

**MEMORANDUM OF UNDERSTANDING
BETWEEN JACKSON COUNTY AND UNION PACIFIC
REGARDING JACKSON COUNTY'S PROPOSED
RAIL LINE FOR COMMUTER SERVICE AND TRAIL SYSTEM
IN KANSAS CITY AND JACKSON COUNTY, MISSOURI**

This Memorandum of Understanding ("MOU") is entered into on this 28 day of April, 2016 by and between Jackson County, Missouri ("Jackson County" or "the County"), a political subdivision of the State of Missouri, and Union Pacific Railroad Company ("Union Pacific"). Jackson County and Union Pacific are sometimes referred to collectively herein as the "Parties".

WITNESSETH THAT:

WHEREAS, pursuant to the terms of that certain Line Sale Agreement entered into by the Parties on December 31, 2015, Union Pacific has agreed to sell and Jackson County has agreed to purchase a portion of Union Pacific right-of-way, known as the "Rock Island Line" from MP 288.3 to MP 270.6 southeast from the overpass near Leeds, MO for the purposes of constructing, operating, and maintaining a segment of its commuter rail and trail systems from the connection with the Blue Valley Industrial Lead to MP 270.6 near Greenwood, MO; and

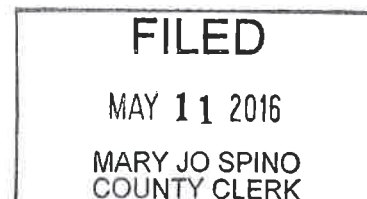
WHEREAS, Union Pacific and Kansas City Terminal Railway Company ("KCT") each own railroad rights-of-way in Jackson County, Missouri; and

WHEREAS, Jackson County wishes to obtain or utilize (and shall be solely responsible for obtaining) portions of the KCT right-of-way and structures, known as the Blue Valley Industrial Lead (formerly known as the Coburg Lead), for purposes of constructing, operating, and maintaining a segment of its proposed commuter rail and trail systems between Sheffield Junction and the former Rock Island railroad overpass near Leeds, MO, both within the City of Kansas City, MO, and to operate on a track parallel to Union Pacific's Coffeyville subdivision; and

WHEREAS, Union Pacific also wishes to obtain (and shall be solely responsible for obtaining) portions of the KCT Blue Valley Industrial Lead right-of-way for the purposes of expanding the capacity of its parallel Coffeyville subdivision; and

WHEREAS, the proposed route for the commuter rail service requires use of the KCT Blue Valley Industrial Lead corridor; and

WHEREAS, Union Pacific anticipates expanding its parallel Coffeyville Subdivision corridor by using a strip of land owned by KCT along the Blue Valley Industrial Lead corridor; and



WHEREAS, neither Jackson County nor Union Pacific have completed final design or engineering in this area but both Parties have completed their respective conceptual design efforts; and

WHEREAS, Jackson County and Union Pacific have reviewed each other's design efforts to date.

NOW THEREFORE,

The Parties enter into this MOU regarding the County's and Union Pacific's proposed projects in order to document their understanding and preliminary agreements on design and engineering issues.

TERMS OF UNDERSTANDING:

SECTION 1. Project Review to Date.

The Parties have jointly met to review conceptual design plans for the area, as shown on **Exhibit A**. Both Parties acknowledge that further design and engineering is required. It may be several years before Jackson County and/or Union Pacific identify capital funds and gain approval for construction of their respective projects. The Parties agree to continue coordination and discussions as plans for both the Jackson County and Union Pacific projects progress.

SECTION 2. Kansas City Terminal-Access to River Market.

The Parties acknowledge that Jackson County will require utilization of some property owned or controlled by the KCT. In 2013, area stakeholders, including KCT, conducted a feasibility study of passenger rail access to Kansas City's Union Station via the trench. This feasibility study determined such access option was not financially feasible. Jackson County has been in discussions with KCT, as well as the individual railroads that make up the owners of the KCT. Union Pacific supports Jackson County's current plans to access the River Market area of Kansas City as its Kansas City terminus, and supports Jackson County's use of KCT property, provided that (a) safe and efficient freight rail service is protected and (b) passenger rail use and services on KCT property are designed and operated in compliance with applicable railroad passenger rail principles.

SECTION 3. Construction, Maintenance, and Joint Use Agreements.

3.1 The Parties acknowledge that there will be a further agreement or agreements, covering without limitation: construction of improvements; flyovers at the west end of the Rock Island Line; maintenance; train operations; and related agreements. The Parties shall negotiate an agreement covering the terms of maintenance and other issues pertaining to shared or adjacent corridors. Jackson County and Union Pacific have discussed plans at the west end of the Rock Island Line and the existing Rock Island bridge over Union Pacific's Coffeyville Subdivision. The Parties agree that if Union Pacific's construction precedes Jackson County's construction, Union Pacific will demolish the existing Rock Island bridge over Union Pacific's Coffeyville Subdivision. When Jackson County proceeds with its design and construction of its new bridge,

Jackson County will not be required to clear span the entire corridor but Jackson County must accommodate Union Pacific's conceptual expansion design plans, as shown on **Exhibit A**. Union Pacific will cooperate with Jackson County to reasonably allow placement of bridge supports in the Union Pacific right-of-way in this area. Union Pacific will not be responsible for replacement of the removed bridge over the Coffeyville Subdivision.

3.2 Relocation of Existing Utilities and Facilities. The County's plans shall provide for any necessary relocation of existing utilities and right of way facilities, such as signal boxes, that may be affected by the Jackson County project. This work shall be done at no cost to Union Pacific.

3.3 Drainage. Pursuant to Union Pacific's standards and subject to Union Pacific's approval, the County's plans shall provide for sufficient drainage to protect Union Pacific's right of way and infrastructure. This work shall be done at no cost to Union Pacific.

3.4 Minimum Track Clearances; 23rd Street. Unless otherwise agreed, the design of the commuter rail alignment shall provide a minimum clearance of 50 feet between the centerline of tracks utilized by Union Pacific and the centerline of the commuter rail tracks, except at such locations at which lesser clearances are specifically permitted by Union Pacific. In situations where a 50 foot clearance is not feasible, Jackson County may request Union Pacific review the design and allow less than a 50 foot clearance in the event additional safety measures are provided, or if the 50 foot clearance reduction is minimal.

After initial review by Union Pacific of Jackson County's conceptual plans, combined with Union Pacific's expansion plans, a 50 foot clearance is not feasible at or near 23rd Street, as shown on **Exhibit A**. Union Pacific agrees that at this location, a relaxation of the 50 foot clearance standard is appropriate; provided, however, that additional safety measures are present when Jackson County passenger tracks are closer than 50 feet to operating Union Pacific freight tracks.

3.5 Sheffield. Future tracks for passenger service will be grade separated from any tracks used by Union Pacific and BNSF at Sheffield. Future track alignments will protect Union Pacific's ability to negotiate and build a new connection to the KCT generally along the same alignment as the existing Blue Valley connection.

SECTION 4. Confidentiality.

The Parties agree to maintain proprietary information prepared in connection with the development and implementation of the project confidential. In connection therewith, the Parties agree that while the public will be informed of the general progress of the project, proprietary information will, subject to the disclosure exceptions noted below, be maintained in confidence by the Parties.

For the purposes of this Section, "Confidential Information" means any information delivered to either party (the "Receiving Party") by or on behalf of the other party (the "Providing Party") in connection with the projects contemplated by or otherwise pursuant to this MOU that is proprietary, privileged or confidential in nature and that was clearly marked or labeled or otherwise adequately identified when received by the Receiving Party as being

proprietary, privileged or confidential information of the Providing Party, provided that such term does not include information that (a) was publicly known or otherwise known to the Receiving Party prior to the time of such disclosure, (b) subsequently becomes publicly known through no act or omission by the Receiving Party or any person acting on the Receiving Party's behalf or (c) constitutes financial statements that are otherwise publicly available. The Receiving Party will maintain the confidentiality of such Confidential Information in accordance with procedures adopted by the Receiving Party in good faith to protect confidential information of third parties delivered to it, provided that the Receiving Party may deliver or disclose Confidential Information to (i) its directors, officers, employees, agents, attorneys and affiliates (to the extent such disclosure reasonably relates to the administration of the transactions contemplated by this MOU), (ii) its financial advisors and other professional advisors who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section 4, (iii) any Federal or state regulatory authority having jurisdiction over the Receiving Party, (iv) any other Person to which such delivery or disclosure may be necessary or appropriate, (v) to effect compliance with any law, rule, regulation or order applicable to the Receiving Party, (vi) in response to any subpoena or other legal process, (vii) in connection with any litigation to which the Receiving Party is a party or (viii) to the extent the Receiving Party may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under this MOU and (ix) its insurance brokers, agents and other professional advisors who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section.

IN WITNESS WHEREOF, the Parties have hereunto set their respective signatures as of the day and year first above written.

UNION PACIFIC RAILROAD COMPANY

JACKSON COUNTY, MISSOURI

By: _____

By: 

Name: _____

Name: Frank White Jr.

Title: _____

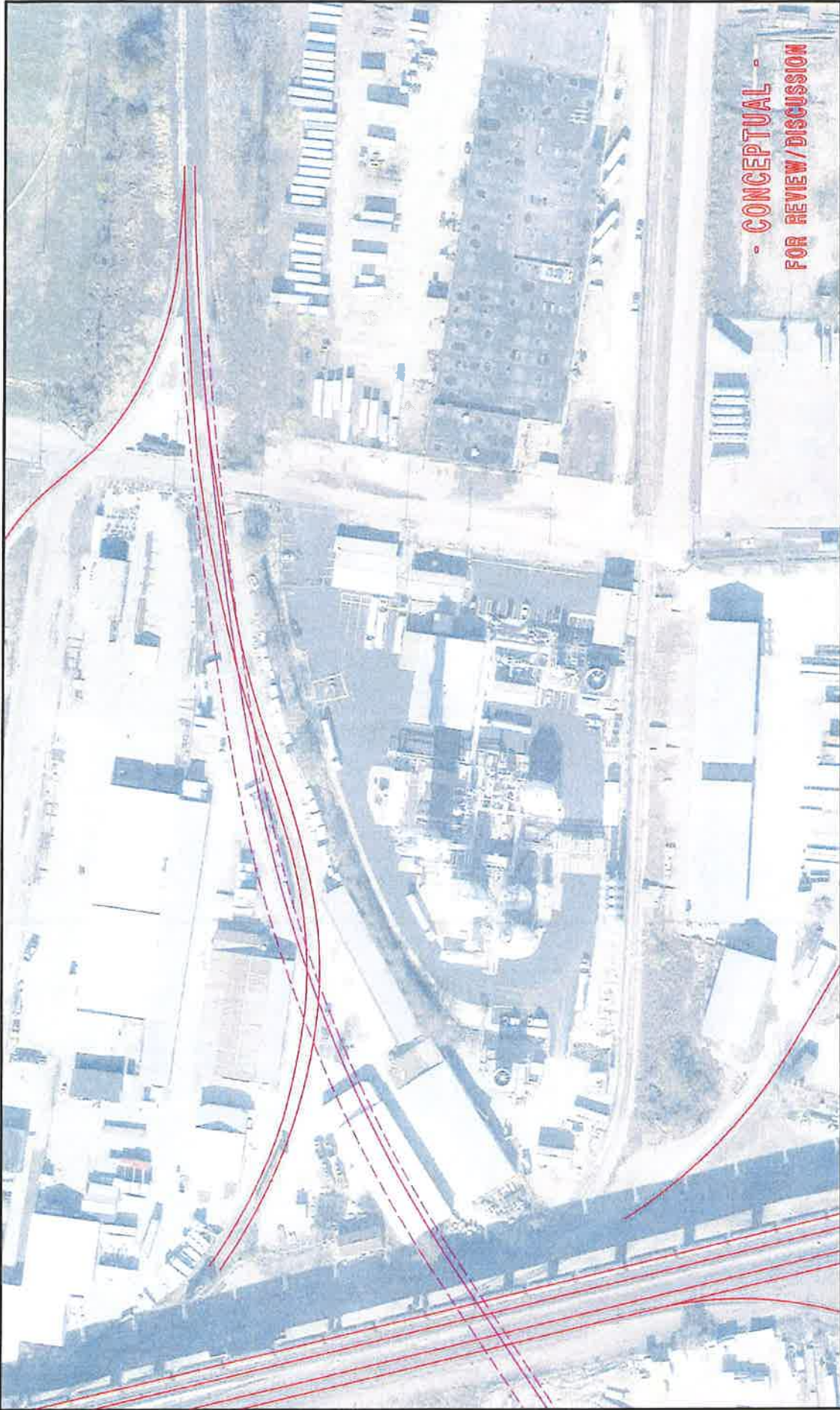
Title: Jackson County Executive

ATTEST:


Clerk of the County Legislature

APPROVED AS TO FORM


County Counselor



**CONCEPTUAL -
FOR REVIEW/DISCUSSION**

UNION PACIFIC
RAILROAD
Office of Assistant Vice President
Engineering Design/Construction

PROJECT NO: 100-452
PROJECT NAME: Kansas City, MO 23rd Street Pass Box
SHEET NO: 18 of 17

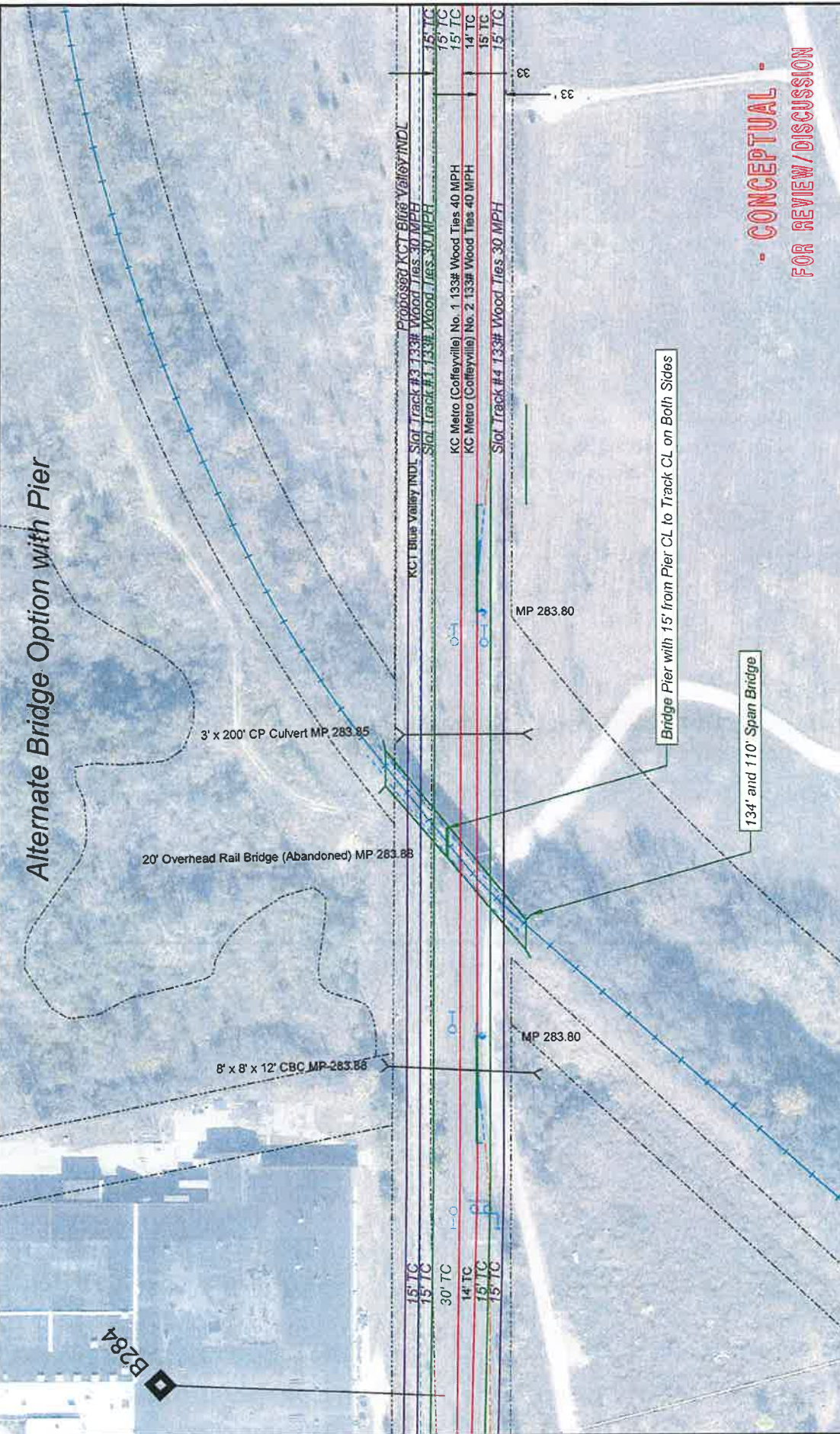


REV.	BY	DATE	DESCRIPTION

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UNION PACIFIC RAILROAD
100-452
Kansas City, MO 23rd Street Pass Box
SHEET NO: 18 of 17
DATE: 08/20/15
SCALE: AS SHOWN
PROJECT NAME: Kansas City, MO 23rd Street Pass Box
OFFICE OF ASSISTANT VICE PRESIDENT
ENGINEERING DESIGN/CONSTRUCTION

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10/8/2015



Alternate Bridge Option with Pier

**- CONCEPTUAL -
FOR REVIEW / DISCUSSION**

		UNION PACIFIC RAILROAD Office of Assistant Vice President Engineering Design/Construction	
WORK ORDER: NO. 1004452 PROJECT NAME:	PROJECT NO.: 1004452	SHEET NUMBER: All of A1	SHEET TITLE: Preliminary Plan View
LOCATION: ABH DISTRICT: KAF DATE: 10/02/2015 SCALE: AS SHOWN	PROJECT NO.: 1004452	SHEET NUMBER: All of A1	SHEET TITLE: Preliminary Plan View
PROJECT NO.: 1004452	PROJECT NAME: Kansas City, MO 23rd Street Pass Slots KC Metro MP 280 - MP 284.7 Coffeyville Substation MP 284.7 - MP 288	SHEET NUMBER: All of A1	SHEET TITLE: Preliminary Plan View
REVISIONS REV# DATE DESCRIPTION	REVISIONS REV# DATE DESCRIPTION	REVISIONS REV# DATE DESCRIPTION	REVISIONS REV# DATE DESCRIPTION

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