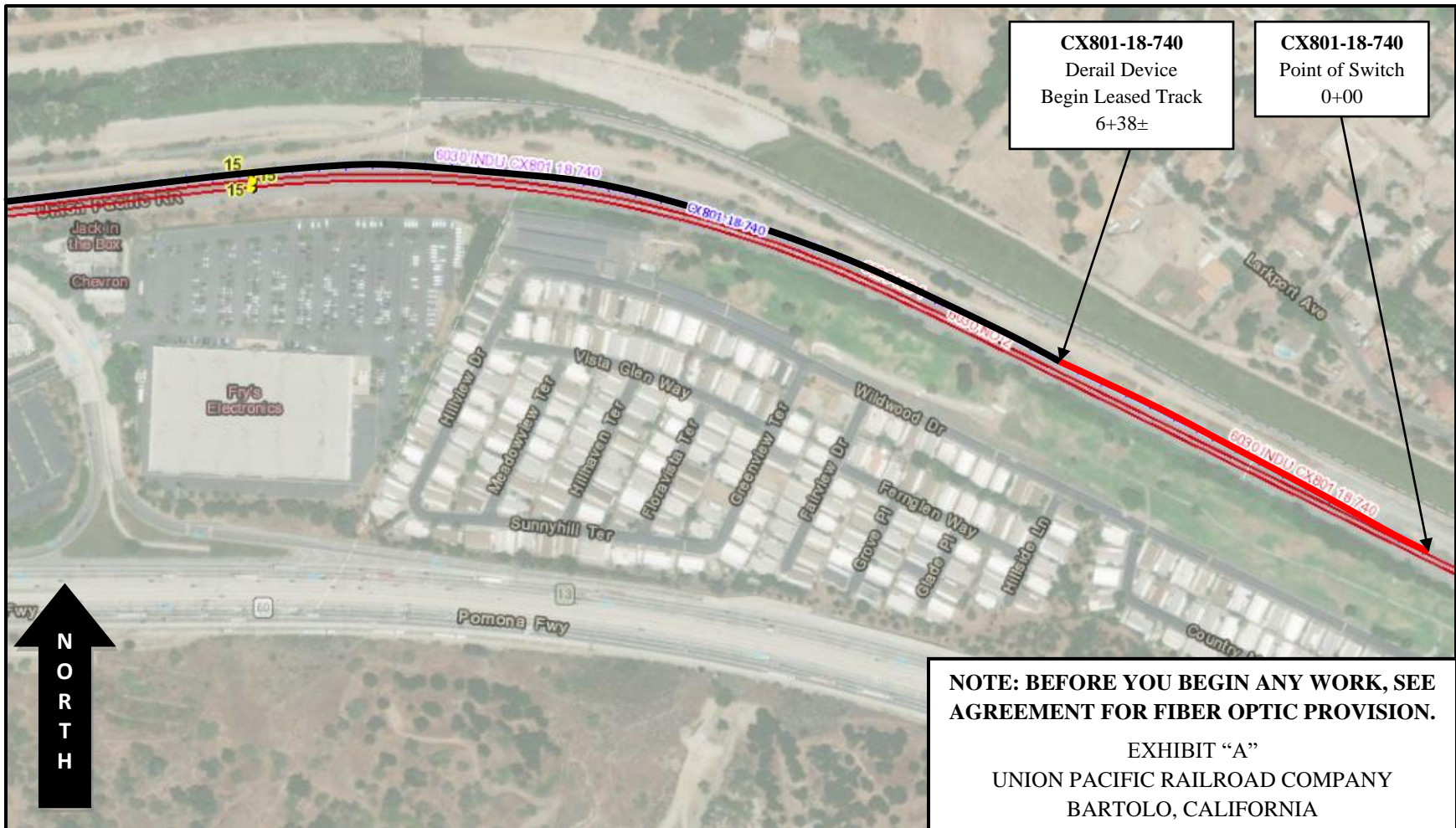


NOTE: BEFORE YOU BEGIN ANY WORK, SEE AGREEMENT FOR FIBER OPTIC PROVISION.

EXHIBIT "A"
 UNION PACIFIC RAILROAD COMPANY
 BARTOLO, CALIFORNIA
 M.P. 12.56 – LOS ANGELES SUBDIVISION

Track Agreement with
 COUNTY SANITATION DISTRICT NO. 2 OF
 LOS ANGELES COUNTY

REAL ESTATE DEPARTMENT
 OMAHA, NE Date: November 14, 2023
 RE Project No. 0793060



CX801-18-740
 Derail Device
 Begin Leased Track
 6+38±

CX801-18-740
 Point of Switch
 0+00



LEGEND	
Railroad Track Portion.....	
(Railroad Maintains)	(Solid Red Line)
Leased Track	
(Railroad Maintains)	(Solid Black Line)

NOTE: BEFORE YOU BEGIN ANY WORK, SEE AGREEMENT FOR FIBER OPTIC PROVISION.

EXHIBIT "A"
 UNION PACIFIC RAILROAD COMPANY
 BAROLO, CALIFORNIA
 M.P. 12.56 – LOS ANGELES SUBDIVISION

Track Agreement with
 COUNTY SANITATION DISTRICT NO. 2 OF
 LOS ANGELES COUNTY

REAL ESTATE DEPARTMENT
 OMAHA, NE Date: November 14, 2023
 RE Project No. 0793060



LEGEND

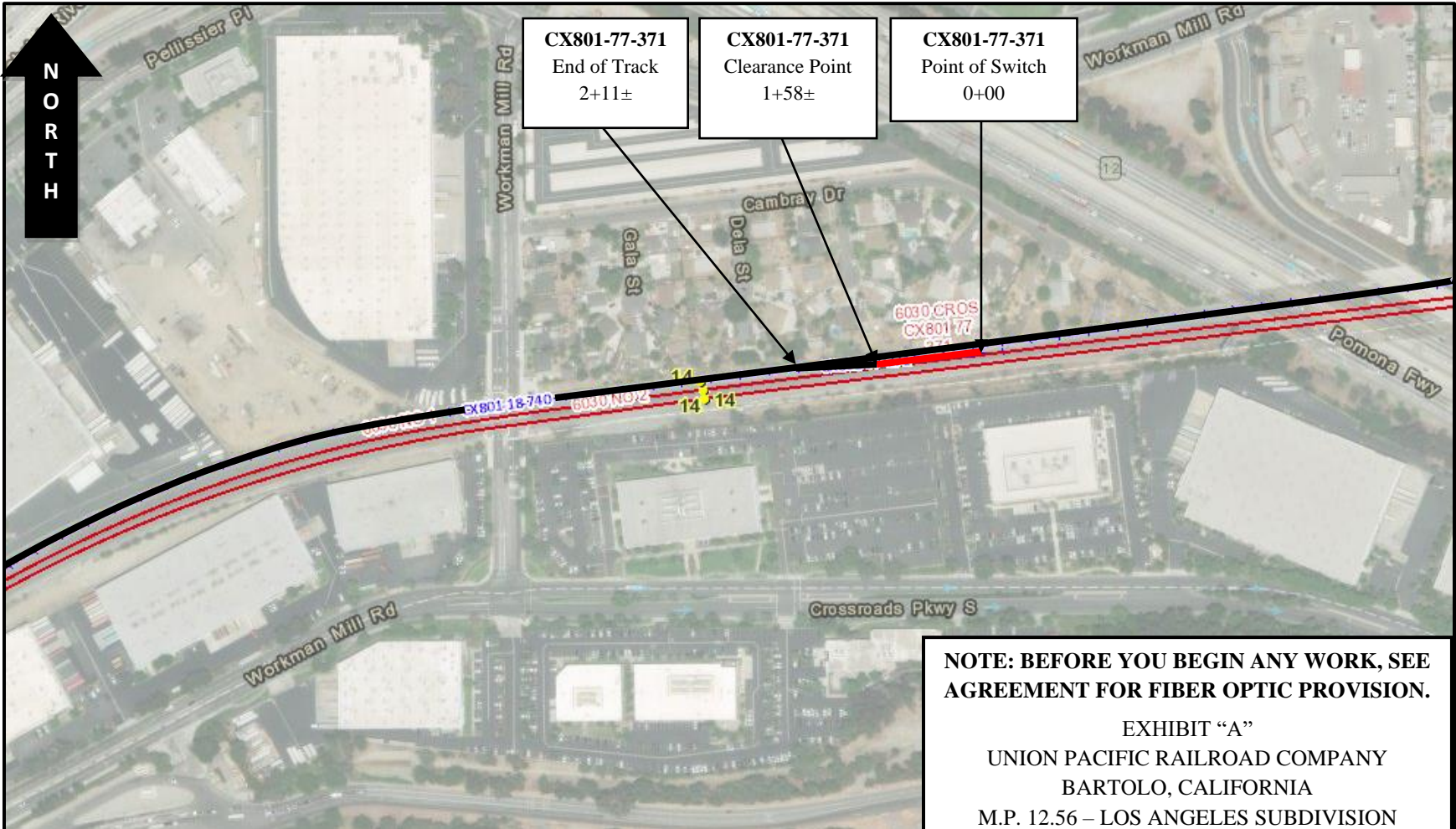
- Railroad Track Portion..... (Solid Red Line)
(Railroad Maintains)
- Leased Track (Solid Black Line)
(Railroad Maintains)

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EXHIBIT "A"
 UNION PACIFIC RAILROAD COMPANY
 BARTOLO, CALIFORNIA
 M.P. 12.56 – LOS ANGELES SUBDIVISION

Track Agreement with
 COUNTY SANITATION DISTRICT NO. 2 OF
 LOS ANGELES COUNTY

REAL ESTATE DEPARTMENT
 OMAHA, NE Date: November 14, 2023
 RE Project No. 0793060



CX801-77-371
End of Track
2+11±

CX801-77-371
Clearance Point
1+58±

CX801-77-371
Point of Switch
0+00

NOTE: BEFORE YOU BEGIN ANY WORK, SEE AGREEMENT FOR FIBER OPTIC PROVISION.

EXHIBIT "A"
UNION PACIFIC RAILROAD COMPANY
BARTOLO, CALIFORNIA
M.P. 12.56 – LOS ANGELES SUBDIVISION

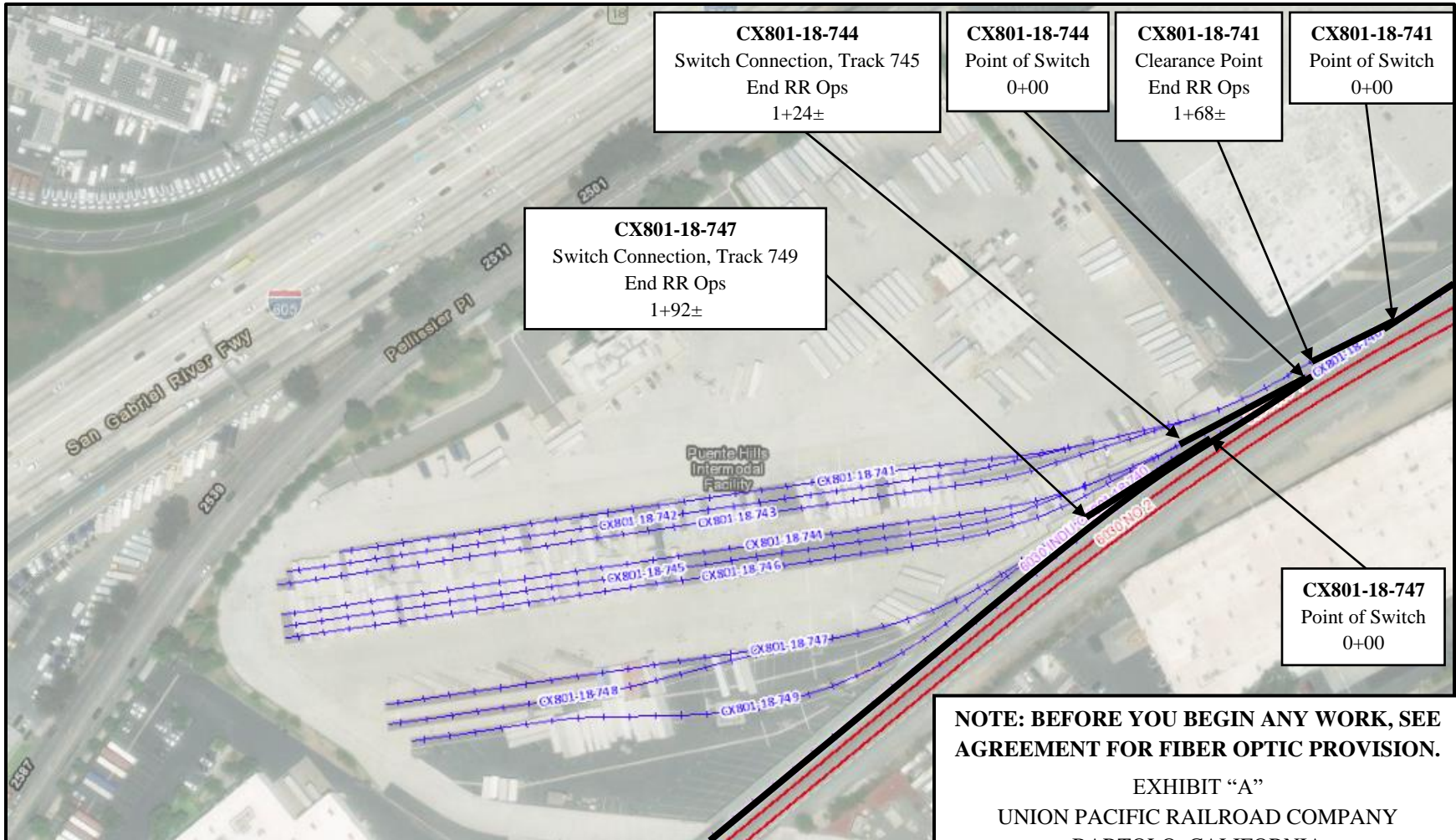
Track Agreement with
COUNTY SANITATION DISTRICT NO. 2 OF
LOS ANGELES COUNTY

REAL ESTATE DEPARTMENT
OMAHA, NE Date: November 14, 2023
RE Project No. 0793060

LEGEND

Railroad Track Portion..... (Solid Red Line)
(Railroad Maintains)

Leased Track (Solid Black Line)
(Railroad Maintains)



CX801-18-744
Switch Connection, Track 745
End RR Ops
1+24±

CX801-18-744
Point of Switch
0+00

CX801-18-741
Clearance Point
End RR Ops
1+68±

CX801-18-741
Point of Switch
0+00

CX801-18-747
Switch Connection, Track 749
End RR Ops
1+92±

CX801-18-747
Point of Switch
0+00

LEGEND

Railroad Track Portion..... (Solid Red Line)
(Railroad Maintains)

Leased Track (Solid Black Line)
(Railroad Maintains)

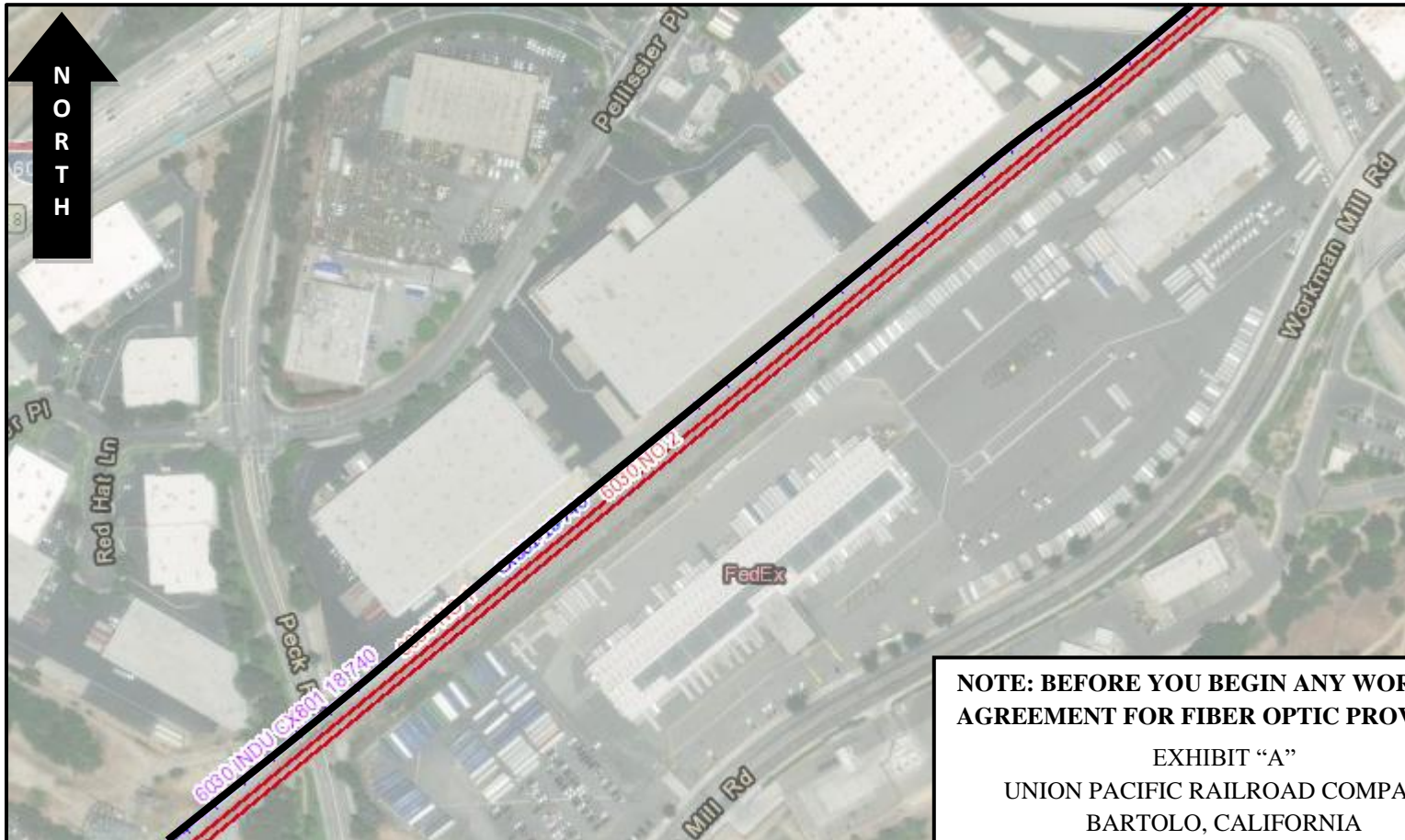


NOTE: BEFORE YOU BEGIN ANY WORK, SEE AGREEMENT FOR FIBER OPTIC PROVISION.

EXHIBIT "A"
UNION PACIFIC RAILROAD COMPANY
BARTOLO, CALIFORNIA
M.P. 12.56 – LOS ANGELES SUBDIVISION

Track Agreement with
COUNTY SANITATION DISTRICT NO. 2 OF
LOS ANGELES COUNTY

REAL ESTATE DEPARTMENT
OMAHA, NE Date: November 14, 2023
RE Project No. 0793060



LEGEND

Railroad Track Portion.....	
(Railroad Maintains)	(Solid Red Line)
Leased Track	
(Railroad Maintains)	(Solid Black Line)

NOTE: BEFORE YOU BEGIN ANY WORK, SEE AGREEMENT FOR FIBER OPTIC PROVISION.

EXHIBIT "A"
 UNION PACIFIC RAILROAD COMPANY
 BAROLO, CALIFORNIA
 M.P. 12.56 – LOS ANGELES SUBDIVISION

Track Agreement with
 COUNTY SANITATION DISTRICT NO. 2 OF
 LOS ANGELES COUNTY

REAL ESTATE DEPARTMENT
 OMAHA, NE Date: November 14, 2023
 RE Project No. 0793060

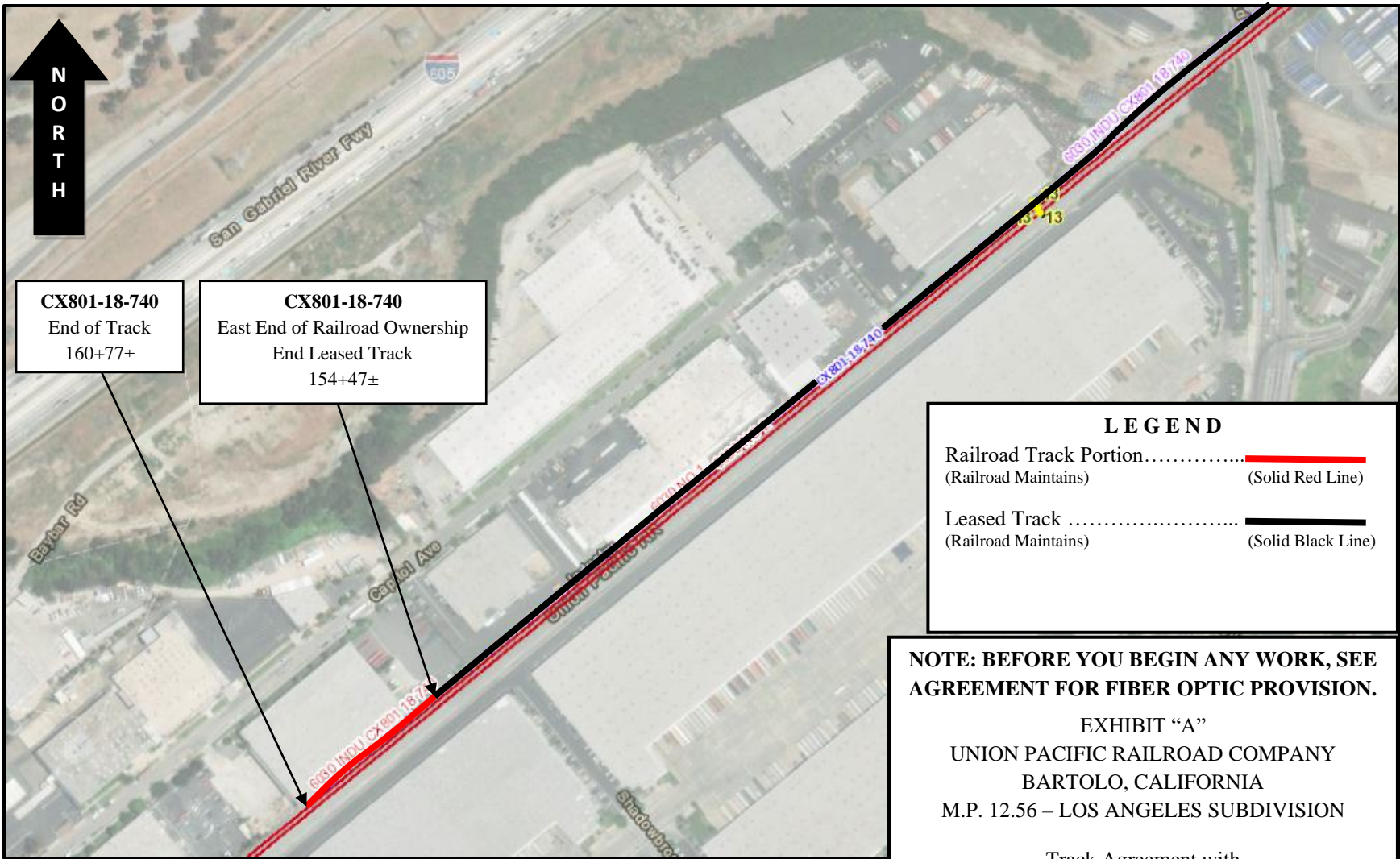


EXHIBIT B
Union Pacific Railroad
Contract Insurance Requirements

Industry shall, at its sole cost and expense, procure and maintain during the life of this Agreement (except as otherwise provided in this Agreement) the following insurance coverage:

A. Commercial General Liability Insurance. Commercial general liability (CGL) with a limit of not less than \$2,000,000 each occurrence and an aggregate limit of not less than \$4,000,000. CGL insurance must be written on ISO occurrence form CG 00 01 12 04 (or a substitute form providing equivalent coverage).

The policy must also contain the following endorsement, which must be stated on the certificate of insurance:

- Contractual Liability Railroads ISO form CG 24 17 10 01 (or a substitute form providing equivalent coverage) showing “Union Pacific Railroad Company Property” covered under this Agreement as the Designated Job Site.

B. Business Automobile Coverage Insurance. Business auto coverage written on ISO form CA 00 01 10 01 (or a substitute form providing equivalent liability coverage) with a combined single limit of not less \$2,000,000 for each accident, and coverage must include liability arising out of any auto (including owned, hired, and non-owned autos.)

The policy must contain the following endorsements, which must be stated on the certificate of insurance:

Coverage For Certain Operations In Connection With Railroads ISO form CA 20 70 10 01 (or a substitute form providing equivalent coverage) showing “Union Pacific Railroad Company Property” covered under this Agreement as the Designated Job Site.

Motor Carrier Act Endorsement - Hazardous materials clean up (MCS-90) if required by law.

C. Workers Compensation and Employers Liability Insurance. Coverage must include but not be limited to:

- Industry’s statutory liability under the workers’ compensation laws of the state(s) affected by this Agreement.
- Employers’ Liability (Part B) with limits of at least \$500,000 each accident, \$500,000 disease policy limit \$500,000 each employee.

If Industry is self-insured, evidence of state approval and excess workers compensation coverage must be provided. Coverage must include liability arising out of the U. S. Longshoremen’s and Harbor Workers’ Act, the Jones Act, and the Outer Continental Shelf Land Act, if applicable.

D. Umbrella or Excess Insurance. If Industry utilizes umbrella or excess policies, these policies must “follow form” and afford no less coverage than the primary policy.

Other Requirements

E. All policy(ies) required above (except business automobile, worker’s compensation and employers liability) must include Railroad as “Additional Insured” using ISO Additional Insured Endorsement CG 20 26 (or substitute forms providing equivalent coverage). The coverage provided to Railroad as Additional Insured shall not

be limited by Industry's liability under the indemnity provisions of this Agreement. BOTH INDUSTRY AND COMPANY EXPECT THAT UNION PACIFIC RAILROAD COMPANY WILL BE PROVIDED WITH THE BROADEST POSSIBLE COVERAGE AVAILABLE BY OPERATION OF LAW UNDER ISO ADDITIONAL INSURED FORM CG 20 26.

F. Punitive damages exclusion, if any, must be deleted (and the deletion indicated on the certificate of insurance), unless (a) insurance coverage may not lawfully be obtained for any punitive damages that may arise under this Agreement, or (b) all punitive damages are prohibited by all states in which this Agreement will be performed.

G. Industry waives all rights of recovery, and its insurers also waive all rights of subrogation of damages against Railroad and its agents, officers, directors and employees for damages covered by the workers compensation and employers liability or commercial umbrella or excess liability obtained by Industry required in this Agreement, where permitted by law. This waiver must be stated on the certificate of insurance.

H. All insurance policies must be written by a reputable insurance company acceptable to Railroad or with a current Best's Insurance Guide Rating of A- and Class VII or better, and authorized to do business in the state(s) in which the work is to be performed.

I. The fact that insurance is obtained by Industry will not be deemed to release or diminish the liability of Industry, including, without limitation, liability under the indemnity provisions of this Agreement. Damages recoverable by Railroad from Industry or any third party will not be limited by the amount of the required insurance coverage.

J. Industry shall furnish Railroad with a certificate(s) of insurance, executed by a duly authorized representative of each insurer showing compliance with the insurance requirements in this Agreement.

K. Industry is allowed to retain (self-insure) in whole or in part any insurance obligation under this Agreement. Any retention shall be for the account of Industry. If Industry elects to retain (self-insure) any insurance required by this Agreement Industry agrees that it shall provide Railroad with the same coverage that would have been provided to it by the required commercial insurance forms had Industry obtained commercial insurance. For all coverage not retained (self-insured) Industry shall furnish Railroad with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements in this Agreement. For all coverage retained (self-insured) Industry shall provide a letter stating that through its risk management programs it retains the balance of its insurance obligation under this Agreement and that this letter is provided in lieu of a Certificate of Insurance.

L. All insurance correspondence, certificates of insurance and endorsements shall be addressed as follows:

Union Pacific Railroad Company
Real Estate Department – Project # 0793060
1400 Douglas Street, Stop 1690
Omaha, NE 68179

Basic points to remember:

- The certificate must indicate that Union Pacific Railroad Company is included as an additional insured. (Listing Union Pacific Railroad Company only as a certificate holder is not sufficient.)
- Binders are only accepted for sixty (60) days.
- Failure to comply with insurance requirements may result in a delay of your activity with UPRR.
- The certificate must indicate your RE project number.