



Stephen M. Kuzma
Manager – Land Revenue

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CITY MANAGERS OFFICE
LAWRENCE, KS

April 7, 2009

Ms. Diane Stoddard
Assistant City Manager
City of Lawrence
P.O. Box 708
Lawrence, KS 66044

Dear Ms. Stoddard:

Thank you for your March 30, 2009 letter regarding the proposed donation of the BNSF depot building located at Lawrence, KS. Prior to any final decision, we will need to review your proposal with various internal departments and seek approval of the donation. Keep in mind, under any circumstance, this facility will remain an active station, required for operational use by both BNSF Railway and Amtrak. If we proceed with the donation, the following general terms and conditions outlined below will apply as follows:

- 1) City will need to complete an MAI appraisal for the structure at City's expense.
- 2) City will need to submit a letter to the BNSF Donation Committee which outlines the reasons for the donation and the benefit to BNSF.
- 3) Structure will be conveyed by Bill of Sale with the underlying property leased to the City. BNSF will work with the City and the funding agency on a mutually agreed term.
- 4) BNSF & Amtrak will require a no cost lease from the City to continue its operation at the facility.
- 5) City will indemnify BNSF for all environmental liability.
- 6) City will pay Jones Lang LaSalle a one time \$2000 document preparation fee.
- 7) City will complete IRS Form 8283 and verify its tax exempt status.
- 8) City will sign the standard BNSF Real Estate Donation agreement.
- 9) City will provide a survey for the right of way to be leased at City's expense.
- 10) City will pay all closing, platting, transfer, recording or other related fees.

If there are any questions, please call me directly in Ft. Worth at 817-352-6135. We appreciate your interest in BNSF Railway.

Sincerely,

Stephen M. Kuzma
Manager – Land Revenue