



Trent M. Hudak
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May 16, 2014

VIA U.S. MAIL

Hon. Tim Kabat
Mayor, City of La Crosse
City Hall
400 La Crosse Street
La Crosse, WI 54601

RE: BNSF Railway Track Construction

Dear Mayor Kabat:

As you are aware, BNSF Railway (BNSF) is planning construction of a second track within BNSF's existing right of way through the City of La Crosse. Our plans are to start construction later this year and place the second track into service in 2015. The additional track is needed to support the transportation needs of our customers.

To advance the project and to assist the City, BNSF is willing to go beyond what our formal agreements require and offer the following:

1. A payment of \$50,000 (\$25,000 each) for the closure of the two private, unlicensed at-grade crossings through the BNSF right-of-way at the golf course.
2. An underpass bridge at the golf course to replace the at-grade crossings. BNSF will design and build the bridge and pathway, to our specifications, and work with the City to attempt to minimize construction impacts to the course during the peak golfing season. Ownership and maintenance of the pathway and any required drainage system will be the City's responsibility. BNSF will own and maintain the bridge structure. BNSF will also construct an ornamental barrier fence along the BNSF right-of-way through the golf course, including removal of any improvements previously made by the City within the BNSF right of way. The City will own and maintain the fence following construction.
3. Design and relocation construction for the 12 City-owned utility lines that are located within the BNSF right of way, and which would be impacted by the project. Work will be done to the City's customary specifications, and in accordance with BNSF's utility accommodation policy and the timeline for the project.

Our offer is contingent upon the City of La Crosse agreeing to actively expedite all coordination, support, reviews, and approvals for the project, including granting temporary access over City property for project planning and construction at a nominal fee. The City of La Crosse also must agree not to contest BNSF property ownership within the project area, and to execute standard BNSF license agreements for all existing or new crossings, fences and utilities within

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the limits of the project or otherwise affecting BNSF property, unless such an agreement is already in place.

Our offer is further subject to BNSF and the City entering into separate binding agreements setting forth the terms and conditions described above in more detail. In that regard, this letter is not, and will not be, binding on either party, and either party may choose to terminate discussion of these matters at any time prior to mutual execution of such binding agreements. Further, this letter is not to be construed as a consent or submission by BNSF to the jurisdiction of the City or any other agency over its proposed action, or as a waiver of BNSF's right to withdraw and/or assert preemption with regard to any permit application or other approval that BNSF may seek.

In addition to the items above, BNSF has separately discussed providing the City with various support and assistance related to emergency response, including staging a foam trailer for La Crosse's use. This will be handled in a separate agreement, unrelated to the engineering, construction and grade crossing issues addressed in this letter.

We trust that you will find our offer to be generous and we look forward to working with you and City staff. We are requesting a response within two weeks of the date above.

Very Truly Yours,



Trent M. Hudak
Director Engineering Services

cc: Mr. Paul Nowicki, BNSF Railway Company
Mr. Dale Hexom, City of La Crosse, Director of Public Works