

EXHIBIT 1

Audit: 214555
Folder: 1655-78

SUPPLEMENTAL AGREEMENT

This SUPPLEMENTAL AGREEMENT is entered into on the _____ day of _____, 2014, between **UNION PACIFIC RAILROAD COMPANY**, a Delaware corporation ("Lessor") and **CITY OF PORTLAND**, an Oregon municipal corporation, whose address is 1120 S W Fifth Ave, Room 800 Portland, Oregon 97204-1971 ("Lessee").

RECITALS:

By instrument dated March 1, 2000, Lessor and Lessee, or their predecessors in interest, entered into an agreement ("Basic Agreement"), identified as Audit No. 214555, at Portland, Oregon.

AGREEMENT:

It is agreed between Lessor and Lessee to modify the Basic Agreement as follows:

Article 1. EFFECTIVE DATE.

This Supplemental Agreement is effective March 1, 2015.

Article 2. AMENDMENT OF SECTION 12 OF EXHIBIT B OF THE BASIC AGREEMENT.

Effective March 1, 2015, Section 12 of Exhibit B of the Basic Agreement is deleted in its entirety and replaced by the following:

A. As a material part of the consideration for this Lease, Lessee, to the extent it may lawfully do so, waives and releases any and all claims for personal injury or property damage caused to any person while on or about the Premises, and agrees to indemnify, defend and hold harmless Lessor, its affiliates, and its and their officers, agents and employees ("Indemnified Parties") from and against, any loss, damage (including, without limitation, punitive or consequential damages), injury, liability, claim, demand, cost or expense (including, without limitation, attorneys' fees and court costs), fine or penalty (collectively, "Loss") incurred by any person (including, without limitation, Lessor, Lessee, or any employee of Lessor or Lessee) arising from or related to any use of the Premises by Lessee, any act or omission of Lessee, its officers, agents, or employees, or any breach of this Lease by Lessee.

B. Except to the extent the Loss is caused either by (i) the sole, direct and active negligence of Lessor, or (ii) the gross negligence or willful and wanton misconduct of Lessor, as determined by a final judgment of a court or arbitrator of competent jurisdiction, it being the intention of the parties that the above indemnity (including, but not limited to the obligations to release, hold harmless and defend) shall otherwise apply to Losses caused by or arising from or relating to or in connection with, in whole or in part, the negligence of Lessor or any related person or entity.

C. Where applicable to the Loss, the liability provisions of any contract between Lessor and Lessee covering the carriage of shipments or trackage serving the Premises shall govern the Loss and shall supersede the provisions of this Section 12.

D. No provision of this Lease with respect to insurance shall limit the extent of the release and indemnity provisions of this Section 12.

Article 3. AMENDMENT OF SECTION 21 OF EXHIBIT B OF THE BASIC AGREEMENT.

Section 21 of Exhibit B of the Basic Agreement is deleted in its entirety and replaced by the following:

This Lease is the entire agreement between the parties relating to the Premises, and supersedes all other oral or written agreements between the parties pertaining to the Premises. Except for the unilateral redetermination of annual rent as provided in Article III, this Lease may be amended only by a written instrument signed by Lessor and Lessee. Lessor acknowledges that either Lessee's Bureau Director, or the authorized designee of Lessee's Bureau of Transportation is authorized to sign any amendment to this Lease on behalf of Lessee.

Article 4. RENT.

A. Effective March 1, 2015, Lessee agrees to pay to Lessor Two Thousand Dollars (\$2,000.00) annually.

B. Lessor may redetermine the rent to be consistent with its minimum rent charged.

Article 5. AGREEMENT SUPPLEMENT.

Nothing in this Supplemental Agreement shall be construed as amending or modifying the Basic Agreement unless specifically provided herein. In the event of any inconsistency between the provisions of this Supplemental Agreement and the provisions of the Basic Agreement, the terms of this Supplemental Agreement shall prevail.

IN WITNESS WHEREOF, the parties have executed this Supplemental Agreement as of the day and year first written.

UNION PACIFIC RAILROAD COMPANY,
a Delaware corporation

CITY OF PORTLAND,
an Oregon municipal corporation

By: _____
Printed Name: _____
Title: Director -- Real Estate

By: _____
Printed Name: _____
Title: _____