

ENVIRONMENTAL INDEMNIFICATION AGREEMENT

THIS ENVIRONMENTAL INDEMNIFICATION AGREEMENT ("Agreement"), is made and entered into by and between CSX TRANSPORTATION, INC., a Virginia corporation, whose address is c/o CSX Real Property, Inc. - J915, 301 West Bay Street, Suite 800, Jacksonville, Florida 32202-5184 ("CSX"), and the CITY OF GAINESVILLE, a municipal corporation existing under the laws of the State of Florida, whose mailing address is Post Office Box 490, Gainesville, Florida, 32602-0490 ("City"), this ____ day of _____, 2007.

WHEREAS, CSX is the owner of that certain parcel of real estate, located in Alachua County, Florida, described on the attached Exhibit A (the "Premises");

WHEREAS, CSX has historically used the Premises for railroad operations;

WHEREAS, The Trust For Public Land ("TPL") plans to acquire the Premises from CSX pursuant to the Option Agreement dated May 25, 2004, as amended (the "Option Agreement");

WHEREAS, the State of Florida ("State") plans to acquire the Premises from TPL;

WHEREAS, upon the State's purchase of the Premises the City intends to enter into a management agreement with the State that provides for the City's possession of the Premises to improve and maintain the Premises for use as a recreational trail (the "Intended Use");

WHEREAS, environmental assessment(s), specifically the Results of Petroleum Contamination Assessment and Arsenic Exposure Abatement Evaluation Rails to Trails Corridor, Gainesville, Florida, dated February 2007, prepared by Water & Air Research, Inc, file #06-5373-21, and Response to Comments on Review of Petroleum Contamination Assessment and Arsenic Exposure Abatement Evaluation, Rails to Trails Corridor, Gainesville, Florida dated May 2007, prepared by Water & Air Research, Inc., file #06-5373-21, ("Environmental Assessments") were performed on and adjacent to the Premises and identified certain contaminants ("Known Contamination");

WHEREAS, the Environmental Assessments were a limited study and it is possible that additional contaminants are located on, under or adjacent to the Premises ("Unknown Contamination").

WHEREAS, the Intended Use of the Premises may require the implementation of certain measures to address certain environmental issues arising from Known Contamination and Unknown Contamination. ("City's Remediation Efforts").

NOW THEREFORE, in consideration of the mutual covenants and obligations herein and Ten and 00/100 Dollars (\$10.00), the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The recitals set forth above are true and correct and are incorporated into this Agreement.
2. The effective date of this Agreement shall be the date the State acquires the Premises from TPL (the "Closing"), but shall not exceed a period of two years from the date of execution of this Agreement. Should TPL not acquire the Premises within this two-year period, this Agreement shall become null and void.
3. CSX makes no guarantee, representation or warranty regarding the physical or environmental condition of the Premises, and CSX expressly disclaims any and all obligation and liability to the City regarding any defects, either latent or patent, which may exist with respect to the physical or environmental condition of the Premises.
4. After the Closing, City shall assume all risks associated with the physical or environmental condition of the Premises, regardless of the cause or date of origin of such condition. City covenants not to sue CSX, and releases all rights or claims against CSX, arising from or relating to any physical or environmental condition or for any costs of investigation or remediation or cure of any physical or environmental condition.
5. Prior to the expiration of the City's Agreement with the State, the City shall assess and remediate the Known Contamination (and any discovered Unknown Contamination) on the Premises in accordance with Chapters 376 and 403, Florida Statutes and the rules, regulations and/or standards of the Florida Department of Environmental Protection applicable to the City's Intended Use of the Premises.
6. Notwithstanding the foregoing, prior to any utilization of the Premises for its Intended Use, the City shall complete the City's Remediation Efforts on the Premises in accordance with applicable laws and regulations, including without limitation Chapters 376 and 403, Florida Statutes and the rules, regulations, and/or standards of the Florida Department of Environmental Protection.
7. At the time of TPL's acquisition of the Premises from CSX, there shall be a debit to CSX in the amount of ONE HUNDRED EIGHTY FOUR THOUSAND SEVEN HUNDRED AND NO/100 U.S. DOLLARS (\$184,700.00) (the "Mitigation Funds"), which shall be credited to the City at the time of TPL's closing with the State. If the State does not acquire the Premises from TPL, then the Mitigation Funds shall be re-credited to CSX.
8. The Mitigation Funds shall only be used to fund the City's Remediation Efforts and, in the event that some or all of the Mitigation Funds are not required to fund the Remediation Efforts, then the remaining balance of the Mitigation Funds shall only be used for the improvement or maintenance of the Premises.

9. The City hereby indemnifies CSX for claims brought against CSX only to the extent that they relate to the Known Contamination. This indemnification shall not be construed as a waiver of the City's sovereign immunity, and shall be interpreted as limited to only such traditional liabilities for which the City could be liable under the common law interpreting the limited waiver of sovereign immunity. An action may not be instituted on a claim against the City unless the claimant presents the claim in writing to the Risk Manager within three years after such claim is brought against CSX or the Risk Manager denies the claim in writing. For purposes of this paragraph, the requirements of notice to the Risk Manager and denial of the claim are conditions precedent to maintaining an action but shall not be deemed to be elements of the cause of action and shall not affect the date on which the cause of action accrues. Notwithstanding any other provisions of this paragraph, the value of this indemnification is limited to the maximum sum of \$200,000 as the result of all claims and judgments arising out of the same incident or occurrence, not to exceed the sum of \$100,000 for any claim or judgment or portions thereof.

10. The provisions of this Agreement shall survive the TPL's purchase of the Premises and any subsequent transfer or sale of the Premises to or from the State.

11. The provisions of this Agreement shall be construed in accordance with the laws of the State of Florida.

12. The prevailing party shall be entitled to recover its reasonable attorneys' fees in any dispute arising from this Agreement.

13. If any provision(s) of this Agreement are deemed unenforceable, the remaining terms of this Agreement shall remain in full force and effect.

14. This Agreement shall not be assigned or otherwise transferred without the express written consent of the non-assigning party.

Signed, sealed and delivered
in the presence of:
As to CSX:

CSX Transportation, Inc., a Virginia corporation

By: _____
Title: _____

As to CITY:

City of Gainesville

By: _____
Title: _____