



## STEELE COUNTY BOARD AGENDA

Administration Center - 630 Florence Avenue – Owatonna, MN 55060

### *Steele County's Mission:*

*Driven to deliver quality services in a respectful and fiscally responsible way.*

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**TUESDAY, MAY 13, 2025 at 5:00 PM**

**County Boardroom, Steele County Administration Center**

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*Persons with background material for agenda items are asked to provide them to the Administrator's Office 5 days prior to the meeting date so that the material can be linked to the online agenda. If handouts at the Board meeting are necessary, please bring enough copies for the Board, county staff, the press and the public. Generally, 15 copies should be sufficient.*

### **Agenda**

1. Call to Order
2. Pledge of Allegiance
3. Approve Agenda

### **Presentation**

4. UBS Financial Services Presentation (pg.5)
  - Jack Samuels, Senior Wealth Strategy Associate
5. ANR Educator Report (pg. 16)
  - Ryan Lerman, Steele/Rice Extension Educator

### **Public Comment**

*Those wishing to speak must state their name and address for the record after they are acknowledged by the Board Chair. Each person will be limited to two (2) minutes to make his/her remarks.*

*Speakers will address all comments to the Board as a whole and not one individual commissioner. The Board may not take action on an item presented during the Public Comment period, unless the item is already on the agenda for action. When appropriate, the Board may refer inquiries and items brought up during the Public Comment period to the County Administrator for follow-up.*

### **Correspondence**

6. Southern Minnesota Tourism Association Letter (pg. 19)

**Consent Agenda** - *Items listed on the Consent Agenda are considered routine and non-controversial by the County Board. There will be no separate discussion of these items unless requested by a member of the County Board.*

7. Approve April 16, 2025 Special Budget Work Session Minutes (pg. 20)
8. Approve April 22, 2025 Board Minutes (pg. 21)
9. Approve April 22, 2025 Board Work Session Minutes (pg. 29)
10. Approve Bills (pg. 31)
11. Approve Personnel Report (pg. 64)
12. Approve the On-Sale Beer License for Holy Trinity Catholic Church of Litomysl (pg. 65)
13. Adopt a Proclamation for the “National Public Works Week” (pg. 66)
14. Approve a temporary contract for a waiver and care coordinator position (pg. 68)
15. Approve a Consultant Agreement with Teya Dahl. (pg. 72)
16. Approve 2024 Feedlot Officer Annual Report and authorize the Chair to sign (pg. 76)
17. Adopt Amended Resolution 2025-003A designating UBS as Steele County’s depository and authorize the persons stated to sign orders (pg. 91)
18. Adopt Amended Resolution 2025-005A Granting Annual Authority to the Finance Director to Designate Depositories and Authorize others to Conduct Banking Transactions. (pg. 93)
19. Adopt Amended Resolution 2025-004A approving the revised 2025 EFT Authorization due to personnel changes. (pg. 96)

### **General Agenda**

20. May Anniversary Report (pg. 99)
21. Approve the sale of CCA Furniture to Choice Technical Academy in an amount of \$6,000.00 and authorize Community Correction Director to sign MOU. (pg. 100)
22. Adopt a Resolution 2025-025 Amending CUP #302, Minnesota Paving and Materials and Festal Farms removing three parcels. (pg. 104)
23. Approve Agreement Amendment with WHKS & Company to complete final design for the

CSAH 2/CR 180, CSAH 43, and CR 171 Intersection Improvement and authorize the County Engineer to sign. (pg. 113)

24. Adopt Resolution requesting MnDOT to perform a speed study on CSAH 46 (CSAH 15 to MN 30) (pg. 121)

25. Approve an Amendment with WSB for Engineering Services for CSAH 48 and 18th Street SE Roundabout and authorize the County Engineer to sign. (pg. 125)

26. Approve/Adopt Agreements and easements with CPKC railroad for the work necessary to relocate and improve the SE 18<sup>th</sup> Street Rail Crossing

- a. Approve the negotiated settlement for \$26,000 for the acquisition of an easement over, under, across and through a parcel of land owned by the CPKC railroad for SE 18<sup>th</sup> Street. (pg. 128)
- b. Approve Maintenance Agreement with CPKC railroad for the work necessary to relocate and improve the SE 18<sup>th</sup> Street Rail Crossing (pg. 144)
- c. Adopt Resolution 2025-027 to approve agreement with CPKC railroad and State of Minnesota for the installation of crossing signals and gates at the SE 18<sup>th</sup> Street rail crossing. (pg. 225)

27. Approve Amendment with WSB for Preliminary Engineering Services for East Side Corridor Project and Authorize the County Engineer to sign the Amendment. (pg. 239)

28. Award a contract for the 2025 CSAH 3 Resurfacing project to Crane Creek Asphalt in the amount of \$586,659.97. (pg. 243)

29. Approve Disposal of Veteran Services Van (pg. 244)

#### **County Board Work Session – Tuesday, May 13, 2025**

30. Action Items

#### **Internal Central Services Committee – Tuesday, May 6, 2025**

31. Approve Administration and Annex Building hour change (pg. 249)

#### **Information Items**

32. Internal Central Services Committee Minutes (pg. 251)

33. Land Use and Records Committee Minutes (pg. 253)

#### **Commissioner Reports:**

#### **Next Meeting Notices:**

Public Safety & Health Committee – Tuesday, May 20<sup>th</sup> at 8 a.m. in the Boardroom

County Board Work Session – Tuesday, May 27<sup>th</sup> at 4 p.m. in the Boardroom

County Board Meeting – Tuesday, May 27<sup>th</sup> at 5 p.m. in the Boardroom

***Closed Session:***

***The Board will be going into closed session for the purpose of labor negotiations strategy, per MN Statute Section 179A.01 & Section 13D.03***

Motion to go into closed session

Discussion

Motion to end closed session

Action item (if necessary)

***Closed Session:***

***The Board will be going into closed session for the purpose of discussing pending litigation - attorney/client privilege, pursuant to Minn. Stat. § 13D.05, Subd. 3(b)***

Motion to go into closed session

Discussion

Motion to end closed session

Action item (if necessary)

**Adjourn**

*Disclaimer: This agenda has been prepared to provide information regarding an upcoming meeting of the Steele County Board of Commissioners. This document does not claim to be complete and is subject to change.*





## Steele County Agenda Item

Request for Board Action

**Subject:** CSAH 2/CR 180, CSAH 43, and CR 171 Intersection Improvement Final Design

**Department:** Highway

**Committee:** Public Works

**Committee Meeting Date:** NA

**Work Session Date:** NA

**Board Meeting Date:** May 13, 2025

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**Consent Agenda:** ☐ Yes ☒ No

**Resolution:** ☐ Yes ☒ No

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**Policy Committee Recommendation:**

NA

**Recommendation:**

Approve amendment to agreement with WHKS & Company to complete final design for the CSAH 2/CR 180, CSAH 43, and CR 171 Intersection Improvement and authorize County Engineer to sign the amendment.

**Background (*Including Budget Impact*):**

The 2025-2029 Highway Capital Improvement Program includes a project to improve the intersection of CSAH 2/CR 180, CSAH 43, and CR 171 in Havana Township. The skewed and closely spaced intersections of three county highways, along with poor intersection site lines and the close proximity to a railroad crossing, contributes to the intersection having the highest crash rates in the county. In 2024, the county retained WHKS & Co. to complete a feasibility study to study alternatives that would improve the intersection and make a recommendation for a preferred alternative.

Recently, WHKS completed the study and recommended reconstructing the intersection on a new alignment designated as alternative 4 in the feasibility report. The Board accepted their findings on April 22. WHKS has prepared a proposal to amend their professional services agreement to add the final design services for a not-to-exceed cost of \$495,000. While completing the feasibility study, WHKS gained significant experience and understanding of the project that could be lost if other proposals are requested. Staff has reviewed the proposal scope and costs and believe them reasonable for the project needs.

The county budgeted \$150,000 in sales tax funding to complete the final design of that project in 2025. The remaining \$345,000 is proposed to come from sales tax funding fund balance.

**Attachments:**

WHKS Proposal



## AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT

WHEREAS, **Steele County Highway Department** (Client) and WHKS & Co. (WHKS) executed a Professional Services Agreement dated **April 30<sup>th</sup>, 2024** for certain engineering services for **Feasibility Study and Preliminary Design of CSAH 2/CR180, CSAH 43, and CR 171 Intersection Improvement** (Project), and

WHEREAS, the Agreement described a scope of services and was based on completion of certain services, and

WHEREAS, the Client has requested **Design engineering services**, services for the **CSAH 2/CR180, CSAH 43, and CR 171 Intersection Improvement** as described in more detail in attached Exhibit A, and

NOW THEREFORE, the Client and WHKS hereby agree the amended compensation for services shall be increased by the following:

### **Basis of Compensation**

For the services described above, the Client shall remunerate WHKS as follows:

**Items 13-20 - Billed Hourly with a Not-to-Exceed Fee of \$495,000. Expenses billed at actual cost and mileage at the current published IRS rate per mile. External expenses include an administrative charge of 10 percent.**

Executed this \_\_\_\_\_ day of \_\_\_\_\_ 2025

**Steele County Highway Department**

***WHKS & CO.***

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

## Exhibit A to Amendment No. 1

### A. Project Description

Amendment No. 1 involves performing preliminary and final design for the relocation of CR 180 as shown on Exhibit C. The roadway will be realigned to the north of the existing roadway to move the intersection away from the railroad and create a right-angle intersection. It is anticipated that the roadway will be constructed on a new alignment and minimal disruptions will occur to CSAH 43 and CR 171.

This Amendment includes design engineering services as described below in B.

### B. Scope of Services Provided Under This Agreement:

Note: Items 1-12 were previously defined in the AGREEMENT.

#### **13. Project Management and Meetings**

- Perform general project administrative duties including supervision and coordination of the project team, review of project costs and billings, prepare invoices using Consultant's standard forms, preparation of status reports, and general administrative activities.
- Hold kick-off meeting with Client to discuss the project and review the scope.
- Advise the Client of the necessity of obtaining Special Engineering Services as described in Paragraph C., and act as the Client's representative in connection with any such services not actually performed by WHKS.
- Attend 3 meetings for the project.

#### **14. Public and Agency Involvement**

- Planning and coordination of two neighborhood meetings/open houses.
- Coordinating project design with public utilities.
- Coordinating project design with private utilities.

#### **15. Right of Way and Platting**

- Contacting owners and discussion of potential property sale.
- Property appraisal services will be performed by a subcontractor to WHKS. Budgeted amount of \$23,000 included in fee; actual amount to be billed.
- Prepare legal descriptions of proposed acquisition and temporary easements.
- Prepare right-of-way plat.

#### **16. Topographic Survey and Research of Existing Conditions**

- Perform site topographical surveys to support new facilities.
- Develop project control and base map for the project.
- Locate the existing underground utilities as located by the Gopher State One Call locate system.
- Collect, obtain, and review relevant information from the Client.

#### **17. Wetland Investigation and Permitting**

- Finalize wetland delineation, submit application for Notice of Decision from Technical Evaluation Panel (TEP).
  - Coordination with TEP and BWSR.
  - Develop wetland mitigation plan for TEP approval.
  - Submit application to BWSR for replacements from the Public Road Bank for public road projects. Coordination with private bank for wetland credits not eligible through the BWSR Road Bank.
  - It is not anticipated that US Army Corps of Engineers permitting will be required.
- 18. Environmental Assessment Worksheet (EAW)**
- Prepare Environmental Assessment Worksheet
  - Attend meetings as necessary with Responsible Government Unit (RGU) for approval of document
  - Publish EAW in Minnesota Environmental Quality Board Monitor (EQB Monitor).
- 19. Preliminary and Final Roadway Design**
- Prepare preliminary and final plans and specifications to show the character and scope of work to be performed by contractors on the Project. Plans will follow MnDOT state aid standards.
  - Geotechnical Engineering services will be performed by a subcontractor to WHKS. Geotechnical services to include soil borings, subsurface soil mitigation plan, and roadway pavement design.
  - Complete HEC-RAS study of unnamed creek for purposes of establishing flood fringe and floodway. Submit permitting for encroachment of road embankment into flood plain.
  - Prepare opinion of probable construction cost on completed plans and specifications.
  - Furnish original signed copies of the plans, specifications, and other contract documents as required to the Client.
  - Answer contractor's questions during the bidding phase.
  - Prepare addendums to the contract documents prior to bid letting, if necessary.
  - A Storm Water Pollution Prevention Plan (SWPPP) will be prepared.
  - Prepare and submit applicable construction permit application package to State Aid for review, State-Aid checklist, materials testing request, and construction cost estimates.
- 20. Floodplain Modeling and Stormwater Design**
- Floodplain modeling and permitting
  - Hydraulic analysis, risk assessment
- 21. Box Culvert Design**
- Prepare preliminary and final plans and specifications to show the character and scope of work to be performed by contractors on the Project. Plans will follow MnDOT standards and will utilize MnDOT precast culvert standard plans as appropriate.
  - Request a new bridge number for the replacement structure.
  - Preparation of Division SB special provisions.
  - Prepare and submit a Risk Assessment.
  - MnDNR Public Waters Work permit is not required for this project since the stream at the site is not listed as a public water on the MnDNR maps and per MN Rule 6115.0230 Sub paragraph 4(A) no permit is required if the total drainage area of the stream is less than 5 square miles.

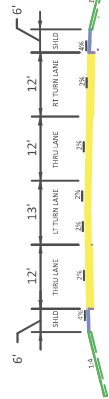
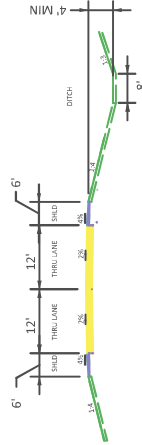
### **C. Special Engineering Services:**

Special Engineering Services are those services not listed above, but may be required or advisable to accomplish the Project. Special Engineering Services shall be performed when authorized by the Client for additional fees, to be determined at the time authorized.

Special Engineering Services include:

1. Special assessment assistance
2. Quality control testing and construction materials testing
3. Permits other than those identified above
4. Water and/or sanitary sewer rate studies
5. Cultural resource survey or other studies or documentation that may be required by regulatory agencies that are not specifically listed in the scope of services
6. National Environmental Policy Act (NEPA) compliance, including historical and archeological investigations
7. Structural evaluation and/or design
8. Bridge aesthetics
9. Attendance at additional meetings (other than those listed above)
10. Construction phase engineering services, including construction administration, staking, construction observation, preparation of record drawings and project close-out services





INSET A: U-TURN OPTION

## ALTERNATIVE 4 LAYOUT

ALTERNATIVE 4 LAI001  
CSAH 2/CR 180, CSAH 43 & CR 171 INTERSECTION IMPROVEMENTS

171 INTERSECT

S.A.P. XXX-XXX-XXX  
2025

SCALE: AS SHOWN	DRAWN BY: BGC
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O: 10073	CHECKED BY: BWT
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1801253



Cost of Services

PROJECT TITLE: County Road 180 Intersection Improvements												
DESCRIPTION OF PROFESSIONAL SERVICES OR TASKS	WHKS & CO.											
	Project Principal TH	Project Manager BT	Asst Project Manager BC	Structural Engineer JZ	Structural Engineer IL CR	Roadway Design Engineer	Crew Chief DT	Senior Water Resources Engineer MF	Water Resources Engineer TB	Survey Technician NN	Enviro Scientist ML	Subtotals
Staff Assignment by Hours												
<b>Task 13 Project Management and Meetings</b>												
13.1 Administration	4.0	24.0	80.0									108.0
13.2 Preparing monthly reports and invoices		40.0										40.0
13.3 Project meetings with staff		40.0	80.0									120.0
SUBTOTAL HOURS	4.0	104.0	160.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	268.0
SUBTOTAL FEE	\$ 800.00	\$ 17,992.00	\$ 23,200.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,992.00
<b>Task 14 Public and Agency Involvement</b>												
14.1 Planning and coordinating up to two neighborhood meetings/open houses	4.0	24.0	24.0									52.0
14.2 Coordinating project design with public utilities		4.0	8.0									12.0
14.3 Coordinating project design with private utilities		4.0	8.0									12.0
SUBTOTAL HOURS	4.0	32.0	40.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	76.0
SUBTOTAL FEE	\$ 800.00	\$ 5,536.00	\$ 5,800.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,136.00
<b>Task 15 Right of Way and Platting</b>												
15.1 Boundary Investigation	4.0						24.0			16.0		44.0
15.2 Right-of-Way Platting	4.0						50.0			24.0		78.0
15.3 Land Acquisition & Easement Documentation	12.0	80.0	80.0		40.0		24.0					236.0
SUBTOTAL HOURS	20.0	80.0	80.0	0.0	40.0	0.0	98.0	0.0	0.0	40.0	0.0	358.0
SUBTOTAL FEE	\$ 4,000.00	\$ 13,840.00	\$ 11,600.00	\$ -	\$ 4,600.00	\$ -	\$ 12,740.00	\$ -	\$ -	\$ 3,600.00	\$ -	\$ 50,380.00
<b>Task 16 Topographic Survey and Research of Existing Conditions</b>												
16.1 Control & Bench Loop	4.0									32.0		36.0
16.2 Field Survey							4.0			56.0		60.0
16.3 Utility Locates							2.0			16.0		18.0
16.4 Office computations and DTM creation							16.0					16.0
SUBTOTAL HOURS	4.0	0.0	0.0	0.0	0.0	0.0	22.0	0.0	0.0	104.0	0.0	130.0
SUBTOTAL FEE	\$ 800.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,860.00	\$ -	\$ -	\$ 9,360.00	\$ -	\$ 13,020.00
<b>Task 17 Wetland Investigation and Permitting</b>												
17.1 Coordination with TEP (including on-site meeting)	2.0							4.0			16.0	22.0
17.2 Coordination with BWSR Road Bank for areas inside ROW								2.0			16.0	16.0
17.3 Joint Permit Application including USACOE Alternative Analysis	2.0	0.0	0.0	0.0	0.0	0.0	0.0	6.0	0.0	0.0	16.0	18.0
SUBTOTAL HOURS	4.0	0.0	0.0	0.0	0.0	0.0	0.0	12.0	0.0	0.0	48.0	56.0
SUBTOTAL FEE	\$ 400.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,080.00	\$ -	\$ -	\$ 5,856.00	\$ 7,336.00
<b>Task 18 EAW</b>												
18.1 Prepare EAW	4.0	100.0	8.0					8.0			40.0	160.0
SUBTOTAL HOURS	4.0	100.0	8.0	0.0	0.0	0.0	0.0	8.0	0.0	0.0	40.0	160.0
SUBTOTAL FEE	\$ 800.00	\$ 17,300.00	\$ 1,160.00	\$ -	\$ -	\$ -	\$ -	\$ 1,440.00	\$ -	\$ -	\$ 4,880.00	\$ 25,580.00
<b>Task 19 Preliminary and Final Roadway Design</b>												
19.1 Design	4.0	4.0				40.0		8.0				56.0
19.2 SWPPP and requirements		4.0	80.0			4.0						88.0
19.3 Remedial construction plans		8.0	80.0			4.0						92.0
19.4 Final Construction Plans		24.0	80.0			24.0						128.0
19.5 Stormwater management		4.0	64.0			64.0			80.0			212.0
19.6 Stormwater management		4.0	64.0			64.0						132.0
19.7 Signage and striping plan		4.0				4.0						8.0
19.8 Traffic control plan		4.0	24.0			24.0						52.0
19.9 Cross sections		4.0	24.0			24.0						52.0
19.10 Contract pay items and quantities		4.0	24.0			24.0						52.0
19.11 Separate pay items and quantities for cost participation		4.0	24.0			24.0						52.0
19.12 Engineer opinion of cost		8.0	40.0			40.0						48.0
19.13 Prepare project specifications		40.0	24.0			24.0						64.0
19.14 Submit 70%, 95% and Final plans for review		8.0	24.0			24.0						32.0
19.15 Bidding phase support		24.0	24.0			24.0						48.0



Cost of Services

PROJECT TITLE: County Road 180 Intersection Improvements

WHKS & CO.											
DESCRIPTION OF PROFESSIONAL SERVICES OR TASKS	Project Principal TH	Project Manager BT	Asst. Project Manager BC	Structural Engineer JZ	Structural Engineer II CR	Roadway Design Engineer	Crew Chief DT	Senior Water Resources Engineer MF	Water Resources Engineer TB	Survey Technician NN	Enviro Scientist ML
19.16 Preconstruction conference	4.0	8.0	24.0			960.0	0.0	8.0	80.0	0.0	0.0
SUBTOTAL HOURS	800.00	26,988.00	77,720.00	0.0	0.0	129,600.00	0.0	1,440.00	10,560.00	0.0	0.0
SUBTOTAL FEE											\$ 247,108.00
Task 20 Floodplain modeling and stormwater design											
20.1 Floodplain modeling and permitting	4.0	2.0		1.0				8.0	40.0		55.0
20.2 Site Visit				4.0							4.0
20.3 Hydraulic Analysis - Risk Assessment		4.0		18.0		10.0		4.0			36.0
SUBTOTAL HOURS	4.0	6.0	0.0	23.0	0.0	10.0	0.0	12.0	40.0	0.0	95.0
SUBTOTAL FEE	800.00	1,038.00	0.0	3,680.00	0.0	1,350.00	0.0	2,160.00	5,280.00	0.0	14,308.00
Task 21 Bridge Design											
21.1 General project management	4.0	4.00		1.0				4.0			13.0
21.2 Selection and preparation of standard MnDOT culvert plans and details			2.0	16.0							18.0
21.3 Roadway design and erosion control design		4.00	4.0						16.0		24.0
21.4 Create roadway, survey, and erosion control plans		4.00	4.0	10.0					24.0		42.0
21.5 Create title sheet, and summary of quantities plans, compute quantities				12.0					20.0		36.0
21.6 Create culvert details sheets and bridge survey sheet			2.0	20.0							22.0
21.7 Prepare project specifications (any 5xx series division S, or division SB's req'd)			8.0	8.00					2.0		24.0
21.8 Fill out required checklists, rating form, and submit final plans and specs		4.00	4.0	6.0					3.0		16.0
21.9 Incorporate review comments from Client and MnDOT District 6			4.0	4.0							11.0
SUBTOTAL HOURS	4.0	16.0	32.0	77.0	8.0	0.0	0.0	4.0	65.0	0.0	206.0
SUBTOTAL FEE	800.00	2,768.00	4,640.00	12,320.00	920.00	0.0	0.0	720.00	8,580.00	0.0	30,748.00

Project Total Hours	50.0	494.0	856.0	100.0	48.0	970.0	120.0	38.0	185.0	144.0	88.0	3093.0
Project Rates	\$200.00	\$173.00	\$145.00	\$160.00	\$115.00	\$135.00	\$130.00	\$180.00	\$132.00	\$90.00	\$122.00	
Project Total Fee	\$10,000.00	\$85,462.00	\$124,120.00	\$16,000.00	\$5,520.00	\$130,950.00	\$15,600.00	\$6,840.00	\$24,420.00	\$12,960.00	\$10,736.00	\$442,608.00

TASK SUMMARY		Total
Task 13 Project Management and Meetings		\$41,992.00
Task 14 Public and Agency Involvement		\$12,136.00
Task 15 Right of Way and Platting		\$90,980.00
Task 16 Topographic Survey and Research of Existing Conditions		\$13,020.00
Task 17 Wetland Investigation and Permitting		\$7,336.00
Task 18 EAW		\$25,580.00
Task 19 Preliminary and Final Roadway Design		\$247,108.00
Task 20 Floodplain modeling and stormwater design		\$14,308.00
Task 21 Bridge Design		\$30,748.00
Subtotal		\$442,608.00
Geotechnical + Box culvert		\$7,150.00
Geotechnical Phase I environmental review		\$5,500.00
PKI Appraisals		\$22,460.00
Foster Appraisals, review appraisal		\$3,785.00
Bear Creek - Archeological Review		\$1,700.00
Rochester Title		\$1,600.00
Expenses		\$2,500.00 Mileage, Printing, etc.
		\$52,685.00
TOTAL PROJECT COST		\$495,000.00





## Steele County Agenda Item

Request for Board Action

**Subject:** Request for Speed Study CSAH 46 (CSAH 15 to MN 30)

**Department:** Highway

**Committee:** Public Works

**Committee Meeting Date:** NA

**Work Session Date:** NA

**Board Meeting Date:** May 13, 2025

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**Consent Agenda:** ☐ Yes ☒ No

**Resolution:** ☒ Yes ☐ No

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**Policy Committee Recommendation:**

NA

**Recommendation:**

Adopt Resolution requesting MnDOT to perform a speed study on CSAH 46 (CSAH 15 to MN 30)

**Background (*Including Budget Impact*):**

Minnesota State Statute 169.14, Subd. 5 gives the Minnesota Transportation Commissioner the authority to establish speed limits on County highways.

Since the last speed limit authorization in 1992 (attached), additional school parking and athletic fields have been added on the west side of the roadway. A signed and marked pedestrian crossing was added to connect the school and east athletic fields to the parking and athletic fields on the west side of the roadway. These changes in the land use and the roadway could potentially affect the speed limits on CSAH 46.

The Minnesota Department of Transportation (MnDOT) requires a County Board resolution requesting MnDOT conduct a speed study for the Transportation Commissioner to issue a Speed Limit Authorization.

Depending on the results of the study, the Transportation Commissioner may lower or raise the speed limit. More information on how MnDOT establishes speed limits is found in the attached brochure.

**Attachments:**

Resolution

CSAH 46 Speed Limit Authorization 1992

Minnesota Speed Limit One Pager



**STEELE COUNTY RESOLUTION**  
**REQUEST FOR SPEED STUDY- CSAH 46 (CSAH 15 TO MN 30)**

**Department:** Highway

**Date:** 5/13/2025

**Resolution No:** 2025-026

**WHEREAS,** the Minnesota Commissioner of Transportation has the authority and responsibility to establish speed limits on county highways in accordance with State Statute 169.14 Subd. 5; and

**WHEREAS,** the Commissioner of Transportation, in 1992, issued a Speed Limit Authorization of 45 mph on CSAH 46 between CSAH 15 and MN 30; and

**WHEREAS,** since the last authorization, additional school parking and athletic fields have been added on the west side of the roadway; and

**WHEREAS,** a signed and marked pedestrian crossing was added to connect the school and east athletic fields to the parking and athletic fields on the west side of the roadway; and

**WHEREAS,** these changes may affect changes to the appropriate speed limit; and

**NOW, THEREFORE, BE IT RESOLVED** that Steele County requests the Minnesota Commissioner of Transportation have speed studies completed on CSAH 46 from CSAH 15 to MN 30 to determine the appropriate speed zones and that the Minnesota Commissioner of Transportation then issue the appropriate Speed Limit Authorizations.

This resolution shall become effective upon its passage and without further publication.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2025.

STEELE COUNTY  
BOARD OF COMMISSIONERS

\_\_\_\_\_  
Chair

**CERTIFICATION**

I hereby certify that the above is a true and correct copy of a Resolution duly passed, adopted, and approved by the County Board of said County on the \_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Attest



**STATE OF MINNESOTA  
DEPARTMENT OF TRANSPORTATION**

Page 1 of 1 Page

**LOCAL STREET OR HIGHWAY SPEED LIMIT AUTHORIZATION**

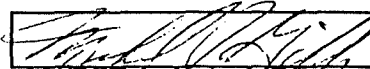
Road Authority	Steele County	Date October 8, 1992
Road Name or No.	County State Aid Highway 46	
Termini of Zone: From	County State-Aid Highway 15	
To	Trunk Highway 30	Date of Request November 14, 1989

Kindly make the following changes in speed limits on the above-referenced section. Changes authorized herein are in accordance with Minnesota Highway Traffic Regulation Act, M.S. Chapter 169.14 and applicable subdivisions thereof.

45 miles per hour between the intersection with County State-Aid Highway 15 and the intersection with Trunk Highway 30.

**NOTE:**

The speed limits, described in this authorization, are authorized contingent upon curves and hazards being signed with the appropriate advance curve or warning signs, including appropriate speed advisory plates. The roadway described shall be reviewed for traffic control devices impacted by the authorized speed limits before posting the signs. Warning signs and speed limit signs shall be in accordance with the Minnesota Manual on Uniform Traffic Control Devices.

  
 Mn/DOT Authorized Signature

- (1) White - Road Authority
- (1) Pink - Central Office Traffic
- (1) Blue - District Traffic Engineer

for Road Authority use only

Date traffic control devices changed implementing this authorization

Month-Day-Year 10-20-92	Signature <i>Lee E. Amundson</i>	Title <i>County Engineer</i> <i>Steele County</i>
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# SPEED LIMITS



## WHAT ARE SPEED LIMITS?

Speed limits are used to set the legal speed at which a vehicle may travel. The goal of a speed limit is to account for traffic safety and mobility to determine the safe and reasonable speed for the roadway.

## HOW ARE SPEED LIMITS SET?

There are two ways that speed limits are set in Minnesota, by statute and by traffic investigation. Minnesota state law establishes statutory speed limits for specific roadways.

A traffic investigation evaluates:

- Driver behavior
- Roadway information
- Crashes
- Roadside land use

The resulting recommended speed limit is posted on signs along the roadway to inform drivers of the speed limit.

The MnDOT Commissioner of Transportation holds the authority to establish speed limits on nearly all roads in Minnesota. This allows for a uniform, consistent, and repeatable approach for establishing speed limits.



*A city may establish speed limits on roads they own if they meet a specific set of criteria.*

## SPEED CONCEPTS

Operating speed is the speed drivers choose when operating on the roadway. Each day drivers choose to drive the speeds at which they feel most comfortable. When the posted speed limit matches their expectations, most will obey, while others may travel above that limit.

Drivers tend to travel at speeds they feel are reasonable for the road and traffic regardless of the posted speed limit. Road design can be modified to encourage slower and more uniform speeds. As vehicles travel uniformly at or near the same speed, smoother traffic flow occurs, resulting in decreased conflicts and the creation of a safer road environment.

## WILL LOWERING THE SPEED LIMIT REDUCE SPEEDS?

Studies shows that in most cases lowering the speed limit alone, without other roadway changes or increased enforcement, has little effect on driver behavior. Drivers travel at speeds they feel are reasonable for the road and traffic regardless of the posted speed limit.

## ISN'T A SLOWER SPEED LIMIT ALWAYS SAFER?

Vehicles moving slower together are safer, however, drivers chose their speed based on changes to the roadway, surrounding land use, and driving conditions. Changing the speed limit without changes to the roadway or its environment could increase the difference in speed between the fastest and slowest drivers, which increases the risk of crashes and driver frustration.

## WHY SHOULD I CARE ABOUT CREDIBLE SPEED LIMITS?

Credible speed limits minimize speed differentials by providing safe, consistent, and reasonable speeds to protect drivers, pedestrians, and bicyclists along the roadway. Lowering speed limits unreasonably can make violators out of sensible and otherwise law-abiding citizens, creating a difficult situation for police and the community. When speed limits are difficult to enforce, drivers are left to regulate their own speeds rather than adhering to the posted speed. With credible speed limits, drivers are encouraged to travel at a speed that is safe and reasonable based on the roadway design and surrounding land use.





## Steele County Agenda Item

Request for Board Action

**Subject: Approve Amendment with WSB for Engineering Services for CSAH 48 and 18<sup>th</sup>  
Street SE Roundabout**

**Department:** Highway

**Committee: Public Works**

**Committee Meeting Date:** NA

**Work Session Date:** N/A

**Board Meeting Date:** May 13, 2025

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**Consent Agenda:** ☐ Yes ☒ No

**Resolution:** ☐ Yes ☒ No

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**Policy Committee Recommendation:**

NA

**Recommendation:**

Approve Amendment with WSB for Engineering Services for CSAH 48 and 18<sup>th</sup> Street SE Roundabout and Authorize the County Engineer to sign the Amendment.

**Background (*Including Budget Impact*):**

Construction of the roundabout at CSAH 48 (Bixby Rd) and 18<sup>th</sup> Street SE was significantly impacted by delays caused by the CPKC railroad, but after five years of negotiations, the County finally has agreements ready for signatures. The purpose of the project to improve safety and capacity of the intersection with the anticipated additional traffic from the new high school which opened in fall of 2023. To ensure the additional traffic from the school could be handled safely, the county moved ahead with the project in the summer of 2023, but had to leave the east leg unfinished until the railroad agreements could be completed.

The County contracted with WSB to provide design and construction inspection services for the project. Because of railroad complications and some additional design effort to better accommodate the future East Side Corridor, the work exceeds the original WSB scope of services for both design and construction phases. WSB has requested an amendment to their contract.

The additional professional services required are not to exceed \$83,680 for a revived total contract amount of \$558,140.50. The department recommends the Board approve the additional engineering services from WSB and authorize the County Engineer to sign the amendment.

**Attachments:**

WSB Amendment Request

## Memorandum

To: Paul Sponholz, Steele County

From: Andrew Plowman, WSB

Date: May 3, 2025

Re: CSAH 48 and 18<sup>th</sup> Street Roundabout  
WSB Project No. 017953-000  
Contract Amendment No. 3

Steele County has requested additional services related to the completion of the CSAH 48 and 18<sup>th</sup> Street Roundabout Project. This includes re-designing the east leg of SE 18<sup>th</sup> Street and providing final inspection and surveying for the east leg of SE 18<sup>th</sup> Street, which was delayed due to the CPKC railroad agreement.

Pursuant to our discussions, WSB respectfully submits this amendment request for additional design and inspection services associated with the following tasks:

- Additional services to design the connection of SE 18<sup>th</sup> Street - to fit with the future East Side Corridor Project typical section. This includes the design of widening the roadway and extending the trail section.
- Additional inspection time – It is assumed that an additional 8 weeks of inspection will be needed in 2025 to complete the eastern leg and railroad coordination.
- Additional survey time – The additional survey staking required for the additional improvements and the reconnection of the east leg.

WSB respectfully requests compensation for these additional services in the not-to-exceed amount of \$83,680, resulting in a revised contract total of \$558,140.50, as summarized below:

If this Proposal is acceptable, please issue the appropriate Amendment incorporating this letter for our review and signature or let WSB know if you want us to develop an amendment document.

We thank you for the opportunity to submit this Proposal and look forward to continuing to with you on this Project. If you have any questions, please let me know.

The following outlines the request for additional fee and details the scope of services for the project:

### Additional Design Services

WSB will redesign approximately 600' of roadway that will include the addition of an urban roadway on the north side, storm sewer and trail. New plan sheets will be created as part of this task. The requested fee is \$22,200, which is developed based on an average fee of \$185/hr for 120 hours.

**Additional Inspection Time – 2025**

We are assuming an additional 8 weeks at 40 hours per week of inspection for the remainder of the eastern leg completion, which at a rate of \$164/hr results in \$52,480.

**Additional Survey Staking**

It is anticipated that an additional 40 hours worth of staking will be required. At a rate of \$225/hour that results in a cost of \$9,000.

The revised contract total amount is \$474,460.50. The amended contract amount total we are requesting is \$83,680 resulting in a revised not to exceed amount of \$558,140.50. Thank you for your consideration.

Sincerely,



Andrew Plowman, P.E.  
Sr. Project Manager

**ACCEPTANCE:**

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





## Steele County Agenda Item

Request for Board Action

**Subject:** Canadian Pacific Kansas City Railroad Easement for Rail Crossing at SE 18<sup>th</sup> Street

**Department:** Highway

**Committee:** Public Works

**Committee Meeting Date:** N/A

**Work Session Date:** N/A

**Board Meeting Date:** May 13, 2025

**Consent Agenda:** ☐ Yes ☒ No

**Resolution:** ☐ Yes ☒ No

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### Policy Committee Recommendation:

N/A

### Recommendation:

Approve the negotiated settlement for \$26,000 for the acquisition of an easement over, under, across and through a parcel of land owned by the CPKC railroad for SE 18<sup>th</sup> Street.

### Background (*Including Budget Impact*):

Construction of a roundabout at CSAH 48 Bixby Rd and SE 18<sup>th</sup> Street is suspended until agreements with CPKC railroad (Company) can be completed. The project requires relocating the railroad crossing just east of the intersection to complete the construction. In addition, all alignment alternatives being considered for the East Side Corridor will be routed via SE 18<sup>th</sup> Street through this crossing. The East Side Corridor project is programmed for construction in the 2025-2029 Highway Capital Improvement Plan.

To address the intersection changes the existing crossing requires that the County acquire additional easement area for the roadway from the Company. Based on a Minimum Damage Assessment, the County offer \$10,000 for the purchase. The Company countered at \$60,000. Upon further review by the County Assessor of valuations from the Company, the Company revised its counteroffer to \$26,000. Staff recommends accepting this as a negotiated settlement.

The easement outlines the terms for use of the land for the crossing. The costs for the easement were included in the 2023 budget for the project.

### Attachments:

Easement



## PUBLIC HIGHWAY EASEMENT No. 5130901

Date: \_\_\_\_\_, 2025.

In consideration of the sum of Twenty-Six Thousand and No/100 Dollars (\$26,000.00), the receipt whereof is hereby acknowledged,

**DAKOTA, MINNESOTA, & EASTERN RAILROAD CORPORATION**, a Delaware corporation doing business as CPKC, of 120 South Sixth Street, Suite 700, Minneapolis, Minnesota 55402, (“**Grantor**”)

hereby grants and conveys unto **STEELE COUNTY** (“**Grantee**”),

an easement (“**Easement**”) described and conditioned as follows:

- 1.0 **DESCRIPTION OF EASEMENT AREA:** The Easement is granted over, under, across and through the following parcel of land in **Steele County, Minnesota**, described as follows:

That part of the southeast quarter of Section 14, Township 107 North, Range 20 West, shown as Parcel 200 on Steele County Highway Right of Way Plat No. 21 as the same is on file and recorded on April 18, 2023 as Document Number A000447501 in the office of the County Recorder in and for Steele County, Minnesota

**CONTAINING 22,886 square feet**, more or less and hereinafter referred to as the “**Easement Area**.” And depicted on the attached Exhibit A.

2.0 **PURPOSES:** The Easement shall be limited to:

- 2.1. The installation, construction, maintenance, repair, replacement, and use of a public highway (the “**Roadway**”) for public vehicular and pedestrian uses over, under, through and across the Easement Area.
- 2.2. The installation, construction, maintenance, repair, replacement, and use of State, County or City owned pipes, wires or other State, County or City-owned utilities (collectively “**Public Utilities**” or individually a “**Public Utility**”) provided that:
  - A. any such Public Utility installed or replaced after the date hereof, shall conform to the standards promulgated by the Grantor for the placement of such item upon, beneath or across operating railroad property;
  - B. No such Public Utility shall be installed without advance written approval of the Grantor and without submitting proposed plans at least 30 days in advance of planned construction, maintenance or replacement;
  - C. Subject to the preceding section 2.2(A) and (B), the installation, repair or replacement of any Public Utility shall be subject to the provisions of Section 5.2 herein;
  - D. The foregoing sections 2.2(A) through (C) shall not apply if railroad operations are abandoned across the Easement Area or if railroad tracks are permanently removed.
  - E. Nothing herein shall be construed to allow a non-government owned utility company to construct, maintain, repair or replace pipes wires or other items upon or across the Easement Area.

3.0 **RESERVATIONS:**

- 3.1 Grantor’s railroad operations, tracks and facilities shall be deemed superior to the rights granted herein for Roadway purposes and Grantor reserves the right and privilege to construct additional tracks or facilities as may be required for railroad traffic, operations or safety, in a manner that, once completed, does not materially and unreasonably interfere with the Grantee's use of the Easement Area pursuant to this Easement.

### 3.2 Grantor reserves:

- A. fee title to the Easement Area to itself; Grantee's maintenance and use of the Easement Area, however long continued, shall not vest in the Grantee rights adverse to those of the Grantor other than those granted by this Easement;
- B. the right to permit other parties to use the Easement Area in a manner that does not unreasonably interfere with the Grantee's use of the Easement Area pursuant to this Easement;
- C. the right of incidental use of the Easement Area in a manner that does not unreasonably interfere with the Grantee's use of the Easement Area pursuant to this Easement; and
- D. the right and privilege to use the Easement Area for any and all other purposes that are not inconsistent with the use thereof for the purpose or purposes permitted by this Easement or which do not unreasonably interfere with or restricts the rights granted to Grantee.

### 4.0 **TERM, TERMINATION AND EXPIRATION:**

4.1 This Easement shall remain in effect so long as required by Grantee for Roadway or Public Utility purposes. The Easement shall be subject to termination or expiration as follows:

- 4.1.1 Abandonment: In the event the Easement Area is not used for Roadway or Public Utility purposes for a period of twelve (12) consecutive months and Grantor serves upon Grantee a written notice alleging such non-use. If Grantee does not refute the allegation of non-use within 30 days following receipt of said written notice, then Grantee shall be deemed to have agreed with Grantor's allegations and the Easement shall therewith be extinguished.
- 4.1.2 Removal: In the event Grantee substantially removes the Roadway and Public Utilities with the intent of not replacing them, then the Easement shall therewith be extinguished.
- 4.1.3 Breach: If Grantee is unable or unwilling to cure a breach of any of the provisions of this Easement within thirty (30) days (or such longer period as may be reasonably required if Grantee promptly initiates the cure and diligently prosecutes the cure to completion) following receipt of a written notice from Grantor detailing such breach, then this Easement shall therewith be terminated. The foregoing shall be subject, however, to

reasonable seasonal accommodations for any physical work to the Roadway or Public Utilities required to cure a breach.

- 4.2 Upon termination or expiration of this Easement for any reason, except for portions of the Roadway within 10 feet of the centerline of any railroad track owned by Grantor, Grantee shall, at its sole expense, promptly remove the Roadway from the Easement Area and restore the Easement Area to substantially its former state. In the event that Grantee fails to remove the Roadway, within sixty (60) days following receipt by Grantee of a written notice from Grantor that it intends to remove the Roadway, the Roadway may be so removed. Upon receipt of a bill therefor, Grantee shall immediately pay to Grantor the costs incurred by Grantor in the removal of the Roadway.

#### 5.0 **ROADWAY CONSTRUCTION, MAINTENANCE AND REMOVAL WORK:**

The provisions of this Section 5 shall apply to the extent the provisions of this Section 5 are not included in a separate written agreement between the parties.

- 5.1 Division of Responsibility: Grantee shall be responsible, at its cost and expense, for all work necessary to install, construct, maintain, repair, replace and remove the Roadway, except for those portions within 10 feet of the centerline of any railroad track owned by Grantor (the “**Track Zones**”). Grantor, unless it notifies Grantee to the contrary, shall install, maintain and remove those parts of the Roadway within the Track Zones at Grantee’s expense; provided, that Grantor’s expense shall in all circumstances be reasonable and customary in the railroad industry for the type of work undertaken. Unless reimbursement has been paid in advance, upon receipt of a bill therefor, Grantee shall reimburse Grantor for such work within the Track Zones.

#### 5.2 Roadway and Public Utility work by Grantee:

- 5.2.1 Grantee, shall secure all necessary public approvals and permits for the construction, maintenance, operation or removal of the Roadway or Public Utilities from or in the Easement Area.
- 5.2.2 Grantor makes no representation by the granting of this indenture that the Easement Area is free of any such pipes, wires, conduits, sewers, pilings or other obstructions.

Prior to any construction, maintenance or removal of the Roadway or Public Utilities, Grantee shall be responsible for determining the location and existence of any pipes, wires, conduits, sewers, piling or other obstructions to the construction of the Roadway. Grantee expressly assumes the risk of damage to the foregoing pipes, wires, conduits, sewers, piling or other

obstructions, if any, and agrees to pay any claims arising from damage thereto in connection with the construction or maintenance of the Roadway.

5.2.3 Grantee shall not carry on any work in connection with the installation, maintenance, repair, changing or renewal of the Roadway or Public Utilities within 25 feet of the center line of any Grantor – owned track until:

5.2.3.1 it shall have given Grantor at least five (5) days' written notice, and

5.2.3.2 an authorized representative of Grantor shall, at Grantor's election, be present to supervise same. Upon bills being rendered for the authorized representative's supervision, Grantee shall promptly reimburse Grantor for all reasonable expenses incurred by it in connection with such supervision, including all labor costs for flagmen supplied by Grantor to protect railroad operations, and for the entire cost of the furnishing, installation and later removal of any temporary supports for said tracks, if any.

5.2.4 Prior to the commencement of work, the Grantee shall require any third party contractor acting on behalf of the Grantee pursuant to this Easement to:

5.2.4.1 to the extent permitted by law, execute and deliver to the Grantor a release of liability that shall provide that the contractor shall indemnify, hold harmless and defend the Indemnitees (as defined below) from and against all claims arising out of, resulting from or relating to any loss of (or damage to) any property or business or any injury to (or death of) any person, where such loss, damage, injury, or death actually or allegedly arises (whether directly or indirectly, wholly or in part) from any negligence or willful misconduct of the Contractor (or its employees, agents, or contractors) while on the Easement Area pursuant to this Easement. "Indemnitees" means Grantor, its subsidiaries, affiliated companies and parent companies, and their directors, officers, employees and agents, including without limitation, Soo Line Railroad Company, Delaware and Hudson Railroad Corporation, Dakota, Minnesota and Eastern Railroad Corporation, Soo Line Corporation, Wyoming, Dakota Railroad Properties, Inc., The Milwaukee Motor Transportation Company, Hiawatha Transfer Company, The Kansas City Southern Railway Company, the Texas Mexican Railway Company, the Gateway Eastern Railway Company, MidSouth, LLC, Canadian Pacific Railway Company, and Canadian Pacific Kansas City Limited. In no event will the Grantee be required to indemnify, hold harmless and defend the Indemnitees (as defined above) from and against any claim whatsoever.

5.2.4.2 to maintain during any period of time that any of its employees or agents or equipment are upon the Property, policies of insurance with initial limits of coverage shown in brackets “[ ]” as follows:

- a) Workers' Compensation Insurance which fully meets the requirements of any Workers' Compensation law in force in Minnesota, including the requirements of any Occupational Disease Law.
- b) Business Automobile Coverage Insurance covering all owned, non-owned and hired vehicles engaged in or on the Easement Area, with a combined single limit of \$[5,000,000.]
- c) Commercial General Liability insurance with a combined single limit of \$[10,000,000].

5.2.5 The above policies of insurance shall further be subject to the following:

5.2.5.1 The coverage limits of the foregoing policies shall be initially as shown in brackets, but such amounts shall after one year from the date hereof be such amounts as Grantor reasonably deems standard for work in close proximity to railroad operations.

5.2.5.2 Each such insurance policy shall name the Grantor as an additional Insured. Prior to commencement of any work upon the Easement Area, the Grantor must receive and approve a certificate or certificates of insurance for each such insurance policy stating that such coverage will not be canceled or materially changed without ten (10) days written notice being given to the Grantor. The certificate for the Commercial General Liability Policy of insurance shall include the following endorsement:

“It is agreed that the policy or policies of insurance evidenced by this certificate covers the liability assumed by the insured in connection with work to be performed in connection with the Roadway as set forth in the easement grant dated \_\_\_\_\_, 2025 by Dakota, Minnesota, & Eastern Railroad Corporation, Inc. to the Steele County, including work upon railroad property, within railroad right of way and in close proximity of operating railroad tracks.”

5.2.6 Grantee shall, at its sole expense, do all necessary grading of the Roadway approaches to said grade crossing and install drainage culverts, if required by Grantor, all in a manner satisfactory to the Grantor's Division Engineer or other designated representative; provided that if such grading is completed according to approved plans, any such grading shall be deemed approved by Grantor.

- 5.2.7 Except repairs caused by Grantor's acts of gross negligence or willful misconduct, Grantee, at Grantee's sole expense, whenever notified in writing by Grantor to do so, shall promptly make such repairs to or changes in the Roadway, including reasonable changes in location as Grantor may require to accommodate changes in railroad operations or construction of railroad facilities.
- 5.2.8 Grantee, at Grantee's sole expense, whenever notified in writing by Grantor to do so, shall promptly make emergency repairs to the Roadway as Grantor and Grantee agree are necessary. If Grantee fails to make such repairs within a reasonable period, Grantor shall have the right, at its election, to make these emergency repairs to the Roadway and in such event Grantee, upon bills being rendered therefor, will promptly reimburse Grantor for all reasonable expenses incurred in connection therewith.
- 5.3 Roadway work by Grantor: Unless Grantee is notified to the contrary, on a case-by-case basis, Grantor shall construct, maintain and remove that part of the Roadway within the Track Zones at Grantee's expense; provided, that Grantor's expense shall in all circumstances be reasonable and customary in the railroad industry for the type of work undertaken. Grantee shall, upon receipt of an invoice therefor, pay Grantor for all costs and expenses incurred by Grantor in connection with:
- 5.3.1 The construction, maintenance or renewal of improvements necessary for rail bed, tracks, flanger signs, drainage, and road surface;
- 5.3.2 Flagging services as may be required by Grantor;
- 5.3.3 Any grading, paving installation of approach signs and the paving of the roadway approaches up to the edge of the rail ties performed by Grantor;
- 5.3.4 Incidental work and materials to construct, maintain, or renew any at-grade crossing, roadway or appurtenances thereto, other than signal or warning devices, including gates;
- 5.3.5 Other incidental expenses and reasonable administration or overhead charges not to exceed reasonable and customary expenses incurred or allocated under similar circumstances in the railroad industry.
- 6.0 **TAXES AND ASSESSMENTS**: Grantee shall assume and pay any taxes or assessments which may be levied by any competent authority by reason of the existence or use of the Easement Area for public highway purposes.



## 7.0 **LIABILITY:**

In consideration for the grant of the Easement, without which it would not be granted, Grantee assumes all risk of damage to or destruction of the Roadway or Public Utilities through any cause whatsoever while located upon and across the Easement Area, except as may result from Grantor's willful misconduct.

## 8.0 **ENVIRONMENTAL:**

8.1 As used in this Section, the following terms have the following definitions:

8.1.1 **"Claim"** or **"Claims"** means any and all liabilities, suits, claims, counterclaims, causes of action, demands, penalties, debts, obligations, promises, acts, fines, judgments, damages, consequential damages, losses, costs, and expenses of every kind (including without limitation any attorney's fees, consultants' fees, response costs, remedial action costs, cleanup costs and expenses which may be related to any Claims);

8.1.2 **"Environmental Law"** or **"Environmental Laws"** means the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Clean Water Act, 33 U.S.C. § 1321 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., all as amended from time to time, and any other federal, state, local or other governmental statute, regulation, rule, law or ordinance dealing with the protection of human health, safety, natural resources or the environment now existing or hereafter enacted;

8.1.3 **"Hazardous Substance"** or **"Hazardous Substances"** means any petroleum product, distillate, or fraction, radioactive material, chemical known to the Federal Government or the State of Minnesota to cause cancer or reproductive toxicity, polychlorinated biphenyl or any other chemical, substance or material listed or identified in or regulated by an Environmental Law of the United States or the State of Minnesota including but not limited to Federal or Minnesota hazardous waste laws;

8.1.4 **"Release"** or **"Released"** means any actual or threatened spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing or spreading of any Hazardous Substance into the environment, as "Environment" is defined in CERCLA;

8.1.5 **"Response"** or **"Respond"** means action taken in compliance with Environmental Laws to correct, remove, remediate, cleanup, prevent,



mitigate, monitor, evaluate, investigate, assess or abate the Release of a Hazardous Substance;

8.1.6 **"Use"** means to manage, generate, manufacture, process, treat, store, use, re-use, refine, recycle, reclaim, blend or burn for energy recovery, incinerate, accumulate speculatively, transport, transfer, dispose of, or abandon a Hazardous Substance.

## 8.2 The Grantee:

8.2.1 shall be familiar with the requirements of, comply with, and secure at the Grantee's own expense any permits or licenses required by, all applicable laws, regulations, ordinances, and standards, including without limitation all Environmental Laws;

8.2.2 shall, upon written request by the Grantor (but only in such circumstances where Grantor has reasonably reliable information that the Easement Area has been contaminated), provide the Grantor with the results of appropriate reports and tests from a qualified engineer to demonstrate that the Grantee has complied with all Environmental Laws relating to the Easement Area;

8.2.3 shall not in any manner cause or allow the Easement Area to become a hazardous waste treatment, storage or disposal facility within the meaning of, or otherwise bring the Easement Area within the ambit of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. or any similar state statute or local ordinance;

8.2.4 shall not, without prior written disclosure to and approval by the Grantor, Use or authorize the Use of any Hazardous Substance on the Easement Area, except for the Roadway and other incidental and associated uses and such other utilization as may be in accordance with Environmental Laws;

8.2.5 shall not cause or allow the Release or threat of Release of any Hazardous Substance on, to, or from the Easement Area;

8.2.6 shall promptly notify the Grantor of any actual or suspected Release of any Hazardous Substance on, to, or from the Easement Area, regardless of the cause of the Release;

8.2.7 shall promptly provide the Grantor with copies of all summons, citations, directives, information inquiries or requests, notices of potential responsibility, notices of violation or deficiency, orders or decrees, claims, causes of action, complaints, investigations, judgments, letters, notices of environmental liens or Response actions in progress, and other communications, written or oral, actual or threatened, from the United States Environmental Protection

Agency, the United States Occupational Safety and Health Administration, or other federal, state or local agency or authority, or any other entity or individual, concerning any Release of a Hazardous Substance on, to or from the Easement Area, or any alleged violation of or responsibility under any Environmental Law relating to the Easement Area; and

8.2.8 shall promptly take all necessary action in Response to any Release or Use of a Hazardous Substance by Grantee at the Easement Area that gives rise to any liability, claim, cause of action, obligation, demand, fine, penalty, loss, judgment or expense under any Environmental Law, or causes a significant public health or workplace effect, or creates a nuisance.

8.2.9 By accepting delivery of this Easement, Steele County, covenants and agrees not to sue Grantor or its respective directors, officers, stockholders, divisions, agents, affiliates, subsidiaries, predecessors, successors and assigns, grantors or anyone acting on its behalf or their behalf with respect to any Claims (including without limitation all Claims arising under any Environmental Law), existing and contingent, known and unknown, that Grantee had, has or may have, whether arising at common law, in equity, or under a federal, state or local statute, rule or regulation, arising out of, resulting from, or relating to the condition of the Easement Area. The foregoing shall apply to any condition of the Easement Area, known or unknown, contemplated or un contemplated, suspected or unsuspected, including without limitation the presence of any Hazardous Substance on the Easement Area, whether such Hazardous Substance is located on or under the Easement Area, or has migrated from or to the Easement Area, regardless of whether the foregoing condition of the Easement Area was caused in whole or in part by the Grantor's actions or inactions.

## 9.0 **MISCELLANEOUS:**

9.1 Grantee/Grantor: As used in this Easement, the terms “**Grantee**” and “**Grantor**” shall include the parties first named above and their respective successors or assigns.

9.2 Headings: The paragraph headings used in this Easement are used solely for the purpose of convenience. They are not intended to, and do not, modify or limit the wording of the paragraphs to which they are appended, and they shall not be used or construed as guides to the interpretation of said paragraphs.

9.3 Severability of Terms: Each provision, paragraph, sentence, clause, phrase, and word of this Easement shall apply to the extent permitted by applicable law and is intended to be severable. If any provision, paragraph, sentence, clause, phrase or word of this indenture is illegal or invalid for any reason whatsoever,

such illegality or invalidity shall not affect the legality or validity of the remainder of this Easement.

- 9.4 No Waiver: Any act or omission constituting a breach of this Easement shall be limited to such act or omission and shall not be construed as a permanent or continuing waiver thereof;
- 9.5 Notices: Any notice given by a party pursuant to this Easement, shall be good if served upon the other party, or if deposited in a United States post office, certified mail, addressed to the other party at its last known address.
- 9.6 Merger: This Easement completely outlines all of the rights, responsibilities, and obligations of the parties hereto and said indenture may not be amended or altered except by an instrument in writing signed by both parties. Furthermore, this Easement merges all prior oral representations and negotiations of the parties hereto.
- 9.7 No Warranty: Grantor does not warrant title to the Easement Area, and makes no representations or warranties, express or implied, as to the habitability of the Easement Area or the fitness of the Easement Area for Grantee's purpose or any other particular purpose.
- 9.8 Prior Appropriation: To the extent this Easement imposes obligations on Grantee that require the expenditure of funds by Grantee, such obligations are contingent upon and subject to the Minnesota Legislature appropriating funds for such obligations. If there is no appropriation of funding for all or part of any such obligation, Grantee shall make a good faith effort to secure funding to cover the obligation.

This Easement shall inure to the benefit of and be binding upon the successors and assigns of the Grantor and the Grantee.

*[Remainder of this page left blank]*

**DAKOTA, MINNESOTA, & EASTERN RAILROAD CORPORATION**  
*doing business as CPKC*

By: \_\_\_\_\_  
Nikol R. Daniels  
Its: Director Real Estate - U.S.

STATE OF MISSOURI       )  
  ) ss:  
COUNTY OF JACKSON    )

The foregoing easement was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by Nikol R Daniels, Director Real Estate - U.S., of Dakota, Minnesota, & Eastern Railroad Corporation, a corporation under the laws of the State of Delaware, on behalf of the corporation.

Notary Seal

\_\_\_\_\_  
Notary Public

**STEELE COUNTY**

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF MINNESOTA    )  
  ) ss:  
COUNTY OF STEELE     )

The foregoing easement was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by \_\_\_\_\_.

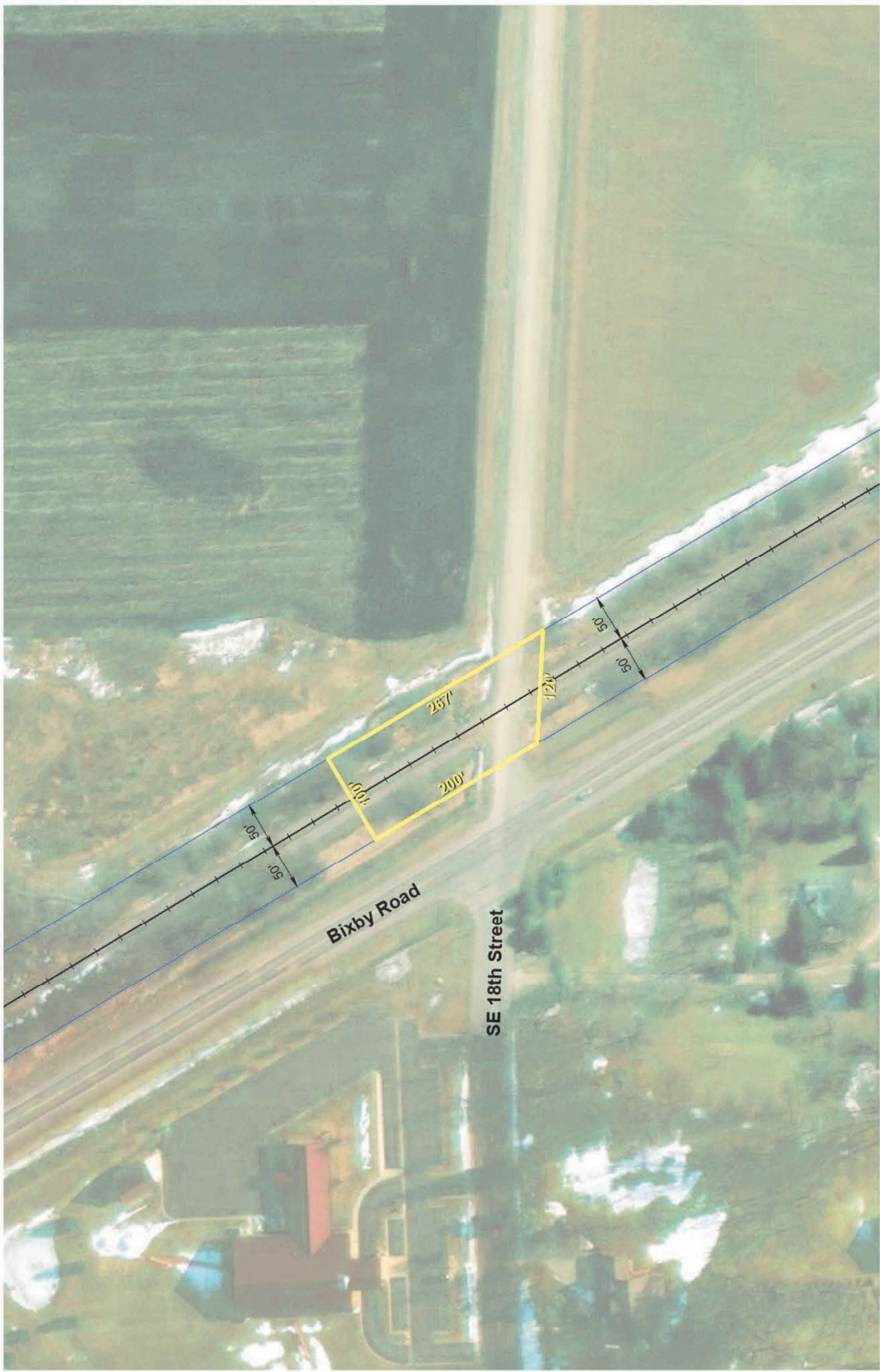
Notary Seal

\_\_\_\_\_  
Notary Public

This instrument was drafted by:  
Real Estate Department  
CPKC  
700 Canadian Pacific Plaza  
120 South Sixth Street  
Minneapolis, Minnesota 55402

**EXHIBIT A – Depiction of the Easement Area**





DISCLAIMER:  
THIS EXHIBIT HAS NOT BEEN PREPARED FROM  
FIELD DATA, BUT FROM AERIAL IMAGERY  
PROVIDED BY ESRI AND OTHER CONTRIBUTORS.  
ALL DATA SHOWN IS DERIVED FROM GIS SOURCES  
AND SHOULD BE CONSIDERED APPROXIMATE AND  
NOT ALL ENCOMPASSING. THIS EXHIBIT IS INTENDED  
FOR REFERENCE PURPOSES ONLY. IT IS NOT  
INTENDED FOR CONVEYANCES, NOR IS IT A LEGAL  
SURVEY. MAP IS BEST VIEWED IN COLOR.

NOTES:  
AREA CALCULATION APPROXIMATE  
LAND LICENSE AREA:  
22,886 SF  
0.53 AC

LEGEND:  
CPKC PROPERTY LINE  
CPKC TRACK  
LAND EASEMENT BOUNDARY  
50' EASEMENT BOUNDARY DIMENSION



MAP NOT TO SCALE



CPKC

EASEMENT AGREEMENT

EXHIBIT A

OWATONNA, MN

MP 99

LAT 44.066179, LON -93.194570

SHEET 1 OF 13

OWATONNA SUB

DATE: 3/12/2025



## Steele County Agenda Item

Request for Board Action

**Subject: Canadian Pacific Kansas City Railroad Construction and Maintenance Agreement for Rail Crossing at SE 18<sup>th</sup> Street**

**Department:** Highway

**Committee:** Public Works

**Work Session Date:** N/A

**Committee Meeting Date:** N/A

**Board Meeting Date:** May 13, 2025

**Consent Agenda:** ☐ Yes ☒ No

**Resolution:** ☐ Yes ☒ No

---

### Policy Committee Recommendation:

N/A

### Recommendation:

Approve Agreement with CPKC railroad for the work necessary to relocate and improve the SE 18<sup>th</sup> Street Rail Crossing

### Background (*Including Budget Impact*):

Construction of a roundabout at CSAH 48 Bixby Rd and SE 18th Street is suspended until agreements with CPKC railroad (Company) can be completed. The project requires relocating the railroad crossing just east of the intersection to complete the construction. In addition, all alignment alternatives being considered for the East Side Corridor will be routed via SE 18th Street through this crossing. The East Side Corridor project is programmed for construction in the 2025-2029 Highway Capital Improvement Plan.

To address the intersection changes, the existing crossing surface and existing warning devices will be removed. The crossing will be reconstructed with new concrete crossing surface panels. A separate agreement outlines the construction of new warning devices which include cantilevered flashing light signals and gates.

This agreement outlines the responsibilities of both the County and the Company to complete the crossing and approach work in the railroad right of way. For the Company's work, the County will reimburse the Company an estimated \$121,120.98 for ballast, ties, track, and concrete crossing surface panels and other incidental work.

The cost of this work is funded from State Aid and Sales Tax funding budgeted in 2023.

### Attachments:

Agreement





**CROSSING SURFACE  
CONSTRUCTION & MAINTENANCE AGREEMENT**

**THIS AGREEMENT** (“Agreement”) is made and entered into on this \_\_\_\_ day of \_\_\_\_\_, 2025 (“Effective Date”) by and between Steele County, a body politic and corporate under the laws of the State of Minnesota, hereinafter referred to as the “ROAD AUTHORITY” and the DAKOTA, MINNESOTA, AND EASTERN RAILROAD CORPORATION, doing business as CPKC, hereinafter referred to as the “COMPANY.” The ROAD AUTHORITY and the COMPANY may be referred to individually herein as a “Party” and collectively as “the Parties.”

**WITNESSETH**

**WHEREAS**, Southeast 18th Street, DOT #380288F, as presently located in the City of Owatonna, Steele County, State of Minnesota, crosses at grade the main-line track of the COMPANY at railroad milepost 99.73 on the COMPANY’s Owatonna Subdivision, which crossing is constructed with thirty-two feet (32’) of wood surface, is currently protected by warning devices consisting of crossbucks and stop signs, and is to be upgraded and expanded pursuant to the terms and conditions of this Agreement (at all times hereinafter, both prior to and after the surface work set forth herein, “the Crossing”); and

**WHEREAS**, in the interest of public safety, and pursuant to a letter dated March 22, 2023, by and through its State Rail Safety Engineer the MINNESOTA COMMISSIONER OF TRANSPORTATION, pursuant to Minnesota Rule 8830.1000, has directed the ROAD AUTHORITY to replace the existing crossing surface at the Crossing, and further to remove the existing warning devices and install gates with constant warning circuitry and LED lenses at the Crossing surface; and

**WHEREAS**, the Parties agree that the COMPANY shall perform, at the cost and expense of the ROAD AUTHORITY, the work of replacing the existing wood surface at the Crossing with a new and expanded concrete surface and, further, that the ROAD AUTHORITY shall perform, at its own cost and expense, the work of construction, reconstruction, and/or paving of the roadway approaches up to the edge of the new concrete crossing surface on both sides of the Crossing (the “Project”), as shown in “**Schedule A**”; and

**WHEREAS**, the crossing surface work herein proposed to be performed by the COMPANY on the Crossing shall be completed with the street closed to vehicular traffic; and

**WHEREAS**, the Parties are also parties to that certain Railroad Crossing Signal Agreement with the State of Minnesota, through its Commissioner of Transportation, which is identified as MnDOT Agreement No. 1057191 (“MnDOT Agreement”) and which provides for, among other things, Federal funds received by MnDOT from the Federal Highway Administration pursuant to Section 130 of Title 23 of the United States Code to be used in conjunction with ROAD AUTHORITY funds for the installation by the COMPANY of cantilevered flashing light signals, gates, a side light, constant warning circuitry, and LED lenses at the Crossing; and

**WHEREAS**, the Parties desire that the Project work to be performed pursuant to this Agreement be done in conjunction with the work on the Crossing's warning devices pursuant to the MnDOT Agreement; and

**WHEREAS**, the Parties desire to set forth the terms and conditions for surface replacement of the Crossing and their respective portions of such Project work;

**NOW, THEREFORE**, in consideration of the promises and mutual covenants contained herein, the Parties agree as follows:

**SECTION 1.** The "General Provisions" attached hereto as "**Schedule B**" are hereby incorporated into and made a part of this Agreement.

**SECTION 2.** The Parties shall perform, or cause to be performed, the following items of work:

**2.1 WORK BY THE COMPANY.** The COMPANY shall furnish, or cause to be furnished, all of the labor, materials, and work equipment required to perform and complete the following work (the "COMPANY Work"):

- a. The removal and disposal of the existing timber grade crossing surface for the Crossing.
- b. The preparation of the track structure for the new concrete grade crossing surface for the Crossing.
- c. The installation of concrete crossing material on the Crossing.
- d. The incidental work necessary to complete the items hereinabove specified.

The estimated total cost of the COMPANY Work to be performed by the COMPANY as indicated in the estimate of cost attached hereto and marked "**Schedule C**" is \$121,120.98. in which the COMPANY Work is more fully detailed. The ROAD AUTHORITY shall reimburse the COMPANY for all costs and expenses incurred in the performance of the COMPANY WORK, estimated at \$121,120.98.

The COMPANY warrants that it shall perform all of the COMPANY Work under this Agreement in a workmanlike and timely manner in accordance with all applicable standards for work of the type at issue.

**2.2 WORK BY THE ROAD AUTHORITY.** The ROAD AUTHORITY shall furnish or cause to be furnished, at its expense, all of the labor, material and work equipment required to perform and complete the following work (the "ROAD AUTHORITY Work"):

- a. The reconstruction and/or paving of the roadway approaches for Southeast 18<sup>th</sup> Street up to the edge of the concrete crossing surface on both sides of the Crossing, including all associated utility work, grading, paving, installation of approach signs, pavement markings, and drainage facilities.
- b. Traffic control and detour signing.

- c. Incidental work necessary to complete the items hereinabove specified.

For any entity or person performing ROAD AUTHORITY Work on the COMPANY's property and/or right-of-way for purposes of the Project set forth in this Agreement, whether the ROAD AUTHORITY itself or any contractor or subcontractor acting on the ROAD AUTHORITY's behalf, prior to commencing the Project work such entity or person shall have in place the insurance coverage in the policy(s) and amount(s) set forth in Article 9 ("INSURANCE") of "**Schedule D**", which is that certain Right-of-Entry Agreement that must be executed by any contractor or subcontractor of the ROAD AUTHORITY before such contractor/subcontractor commences any ROAD AUTHORITY Work or subsequent maintenance work authorized by this Agreement.

**2.3 The COMPANY Work and the ROAD AUTHORITY Work** shall be completed within 18 months of fully executing this Agreement.

**SECTION 3.** The ROAD AUTHORITY shall maintain jurisdiction for the roadway and will be responsible for maintaining the roadway and crossing approaches up to the ends of the track ties on both sides of the Crossing at the ROAD AUTHORITY's sole cost and expense. The COMPANY shall, at the ROAD AUTHORITY's sole cost and expense, operate and maintain the ties, rails, ballast, and other components of crossing surface within the roadway limits at the Crossing in accordance with Federal or State law while it operates its line of railroad over such trackage and the Crossing, but this obligation to maintain the Crossing surface shall cease in the event the COMPANY abandons its railroad operations over said track in the future, in which event the ROAD AUTHORITY may, if it desires, remove the trackage and restore and maintain the Crossing at its sole cost and expense.

**SECTION 4.** In connection with the changes to the surface of the Crossing and the expanded presence over and across the COMPANY's railroad right-of-way, the Parties have agreed to the Public Highway Easement No. 5130901, which is attached hereto as "**Schedule E**" and incorporated herein.

## **SECTION 5. MISCELLANEOUS.**

**5.1 GOVERNING LAW.** This Agreement shall be governed and construed in accordance with the laws of the State of Minnesota without regard to any choice or conflict of laws principles (whether of the State of Minnesota or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Minnesota. All proceedings related to this Agreement shall be venued in Steele County, Minnesota. This Agreement shall be binding upon the parties hereto, their successors or assigns.

**5.2 SEVERABILITY.** In the event any paragraph contained in this Agreement or any item, part, or term within any particular paragraph is determined by a court of competent jurisdiction to be invalid or unenforceable, the validity of the remaining paragraphs or items will not be affected; and the rights and obligations of the Parties will be construed and enforced as if this Agreement did not contain that particular paragraph or item held to be invalid or unenforceable.

**5.3 FORCE MAJEURE.** The obligations of the Parties under this Agreement, other than payment, shall be subject to force majeure (which shall include strikes, riots, floods, accidents, Acts of God, and other causes or circumstances beyond the reasonable control of the party claiming such force majeure as an excuse for non-performance), but only as long as, and to the extent that, such force

majeure shall prevent performance of the obligations. In the event that an event of force majeure impairs a Party's ability to fulfill its obligations to the other Party shall take reasonable measures to restore performance of its obligations in a timely manner.

**5.4 NO THIRD-PARTY BENEFICIARY.** This Agreement and each and every provision hereof is for the exclusive benefit of the Parties and not for the benefit of any third person. Nothing herein contained shall be taken as creating or increasing any right of any third person to recover by way of damages or otherwise against either Party.

**5.5 WAIVER.** No consent or waiver, expressed or implied, by a Party of any breach or default by the other Party in the performance by such other Party of its obligations hereunder shall be deemed or construed to be a consent to or waiver of any other breach or default in the performance hereunder by such other Party. Failure on the part of a Party to complain of any act or failure of the other Party or to declare the other Party in default, irrespective of how long such failure continues, shall not constitute a waiver by such first mentioned party of its rights hereunder.

**5.6 DEFINITIONS & TERMINOLOGY.** Each definition in this Agreement includes the singular and the plural, and references in this Agreement to the neuter gender include the masculine and feminine where appropriate. References herein to any agreement or contract mean such agreement or contract as amended. As used in this Agreement, the word "including" means "without limitation," and the words "herein", "hereof," and "hereunder" refer to this Agreement as a whole. All dollar amounts stated herein are in United States currency.

**5.7 HEADINGS.** The division of this Agreement into sections and subsections and the insertion of headings and section numbers are for convenience of reference only, and shall not affect the construction or interpretation of this Agreement. Unless the context otherwise requires, all references to sections are to sections of this Agreement.

**5.8 MUTUAL NEGOTIATIONS.** This Agreement is the result of mutual negotiations between the Parties, neither of whom shall be considered the drafter for purposes of contract construction.

**5.9 PARTIES' RELATIONSHIP.** Nothing herein shall be interpreted as creating an association, partnership, joint venture or other joint undertaking between the Parties.

**5.10 ENTIRE AGREEMENT.** This Agreement contains the entire understanding of the Parties and supersedes any and all prior oral or written understandings between the Parties with respect to the subject matter hereof. No term or provision of this Agreement may be changed, waived, discharged or terminated except by an instrument in writing and signed by all of the Parties

**5.11 EXECUTION.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument.

*[Remainder of this page left blank; signatures on the following page]*

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed in duplicate counterparts, each of which shall be considered as an original, by their duly authorized officers, as of the dates below indicated.

STEELE COUNTY, MINNESOTA

DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION, d/b/a CPKC

APPROVED:

Recommended for Approval:

By: \_\_\_\_\_  
Chairperson

By: \_\_\_\_\_

Date: \_\_\_\_\_, 2025

Date: \_\_\_\_\_, 2025

ATTEST:

APPROVED:

By: \_\_\_\_\_  
County Administrator

By: \_\_\_\_\_

Date: \_\_\_\_\_, 2025

Date: \_\_\_\_\_, 2025

APPROVAL AS TO FORM AND EXECUTION:

By: \_\_\_\_\_  
County Attorney

Date: \_\_\_\_\_, 2025

Schedule A  
Project Plans for Crossing Surface Work

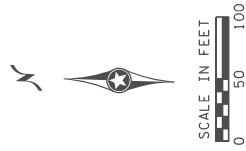
LEGEND	
①	SIDEWALK PEDESTRIAN CURB RAMP
②	SEE STD PLANS & INTERSECTION DETAILS
③	CONSTRUCT CONCRETE MEDIAN NOSE
④	PER STANDARD PRACTICE #113A
⑤	SEE SHEETS 66 TO 67 FOR ROUNDABOUT DETAILS
⑥	TRANSITION CURB TO 0" (WITHIN 5')
⑦	10" CURB TRANSITION
⑧	DECIDUOUS TREE 2" CAL B&B
⑨	CONSTRUCTION LIMITS
⑩	EXISTING R/W
⑪	PROPOSED R/W
⑫	PERMANENT EASEMENT
⑬	TEMPORARY EASEMENT

[illegible]



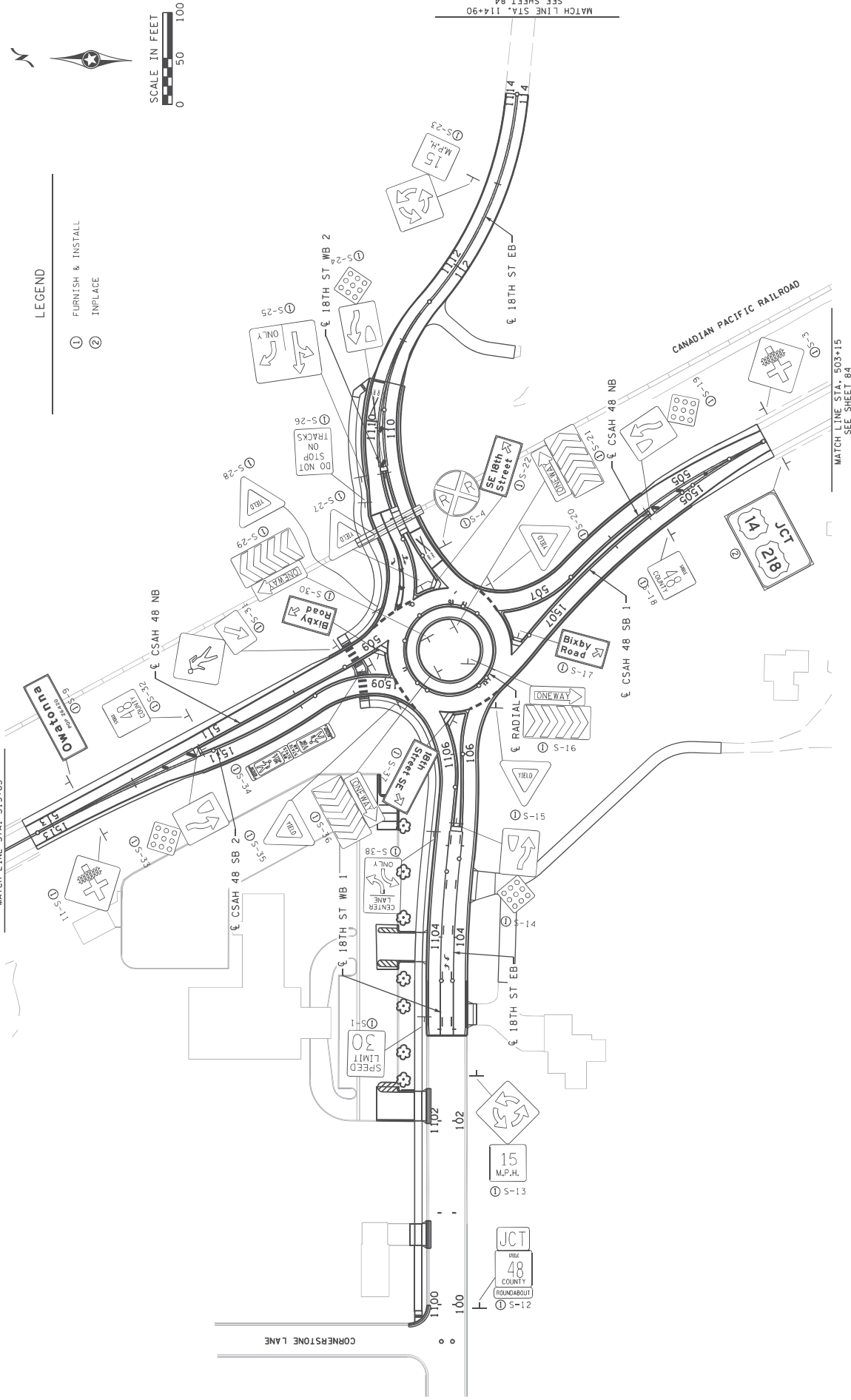
# CSAH 48 (Bixby Road) at SE 18th Street

SEE SHEET 84  
MATCH LINE STA. 513+65



## LEGEND

- ① FURNISH & INSTALL
- ② INPLACE



SHEET  
83  
OF  
100  
SHEETS

STEELE COUNTY, MINNESOTA

## SIGNING PLAN

SAP 074-648-007 / SAP 153-115-005 / SAP 153-025-007

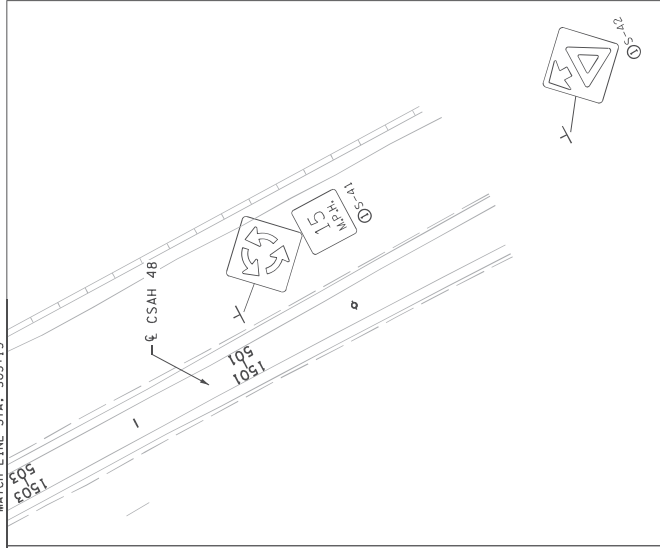
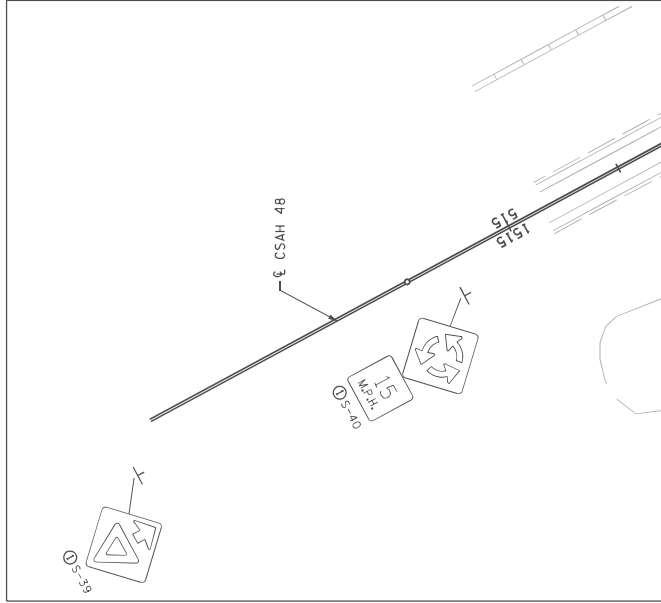
**CSAH 48 / 18th Street Roundabout**  
Steele County Highway Department



I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATIONS, OR REPORT WAS PREPARED BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND THAT I AM A LICENSED PROFESSIONAL ENGINEER IN THE STATE OF MINNESOTA.  
*Sean Delaney, P.E.*  
DATE: 4/26/2023 LICENSE # 40945

NO.	DATE	BY	CHK.	REVISIONS	MF	MF	ES	SD
					Thru Box	Drawn	ES	Approved

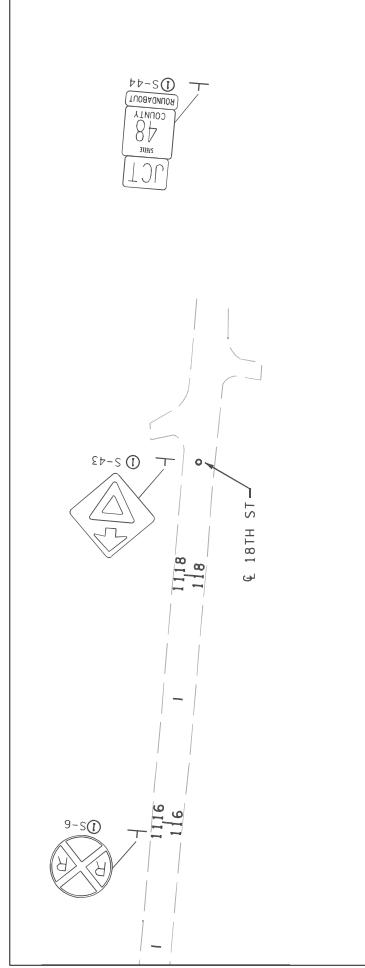
CSAH 48 (Bixby Road) at SE 18th Street



LEGEND

- ① FURNISH & INSTALL
- ② INPLACE

SCALE IN FEET  
0 50 100



NO.	DATE	BY	CHK	REVISIONS	DESIGNED BY	MF	THIN BY	MF	CHECKED BY	ES	APPROVED BY	SD

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATIONS, OR REPORT WAS PREPARED BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND THAT I AM A LICENSED PROFESSIONAL ENGINEER IN THE STATE OF MINNESOTA.

DATE: 4/26/2023 LICENSE # 40945

SEAN DELMONTE, PE



**CSAH 48 / 18th Street Roundabout**  
Steele County Highway Department

STEELE COUNTY, MINNESOTA

**SIGNING PLAN**

SAP 074-648-007 / SAP 153-115-005 / SAP 153-023-067

SHEET 84 OF 100 SHEETS

## Schedule B

### GENERAL PROVISIONS

1. The COMPANY, for performance of its work, shall bill the ROAD AUTHORITY monthly for the actual costs and expenses incurred. These progressive invoices may be rendered on the basis of the estimated percentage of the work completed. The ROAD AUTHORITY after verifying that the bill is reasonable and proper shall promptly reimburse the COMPANY.

The COMPANY, upon the completion of its work, shall send the ROAD AUTHORITY a detailed final statement of actual expenses it incurred, including allowable additives. After the ROAD AUTHORITY'S representatives have checked the final statement and have agreed that the costs are reasonable and proper insofar as they are able to ascertain, the ROAD AUTHORITY shall reimburse the COMPANY in the amount, less previous payments, if any, equal to the amount billed.

After the ROAD AUTHORITY representatives have audited the expenses incurred by the COMPANY and final inspection of the installation has been made, the COMPANY shall reimburse the ROAD AUTHORITY for any item (or items) of expense found by the ROAD AUTHORITY representatives to be ineligible for reimbursement.

2. All work herein provided to be done by the ROAD AUTHORITY or its contractor or contractors on the right-of-way or upon, over, under or across the railroad tracks of the COMPANY shall be done in a manner satisfactory to the COMPANY and shall be performed as such time and in such manner as not to interfere unnecessarily with the movement of trains or traffic upon the tracks of the COMPANY. The ROAD AUTHORITY shall require its contractors or contractors to use all care and precaution necessary to avoid accident, damage or interference to the COMPANY'S tracks or the trains or traffic using its tracks, and to notify the COMPANY a sufficient time in advance whenever the contractor is about to perform work adjacent to the track to enable the COMPANY to arrange for the furnishing of flagging and such other protective services as might be necessary to ensure the safety of railroad operations.

The COMPANY shall have the right to furnish all such flagging or protective service as in its judgment is necessary, and the ROAD AUTHORITY or its contractor or contractors shall reimburse the COMPANY for the cost thereof. Wherever safeguarding of trains or traffic or the COMPANY is mentioned in this agreement, it is intended to cover all users of the COMPANY'S track having permission for such use.

3. The ROAD AUTHORITY shall require its contractor or contractors, upon completion of the work, to remove all machinery, equipment, temporary buildings, false work, debris and rubbish from COMPANY right-of-way, to provide proper drainage away from COMPANY track, and to leave the tracks and right-of-way in a neat condition, satisfactory to the COMPANY'S Chief Engineer or his representative.
4. Any contract between the ROAD AUTHORITY and its contractor or subcontractor to perform the work herein provided to be done by the ROAD AUTHORITY within fifty feet

(50') of the COMPANY right-of-way shall require that the contractor or sub-contractor enter into and execute the Right of Entry License Agreement attached hereto as Schedule D.

5. Subsequent to the award of any contract, and before any work is started on this Project, a conference shall be held between the representatives of the ROAD AUTHORITY, the COMPANY, and the interested contractor at a time and place designed by the ROAD AUTHORITY for the purpose of coordinating the work to be performed by the several parties and at such time a schedule of operation will be adopted.
6. TO THE FULLEST EXTENT PERMITTED BY LAW, BUT ONLY DURING SUCH TIME (IF ANY) THAT THE CROSSING IS OPEN TO VEHICLE TRAFFIC BEFORE THE CROSSING'S CANTILEVERED FLASHING LIGHT SIGNALS, GATES, SIDE LIGHT, CONSTANT WARNING CIRCUITRY, AND LED LENSES BECOME FULLY OPERATIONAL, THE ROAD AUTHORITY SHALL RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE COMPANY AND ITS DIRECTORS, OFFICERS, STOCKHOLDERS, DIVISIONS, AGENTS, AFFILIATES, SUBSIDIARIES, SUCCESSORS AND ASSIGNS, OR ANYONE ACTING ON ITS BEHALF OR THEIR BEHALF, FROM AND AGAINST ANY AND ALL LIABILITIES, SUITS, CLAIMS, COUNTERCLAIMS, CAUSES OF ACTION, DEMANDS, PENALTIES, OBLIGATIONS, FINES, JUDGMENTS, DAMAGES, LOSSES, COSTS, AND EXPENSES OF EVERY KIND (INCLUDING WITHOUT LIMITATION ANY ATTORNEY'S FEES, CONSULTANTS' FEES, RESPONSE COSTS, REMEDIAL ACTION COSTS, CLEANUP COSTS AND EXPENSES) ARISING FROM ANY INJURY TO PERSONS, FIRMS OR CORPORATIONS WHOMSOEVER (INCLUDING THE PARTIES HERETO AND THEIR EMPLOYEES, AGENTS AND INVITEES), INCLUDING INJURIES RESULTING IN DEATH, AND DAMAGE TO ANY PROPERTY WHATSOEVER (INCLUDING PROPERTY OF THE PARTIES HERETO), ALLEGED TO BE CAUSED BY OR ATTRIBUTABLE TO, IN WHOLE OR IN PART, THE WORK PERFORMED UNDER THIS AGREEMENT AND/OR THE INADEQUACY OF THE CROSSING WARNING DEVICES INSTALLED BY THE COMPANY FOR THE PROJECT.
7. UPON SUCH TIME THAT THE CROSSING IS BOTH OPEN TO VEHICLE TRAFFIC AND THE CROSSING'S CANTILEVERED FLASHING LIGHT SIGNALS, GATES, SIDE LIGHT, CONSTANT WARNING CIRCUITRY, AND LED LENSES ARE FULLY OPERATIONAL FOLLOWING COMPLETION OF THE PROJECT, ROAD AUTHORITY SHALL, TO THE FULLEST EXTENT PERMITTED BY LAW, RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE COMPANY AND ITS DIRECTORS, OFFICERS, STOCKHOLDERS, DIVISIONS, AGENTS, AFFILIATES, SUBSIDIARIES, SUCCESSORS AND ASSIGNS, OR ANYONE ACTING ON ITS BEHALF OR THEIR BEHALF, FROM AND AGAINST ANY AND ALL LIABILITIES, SUITS, CLAIMS, COUNTERCLAIMS, CAUSES OF ACTION, DEMANDS, PENALTIES, OBLIGATIONS, FINES, JUDGMENTS, DAMAGES, LOSSES, COSTS, AND EXPENSES OF EVERY KIND (INCLUDING WITHOUT LIMITATION ANY ATTORNEY'S FEES, CONSULTANTS' FEES, RESPONSE COSTS, REMEDIAL ACTION COSTS, CLEANUP COSTS AND EXPENSES) ARISING FROM ANY INJURY TO PERSONS, FIRMS OR CORPORATIONS WHOMSOEVER (INCLUDING THE PARTIES HERETO AND THEIR EMPLOYEES, AGENTS AND INVITEES), INCLUDING INJURIES RESULTING IN DEATH, AND DAMAGE TO ANY PROPERTY WHATSOEVER (INCLUDING PROPERTY OF THE

PARTIES HERETO), ALLEGED TO BE CAUSED BY OR ATTRIBUTABLE TO, IN WHOLE OR IN PART, THE WORK PERFORMED UNDER THIS AGREEMENT, PROVIDED, HOWEVER THAT THE OBLIGATIONS OF THE ROAD AUTHORITY TO RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS SHALL NOT EXTEND TO THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE COMPANY, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES. FURTHER, NOTHING CONTAINED IN THIS SECTION 7 SHALL BE DEEMED A WAIVER BY THE ROAD AUTHORITY OF ANY GOVERNMENTAL IMMUNITY DEFENSES, STATUTORY OR OTHERWISE. FURTHER, ANY AND ALL CLAIMS BROUGHT BY LANDOWNER OR THE ROAD AUTHORITY OR THEIR SUCCESSORS OR ASSIGNS, SHALL BE SUBJECT TO ANY GOVERNMENTAL IMMUNITY DEFENSES OF THE ROAD AUTHORITY AND THE MAXIMUM LIABILITY LIMITS PROVIDED BY MINNESOTA STATUTES, CHAPTER 466.

8. THE PROVISIONS OF SECTION 6 AND SECTION 7, AS APPLICABLE, SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.
9. When the roadway is to be closed to vehicular traffic while the railroad work is being performed, the ROAD AUTHORITY at its expense shall furnish, erect, maintain and remove the traffic control devices necessary to detour highway traffic after the COMPANY gives two weeks' advance notice to the ROAD AUTHORITY'S engineer.

When the COMPANY is to perform its work under this Agreement while maintaining highway traffic, the ROAD AUTHORITY shall furnish, erect, maintain, relocate and remove the signs, barricades, and other traffic control devices, including the furnishing of flagmen, as required to maintain highway traffic throughout the time the railroad work is being performed after two weeks' advance notice is given to the ROAD AUTHORITY'S engineer. In cases where the COMPANY needs to perform maintenance work at the Crossing under expediated or emergency circumstances, the Parties agree that they shall coordinate the placement of the necessary signs, barricades and traffic control devices as soon as reasonably possible under the circumstances.

Schedule C  
Company Estimate/Work

LOCATION:	Owatonna, MP 99.73 18th St	YEAR:	2025
CPKC BUDGET RESPONSIBLE (Project Owner):	Robert Le Duc		
CPKC EXECUTING RESPONSIBLE (Roadmaster):	Jared Schmidt	BOARD ORDER (Y/N):	
S&C REQUIRED (Y/N):	Y	ROAD AUTHORITY NAME:	State of Iowa
ROAD WIDTH:	50'	COST APPORTIONMENT:	100%
CONCRETE REQUIRED:	81'		
TRACK PANEL LENGTH:	160'		
CROSSING RAIL WEIGHT:	115 LB	CURRENCY:	USD

Total Cost Estimate		TOTAL COST
Labour		\$ 20,800.00
Material		\$ 60,320.98
Purchased Services		\$ 40,000.00
Recoveries		\$ (121,120.98)
TOTAL COST OF ROAD CROSSING		USD \$ -

LABOUR						
	HOURS/DAY	DAYS	CREW SIZE	DESCRIPTION	UNIT COST	TOTAL COST
Labour	10	4	5	Track Crew (Utility or Section)	\$ 65.00	\$ 13,000.00
Labour	10	2	3	Surfacing Labour	\$ 65.00	\$ 3,900.00
Labour	10	2	1	S&C Labour	\$ 65.00	\$ 1,300.00
Labour				Additional Flagging	\$ 65.00	\$ -
Labour	10	2	2	Other Labour Welders	\$ 65.00	\$ 2,600.00
					\$ -	\$ -
LABOUR TOTAL COST					\$	20,800.00

MATERIAL						
MATERIAL TO BE DELIVERED TO:						
GROUPING	MATERIAL	QUANTITY	UNIT	DESCRIPTION	UNIT COST	TOTAL COST
Rail, Ties and Track Panels						
Rail	082500058		FT	RAIL,100*CPRE,PRES,80',BLNK,MHH	\$ 20.75	\$ -
Rail	082405118		FT	RAIL,115*8R,INT,CWR	\$ 22.31	\$ -
Rail	082405043		FT	RAIL,115*8R,PRES,CWR	\$ 17.59	\$ -
Rail	082405050		FT	RAIL,115*8R,PRES,80'BLNK	Not Applicable	\$ -
Rail	082405100	320	FT	RAIL,115*8R,INT,80',BLNK	\$ 15.34	\$ 4,910.22
Rail	082421784		FT	RAIL,136*8R,PRES,80'BLNK	\$ 20.32	\$ -
Rail	082428821	0	FT	RAIL,136*8R,INT,80',BLNK	\$ 21.63	\$ -
Rail	082428615		FT	RAIL,136*8R,INT,CWR	\$ 26.50	\$ -
Rail	082421776		FT	RAIL,136*8R,PRES,CWR	\$ 20.25	\$ -
Rail	282604900		FT	RAIL,RELAY,136*,STICK	\$ 3.88	\$ -
Tie	084200030		EA	TIE,CROSS,HWD,#1,GR5,8'6"X7'X9",NB	\$ 78.99	\$ -
Tie	084200055		EA	TIE,CROSS,HWD,#1,GR5,9'0"X7'X9",NB	\$ 101.23	\$ -
Tie	084200106		EA	TIE,PRES-PLATED,8-6,115 LB,14"	Not Applicable	\$ -
Tie	084200102		EA	TIE,PRES-PLATED,8-6,136 LB,1:20 CANT	Not Applicable	\$ -
Tie	084200105		EA	TIE,PRES-PLATED,9-0,115 LB,14",STD TIE PL	Not Applicable	\$ -
Tie	084200113		EA	TIE,PRES-PLATED,9-0,115 LB,15 3/16,ROLLED	Not Applicable	\$ -
Tie	084200101		EA	TIE,PRES-PLATED,9-0,136 LB,14"	Not Applicable	\$ -
Tie	084200103		EA	TIE,PRES-PLATED,9-0,136 LB,16.5",ROLLED	Not Applicable	\$ -
Tie	084200118		EA	TIE,PRES-PLATED,9-0,136 LB,CP18",CURVES	Not Applicable	\$ -
Tie	084100935	108	EA	TIE,PRES-PLATED,10-0,115 LB,1:40,ROLLED	\$ 179.73	\$ 19,410.52
Tie	084000017		EA	TIE,PRES-PLATED,10-0,136 LB,CP18",CURVES	Not Applicable	\$ -
Tie	084100934		EA	TIE,PRES-PLATED,10-0,136 LB,1:20,ROLLED	Not Applicable	\$ -
Tie	084710034	0	EA	TIE,PRES-PLATED,10-0,136 LB,1:40,ROLLED	\$ 183.93	\$ -
Tie	084850009		EA	TIE,CONCRETE,CT6S	Not Applicable	\$ -
Track Panels	003200006		EA	TRACK PANEL,115",40'-0"	Not Applicable	\$ -
Track Panels	003200055		EA	TRACK PANEL,136",40'-0"	Not Applicable	\$ -

Ballast						
Ballast	007100628	160	TON	BALLAST,TRACK	\$ 18.77	\$ 3,003.20
Ballast	007100602		TON	BALLAST,WALKWAY	\$ 8.38	\$ -
Ballast	007100636		TON	GRAVEL,FINES	Not Applicable	\$ -
Ballast	007100644		TON	RIPRAP	\$ 15.14	\$ -
Road Crossing Panels and Planks						
Concrete Panels	001115005	81	EA	CROSSING,CONCRETE,115*,OMNI,9FT	\$ 325.88	\$ 26,396.08
Concrete Panels	001115006		EA	CROSSING,CONCRETE,136*,OMNI,9FT	\$ 319.90	\$ -
Concrete Panels	001901142		EA	CROSSING,CONCRETE,115*,OMEGA,9FT	\$ 291.34	\$ -
Concrete Panels	001901143		EA	CROSSING,CONCRETE,136*,OMEGA,9FT	\$ 316.83	\$ -
Crossing Planks	051210609		EA	PLANK,XING,5"X 10"X 16'-0"	Not Applicable	\$ -
Crossing Planks	051211102		EA	PLANK,XING,6"X 10"X 16'-0"	\$ 84.85	\$ -
Crossing Planks	051211201		EA	PLANK,XING,6"X 10"X 20'-0"	Not Applicable	\$ -
Crossing Planks	051211607		EA	PLANK,XING,7"X 10"X 16'-0"	\$ 104.98	\$ -
Crossing Planks	051211706		EA	PLANK,XING,7"X 10"X 20'-0"	Not Applicable	\$ -
Crossing Planks	051212100		EA	PLANK,XING,8"X10"X16'-0"	\$ 114.80	\$ -
Crossing Planks	051212209		EA	PLANK,XING,8"X 10"X 20'-0"	Not Applicable	\$ -
Crossing Planks	084406207		EA	PLANK,XING,7-1/2X8X12",TR	\$ 147.78	\$ -
Crossing Planks	084406181		EA	PLANK,XING,7-1/2X8X8,TR	\$ 92.35	\$ -



LOCATION:		Owatonna, MP 99.73 18th St				YEAR:		2025	
CPKC BUDGET RESPONSIBLE (Project Owner):		Robert Le Duc							
CPKC EXECUTING RESPONSIBLE (Roadmaster):		Jared Schmidt				BOARD ORDER (Y/N):			
S&C REQUIRED (Y/N):		y				ROAD AUTHORITY NAME: State of Iowa			
ROAD WIDTH:		50'				COST APPORTIONMENT: 100%			
CONCRETE REQUIRED:		81'							
TRACK PANEL LENGTH:		160'							
CROSSING RAIL WEIGHT:		115		LB		CURRENCY:		USD	
Crossing Planks	084035240		EA	PLANK,XING,7-1/2X9X12',TR	\$	158.52	\$	-	
Crossing Planks	084035200		EA	PLANK,XING,7-1/2X9X8',TR	\$	100.04	\$	-	
Crossing Planks	084406249		EA	PLANK,XING,8-1/4X8X12,TR	\$	151.51	\$	-	
Crossing Planks	084406223		EA	PLANK,XING,8-1/4X8X8',TR	\$	90.88	\$	-	
Crossing Planks	084035440		EA	PLANK,XING,8-1/4X9X12',TR	\$	195.02	\$	-	
Crossing Planks	084035400		EA	PLANK,XING,8-1/4X9X8',TR	\$	101.17	\$	-	
Fasteners, Bars, Plates and Other Track Material (OTM)									
Fasteners	002840256		EA	SPIKE,TRACK,5/8" X 6",BULK	\$	0.77	\$	-	
Fasteners	002840270		EA	SPIKE,EVERGRIP,6 1/2",BULK,1600/CRATE	\$	2.40	\$	-	
Fasteners	002101010		EA	ANCHOR,RAIL,115*,IMP.FAIR,BULK	\$	2.65	\$	-	
Fasteners	002101256		EA	ANCHOR,RAIL,136*,IMP.FAIR,BULK	\$	2.63	\$	-	
Fasteners	002111013		EA	CLIP,RAIL,PANDROL,E2055	\$	2.40	\$	-	
Fasteners	002111014	450	EA	CLIP,RAIL,PAND,E2055G,GALV,25/BAG	\$	3.52	\$	1,585.29	
Fasteners	002111056		EA	CLIP,RAIL,PANDROL,J267	\$	7.05	\$	-	
Fasteners	002111047		EA	CLIP,RAIL,PANDROL,ZLR,633A,+TOE PLATE	Not Applicable		\$	-	
Fasteners	002199000		EA	INSULATOR,PANDROL,HD-8	\$	2.22	\$	-	
Joint Bars	002302612		EA	JOINT BAR,100*REHF,33",6H	Not Applicable		\$	-	
Joint Bars	002302620		EA	JOINT BAR,100*,HIGH RELIEF	Not Applicable		\$	-	
Joint Bars	002303228		EA	JOINT BAR,115*,H/R,ROLLED,CANADA	Not Applicable		\$	-	
Joint Bars	002303227		EA	JOINT BAR,136/132*,H/R,ROLLED,CANADA	\$	69.14	\$	-	
Joint Bars	002303224		EA	JOINT BAR,115*,H/R,ROLLED,1 1/16"BOLT,US	\$	58.54	\$	-	
Joint Bars	002303226		EA	JOINT BAR,136/132*,H/R,ROLLED,USA	\$	68.46	\$	-	
Comp Bars	002400200		EA	JOINT,COMP,100*REHF-85*CPR,LHSOLD AS SET	Not Applicable		\$	-	
Comp Bars	002400408		EA	JOINT,COMP,100*REHF-85*CPR,RHSOLD AS SET	Not Applicable		\$	-	
Comp Bars	002400607		EA	JOINT,COMP,115-100REHF,NH,36 sold as set	\$	371.00	\$	-	
Comp Bars	002000109		EA	JOINT,COMP,115-115,3/16" VERT,HR,CAN	Not Applicable		\$	-	
Comp Bars	002400846		EA	JOINT,COMP,115*-115*,CINV	\$	286.99	\$	-	
Comp Bars	002000110		EA	JOINT,COMP,115-115,3/16"VERT,HR,USA	\$	360.96	\$	-	
Comp Bars	001516981		EA	JOINT,COMP,132/136*,NH	\$	432.54	\$	-	
Comp Bars	002403014		EA	JOINT,COMP,136*-100*,LH SOLD AS SET	Not Applicable		\$	-	
Comp Bars	002403212		EA	JOINT,COMP,136*-100*,RH SOLD AS SET	Not Applicable		\$	-	
Comp Bars	002403410		EA	JOINT,COMP,136*-115*,LH SOLD AS SET	Not Applicable		\$	-	
Comp Bars	002403618		EA	JOINT,COMP,136*-115*,RH SOLD AS SET	Not Applicable		\$	-	
Comp Bars	002000107		EA	JOINT,COMP,136-132,HR,CAN	Not Applicable		\$	-	
Comp Bars	002000108		EA	JOINT,COMP,136-132,HR,USA	\$	348.61	\$	-	
Comp Rail	002706060		EA	RAIL,COMP,115-NEW-100RE-NEW,UNIVERSAL	Not Applicable		\$	-	
Comp Rail	002706062		EA	RAIL,COMP,115-NEW-100RE-3/16",UNIVERSAL	\$	1,506.06	\$	-	
Comp Rail	002000118		EA	RAIL,COMP,115-NEW-100RE-HF-3/16",UNIVERS	Not Applicable		\$	-	
Comp Rail	002706063		EA	RAIL,COMP,115-NEW-100RE-5/16",UNIVERSAL	Not Applicable		\$	-	
Comp Rail	002706061	4	EA	RAIL,COMP,115-3/16"-100RE-3/16",UNIVERSA	\$	1,361.52	\$	5,446.08	
Comp Rail	002000119		EA	RAIL,COMP,115-3/16"-100RE-HF-3/16",UNI	\$	2,076.66	\$	-	
Comp Rail	002000132		EA	RAIL,COMP,136-NEW-100RE-3/16",UNIVERSAL	\$	2,216.52	\$	-	
Comp Rail	002000137		EA	RAIL,COMP,136-3/8-100RE-HF-3/16,UNIVERSA	Not Applicable		\$	-	
Comp Rail	002000131		EA	RAIL,COMP,136-3/8"-100RE-3/16",UNIVERSAL	Not Applicable		\$	-	
Comp Rail	002706001		EA	RAIL,COMP,136-NEW-115-NEW,UNIVERSAL	\$	1,359.42	\$	-	
Comp Rail	002706100		EA	RAIL,COMP,136-NEW-115-3/16",UNIVERSAL	\$	1,572.91	\$	-	
Comp Rail	002706126	0	EA	RAIL,COMP,136-NEW-115-3/8",UNIVERSAL	\$	1,695.56	\$	-	
Transition Rail	001001500		EA	RAIL,TRANSITION,100*CP-RE,14/32"	Not Applicable		\$	-	
Transition Rail	001410720		EA	RAIL,TRANSITION,115*,14/32"	\$	831.50	\$	-	
Transition Rail	001410712		EA	RAIL,TRANSITION,136*,14/32"	\$	863.09	\$	-	
Transition Rail	001410704		EA	RAIL,TRANSITION,136*,20/32"	\$	1,231.05	\$	-	
Bolts	002104225		CAN	BOLT,TRK,85*,CDN,7/8"X 5",50#,33/KEG	Not Applicable		\$	-	
Bolts	002104423		CAN	BOLT,TRK,100*,CDN,1"X 5-1/4",50#,28/CAN	Not Applicable		\$	-	
Bolts	002104621		CAN	BOLT,TRK,115*,CDN,1"X 5-3/4",50#,24/KEG	\$	79.59	\$	-	
Bolts	002104801		CAN	BOLT,TRK,136*,CDN,1-1/8"X 5-3/4",50#22PC	\$	100.39	\$	-	
Nuts	001276105		EA	NUT,ELASTIC STOP,ESNA,1",TRACK	\$	7.31	\$	-	
Nuts	001276154		EA	NUT,ELASTIC STOP,ESNA,1 1/8",TRACK	Not Applicable		\$	-	
Plates	002702449		EA	PLATE,TIE,100*,DS,14",STD	Not Applicable		\$	-	
Plates	002702803		EA	PLATE,TIE,115*,DS,14",STD	Not Applicable		\$	-	
Plates	002702613		EA	PLATE,TIE,115*,PANDROL,1/40,TPL-13967	\$	18.45	\$	-	
Plates	002703207		EA	PLATE,TIE,130/2/6*,DS,14",STD	Not Applicable		\$	-	
Plates	002703405		EA	PLATE,TIE,130/2/6*,DS,16",ECC,CURVES	Not Applicable		\$	-	
Plates	002700011		EA	PLATE,TIE,136*,CP18",CURVES	\$	30.28	\$	-	
Plates	002051820		EA	PLATE,TIE,131/2/6*,DS,14",SOO/D&H,AP12	\$	10.62	\$	-	
Plates	002704015		EA	PLATE,TIE,136*,PANDROL,1/40,TPL-P2M	\$	18.58	\$	-	
Tie Pads	001001460		EA	PAD,TIE,1/4 X 8 X 18 1/2,HOLES	\$	5.92	\$	-	
Tie Pads	001278343		EA	PAD,TIE,GRADE CROSSING,PPI	\$	41.67	\$	-	
Tie Pads	002703414		EA	PAD,RAIL,136*,CONCRETE/STEEL TIE,E CLIP	Not Applicable		\$	-	

LOCATION:		Owatonna, MP 99.73 18th St			YEAR:	2025	
CPKC BUDGET RESPONSIBLE (Project Owner):		Robert Le Duc					
CPKC EXECUTING RESPONSIBLE (Roadmaster):		Jared Schmidt			BOARD ORDER (Y/N):		
S&C REQUIRED (Y/N):		y			ROAD AUTHORITY NAME: State of Iowa		
ROAD WIDTH:		50'			COST APPORTIONMENT: 100%		
CONCRETE REQUIRED:		81'					
TRACK PANEL LENGTH:		160'					
CROSSING RAIL WEIGHT:		115 LB			CURRENCY: USD		
Insulated Joints							
Poly Joint	001710216		EA	JOINT,RAIL,POLY-INS,9020	\$ 92.52	\$ -	
Poly Joint	001004201		EA	JOINT,RAIL,POLY-INS,9020*,6H,5 1/2"	\$ 358.50	\$ -	
Poly Joint	002539924		EA	JOINT,RAIL,POLY-INS,100*RE,-HF	Not Applicable	\$ -	
Poly Joint	002539932		EA	JOINT,RAIL,POLY-INS,100*CP-RE	Not Applicable	\$ -	
Poly Joint	002540005		EA	JOINT,RAIL,POLY-INS,115*RE,6H	\$ 371.38	\$ -	
Poly Joint	002000079		EA	JOINT,RAIL,POLY-INS,115*,HR COMB	\$ 400.59	\$ -	
Poly Joint	002539890		EA	JOINT,RAIL,POLY-INS,130*,6H	Not Applicable	\$ -	
Poly Joint	002000080		EA	JOINT,RAIL,POLY-INS,132*,HR COMB	\$ 367.25	\$ -	
Poly Joint	002540401		EA	JOINT,RAIL,POLY-INS,136*RE,6H	\$ 375.51	\$ -	
Poly Joint	002000078		EA	JOINT,RAIL,POLY-INS,136*,HR COMB	\$ 429.86	\$ -	
Pre-Bond Joint	002550756		EA	JOINT,RAIL,PRE-BND,115*,13',PRE	\$ 706.88	\$ -	
Pre-Bond Joint	002550757		EA	JOINT,RAIL,PRE-BND,115*,13',PRE,3/8"WORN	\$ 1,134.91	\$ -	
Pre-Bond Joint	002000111		EA	JOINT,RAIL,PRE-BND,115*,20',PRE	\$ 903.05	\$ -	
Pre-Bond Joint	002000112		EA	JOINT,RAIL,PRE-BND,115*,20',PRE,3/8"WORN	\$ 1,378.79	\$ -	
Pre-Bond Joint	002000113		EA	JOINT,RAIL,PRE-BND,132*,20',PRE	\$ 940.39	\$ -	
Pre-Bond Joint	002000114		EA	JOINT,RAIL,PRE-BND,132*,20',PRE,3/8"WORN	\$ 1,396.03	\$ -	
Pre-Bond Joint	002552604		EA	JOINT,RAIL,PRE-BND,136*,13',PRE	\$ 900.70	\$ -	
Pre-Bond Joint	002552605		EA	JOINT,RAIL,PRE-BND,136*,13',PRE,3/8"WORN	\$ 1,107.23	\$ -	
Pre-Bond Joint	002000115		EA	JOINT,RAIL,PRE-BND,136*,20',PRE	\$ 1,019.01	\$ -	
Pre-Bond Joint	002000116		EA	JOINT,RAIL,PRE-BND,136*,20',PRE,3/8"WORN	\$ 1,455.97	\$ -	
Welding Material							
Thermite Kits	772209998	4	EA	KIT,THERMITE,115 LB,1-SHOT,PRE	Not Applicable	\$ -	
Thermite Kits	772210000	4	EA	KIT,THERMITE,136 LB,1-SHOT,PRE	Not Applicable	\$ -	
Other Materials needed (please be specific)							
					\$	-	
					\$	-	
					\$	-	
Bulk Scrap Recovery Estimate							
Scrap	901203034	1000	LB	OTM,MISC,SCRAP	\$ (0.08)	\$ (80.00)	
Scrap	982201301	80	FT	RAIL,SCRAP,ALL	\$ (4.38)	\$ (350.40)	
MATERIAL TOTAL COST					\$	60,320.98	

3rd PARTY RENTAL EQUIPMENT					
VENDOR NAME	DAYS	DESCRIPTION (Please be specific)		DAILY RATE	TOTAL COST
3rd PARTY RENTAL EQUIPMENT				\$ -	\$ -
3rd PARTY RENTAL EQUIPMENT				\$ -	\$ -
3rd PARTY RENTAL EQUIPMENT				\$ -	\$ -
				\$ -	\$ -
EQUIPMENT TOTAL COST					\$ -
CONTRACTOR COSTS					
VENDOR NAME	QUANTITY	UNIT OF MEASURE	DESCRIPTION (Please be specific)	UNIT COST	TOTAL COST
Contractor Costs	1	DAY	asphalt	\$ -	\$ -
Contractor Costs	2	DAY	2 Excavators, 1 Skid	\$ 10,000.00	\$ 20,000.00
Contractor Costs				\$ -	\$ -
Contractor Costs				\$ -	\$ -
Contractor Costs				\$ -	\$ -
Contractor Costs				\$ -	\$ -
CONTRACTOR TOTAL COST					\$ 20,000.00
OTHER COSTS					
DESCRIPTION (please be specific)				UNIT COST	TOTAL COST
Personal Expenses (e.g. Crew Meals & Accommodations)				\$ 20,000.00	\$ 20,000.00
Other Costs				\$ -	\$ -
				\$ -	\$ -
				\$ -	\$ -
OTHER TOTAL COST					\$ 20,000.00
TOTAL PURCHASED SERVICES					\$ 40,000.00
TOTAL COST OF ROAD CROSSING					\$ 121,120.98

Schedule D  
Right of Entry Agreement

## *RIGHT OF ENTRY LICENSE AGREEMENT*

**THIS RIGHT OF ENTRY LICENSE AGREEMENT** (hereinafter called, “**ROE License Agreement**”) is made by and between

### **1. PARTIES**

**DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION**, a Delaware corporation doing business as CPKC with general offices at:

Address	Contact Info	
Canadian Pacific Plaza 120 South 6th St. – Suite 700 Minneapolis, Minnesota 55402	Name:	Greda Lynn
	Phone:	(612)258-6619
	Fax:	
	Email:	Gro0080@cpr.ca

hereinafter called “**CPKC**,”

and

**Heselton Construction, LLC**, a Minnesota limited liability company, whose address is:

Address	Contact Info	
680 NW 24 <sup>th</sup> Street Faribault, MN 55021 P.O. Box 246	Name:	Jason Brandvold
	Phone:	507.334.3901
	Fax:	507.334.0114
	Mobile	507.676.6116
	Email:	<a href="mailto:jason@heseltonconstruction.com">jason@heseltonconstruction.com</a>

hereinafter called “**Licensee**,” each individually being referred to herein as “**Party**” and collectively as “**the Parties**.”

### **2. PROPERTY; SCHEDULE; GRANT OF LICENSE;**

#### **2.1. Property**

CPKC hereby grants Licensee a license to enter in and upon certain property owned or controlled by CPKC in Steele County, City of Owatonna, Minnesota **near railroad mile post 99.73 +/-** on the **Owatonna Subdivision**, as shown upon the map labeled **Schedule A** that is attached hereto and made a part hereof (“the Property”),

#### **2.2 Work Schedule**

For the sole for the purpose of performing, generally, the following activities: Construct approaches to a relocated crossing including embankment, storm sewer, aggregate base, curb and gutter, pavement, turf restoration, signing, removal of existing approach roadway and embankment and all incidental work (the “Work”) within the scope and in the manner described in Licensee’s plans, specifications, and special provisions and which have been approved by CPKC’s Designated Engineering Representative.

#### **2.3. Grant of License**

This license is granted subject to all the terms and conditions set forth below and apply to all Work and activities upon the Property that may be performed by Licensee through its employees,

agents, and contractors. For the purposes of this ROE License Agreement, the actions and omissions of such employees, agents, and contractors shall be deemed the actions and omissions of Licensee.

**2.4. Agreement To Be Available At Work Site**

Licensee shall keep a copy of this ROE License Agreement at the Work site and shall make it available upon demand by any employee or agent of CPKC.

**3. TERM, EFFECTIVE DATE, EXPIRATION & TERMINATION**

**3.1. Term**

The term of this ROE Agreement shall

*Commence* at 12:01 am on \_\_\_\_\_ 20\_\_, the “**Commencement Date**,” and

*Expire* at 11:59 pm on \_\_\_\_\_ 20\_\_, the “**Expiration Date**,”

the “**Term**.” Upon agreement between CPKC and Licensee, the Term may be lengthened or shortened without affecting any other provisions of this ROE License Agreement.

**3.2. Effective Date**

This ROE License Agreement shall become effective upon the date that it has been signed by the Parties.

**3.3. Expiration**

This ROE License Agreement will expire at the Expiration Date, or when the Work is completed, whichever occurs first. Notwithstanding any other provision of this ROE License Agreement, the preceding sentence shall not terminate or limit any Claim by CPKC against Licensee arising prior to the Expiration Date. If the Work includes monitoring wells, and if such wells remain on the Property after the Expiration Date, this ROE License Agreement shall remain in effect for those wells until the earlier of the following:

- (i) the date they are properly closed (i.e., sealed and abandoned in accordance with applicable legal requirements) by Licensee; or
- (ii) the date CPKC assumes ownership of such wells pursuant to section 10.8.

**3.4. TERMINATION; EXCLUSION:**

**NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN**, this ROE License Agreement is terminable by CPKC prior to the Expiration Date in the event Licensee breaches any of its obligations under this ROE License Agreement. The early termination of this ROE License Agreement shall not terminate or limit any claim by CPKC against Licensee arising prior to such termination. If Licensee is in breach of any of its obligations under this ROE License Agreement, any employee or agent of CPKC may order Licensee off the Property, in which case Licensee shall immediately leave the Property; moreover, Licensee shall leave the property immediately upon termination pursuant to this paragraph.

**4. PAYMENTS**

**4.1. License Fee**

In consideration of the permissions herein granted, the Licensee shall with its execution hereof pay to CPKC the sum of **One Thousand Five Hundred Dollars (\$1,500.00)**.

#### **4.2. Utilities**

Licensee shall assume and timely pay for any gas, electrical, telephone, computer, sewer, water, storm water, waste or trash removal, or any other service or commodity connected with the Work, collectively "**Utility Service**." If any Utility Service fee is in common with CPKC or other parties, Licensee shall be liable for its proportionate share of any such Utility Service Fee and upon receipt of a bill therefor, promptly pay CPKC or such other party for its share. It shall be a default in the terms of this ROE License Agreement if it can be shown that Licensee has not made such payments within 30 days if due to CPKC, or within 60 days if payable to any other party.

#### **4.3. Mechanics' And Materialmen's Liens**

If any mechanics' or materialmen's lien, or similar lien, is asserted against the Property, or any other property of CPKC, as a consequence of the Work, Licensee shall immediately satisfy, defend, or obtain the release of such lien, all at Licensee's expense, and Licensee shall indemnify and defend CPKC against any Claims (as defined in this ROE License Agreement) arising out of or connected with such lien.

#### **4.4. Additional Charges**

Licensee shall within 30 days of receipt of a bill therefor, pay to CPKC or its designee the costs for flagging, track changes, or damage, or other such charges as may be provided by this ROE License Agreement or that CPKC may reasonably impose in connection with Licensee's Work.

#### **4.5. Due Dates; Penalties; Other Charges**

##### **4.5.1. Due Dates**

Any item, submission, or payment required to be made shall be deemed timely made if received by the other Party on or before the specified due date, or prior to expiration of the applicable period for compliance, submission, or payment.

##### **4.5.2. Late Fees**

In addition to any amounts payable by Licensee to CPKC, Licensee shall pay CPKC a late fee for any payment not timely made by Licensee. The late fee shall be at the rate for overdue accounts set by CPKC's Accounting Department that is in effect at the time that that any such payment is due. Said late fee shall initially be an amount equal to 1% of the invoice amount per month.

##### **4.5.3. Fines & Service Fees**

In addition to any other amounts payable by Licensee to CPKC, Licensee shall pay CPKC for any bank fines or service incurred by it in connection with the handling, non-payment, return, or currency conversion incurred by CPKC in connection with processing of any payment made by Licensee to CPKC.

#### **4.6. Work At No Cost To CPKC:**

The Work completed by Licensee shall be performed at no cost to CPKC.

### **5. CONTACT, NOTICES, ETC.**

#### **5.1. Contact Persons; Communications**

Communications pursuant to this ROE License Agreement shall be directed to the contact persons designated in Section 1 or their designees. Either Party may change its contact person, or the address(es), telephone number, or fax number for the contact person, by notice to the other Party.

#### **5.2. Notices**

Except as otherwise provided in this ROE License Agreement, all notices pursuant to this ROE License Agreement shall be in writing and shall be effective upon delivery to the address or fax number of the contact person for the Party to whom notice is being given. If notice is given by fax, the notice shall not be deemed effective until received in legible form.

### **5.3. Notification Prior To Beginning Work**

Licensee must notify CPKC in writing at least seven (7) days prior to beginning any separate phase of the Work, and again promptly after such phase of the Work has been completed so that CPKC may arrange for the necessary flagging protection.

## **6. PERMITTED & PROHIBITED USES; RIGHTS OF CPKC**

### **6.1. Permitted Uses**

#### **6.1.1. The Work**

The use of Property by Licensee shall be limited to the completion of the Work set forth in Section 2.2., or such other kind of activities as may be approved by CPKC in writing.

#### **6.1.2. Government Authorities**

Licensee may permit governmental authorities with jurisdiction over the Work to enter the Property for the purpose of inspecting or monitoring the Work. Whenever possible, Licensee shall advise CPKC (by telephone or other means calculated to bring the matter to CPKC's immediate attention) prior to permitting such governmental authorities to enter the Property for such purposes. The actions and omissions of such governmental authorities while on the Property for such inspections and monitoring shall be deemed the actions and omissions of Licensee. Licensee is not authorized to permit governmental authorities to enter the Property for any other purpose.

### **6.2. Prohibited Uses and Activities**

The Licensee shall not use, occupy or permit the Property to be used for any purpose, activity or improvement except as provided in this ROE License Agreement or as may be approved of in writing by CPKC. Specifically, Licensee shall not:

#### **6.2.1. Advertising**

permit any advertisements or signs upon the Property;

#### **6.2.2. Use of Hazardous Substances**

without prior written disclosure to and approval by CPKC, Use or authorize the Use of any Hazardous Substance on the Property, including installation of any above or underground storage tanks; subject thereto, the Licensee shall arrange at its own cost for the lawful transportation and off-site disposal of any and all Hazardous Substances that it shall Use or generate;

#### **6.2.3. Use of Premises for waste treatment or as storage or disposal facility**

cause or allow the Property or any of CPKC's adjacent property to become a hazardous waste treatment, storage or disposal facility within the meaning of, or to otherwise bring any such property within the ambit of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., or any similar state statute or local ordinance; or

#### **6.2.4. Subleasing Prohibited.**

sublease the Property or the permissions or rights herein granted in any manner or form.

### **6.3. Reservations and Rights of CPKC**



**6.3.1. Railroad Activities Take Priority over Work**

All Work by Licensee shall always and all times be subordinate to the needs of CPKC and any other duly-authorized third party/lessee in connection with their duly-authorized activities and operation, including but not limited to the movement of railroad trains and equipment and the repair of railroad track, structures, communications, and appurtenances thereto.

**6.3.2. Reservation of prior and future uses not inconsistent with Licensee's activities.**

The rights herein granted to Licensee to conduct the Work are subject to the rights granted in all other licenses, permits, and easements for tracks, roads, walkways, poles, wires, pipelines, sewers, billboards, and other improvements that exist or may be placed upon, across, above or underneath the Property by CPKC, or its employees, agents, licensees, grantees, representatives or invitees. Further, CPKC reserves unto itself the right to place (or to give others the right to place) additional tracks, roads, walkways, poles, wires, pipelines, sewers and billboards upon, across, above or underneath the Property in any manner that does not unreasonably interfere with Licensee's Work.

**6.3.3. Monitoring**

CPKC may elect to be present during the conduct of the Work and to monitor same.

**7. COVENANTS, CONDUCT & RESPONSIBILITIES**

**7.1 Definitions.** For purposes of this ROE License Agreement:

**7.1.1 "Claim" or "Claims"** means any and all liabilities, suits, claims, counterclaims, causes of action, demands, penalties, debts, obligations, promises, acts, fines, judgments, damages, consequential damages, losses, costs, and expenses of every kind (including without limitation any attorneys' fees, consultants' fees, response costs, remedial action costs, cleanup costs, and expenses which may be related to any Claims);

**7.1.2 "Environmental Law" or "Environmental Laws"** means all Governmental Requirements that, in any way, govern or regulate Licensee's Work or activities arising from or relating to or resulting from such Work for the protection of human health, safety, the environment, and natural resources (including, without limitation, ambient air, surface, water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species, and vegetation), including, without limitation, Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq, the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Federal Water Pollution Control Act, 33 U.S.C. §1251 et seq., the Clean Water Act, 33 U.S.C. §1321 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Hazardous Materials Transportation Act, as amended, 49 U.S.C. §§ 5101 et seq., the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, 7 U.S.C. §§ 136 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Safe Drinking Water Act, as amended, 42 U.S.C. §§ 300f et seq., all as amended from time to time, or hereafter enacted;

**7.1.3 "Governmental Requirements"** shall mean all federal, state, and local laws, statutes, ordinances, regulations, codes, standards, guidance, judicial or administrative orders, consent decrees, binding judgments, or the orders of any public agency or authority, or association, or other similar requirements, now or hereafter in effect, in each case as amended or supplemented from time to time, that, in any way, govern or regulate Licensee's Work on or use of the Property or activities arising from or relating to or resulting from such Work on or use of the Property.

**7.1.4 "Hazardous Substance" or "Hazardous Substances"** means any substance, class of substances, or such quantity of an otherwise non-hazardous substance or substances,

which are or may be detrimental to the environment or human or animal health including, without limitation:

- a. radioactive, explosive, poisonous, corrosive, flammable, or toxic substances or materials;
- b. toxic substances, which shall include, without limitation, asbestos, polychlorinated biphenyls, all chemicals and substances known or suspected to cause cancer or reproductive toxicity;
- c. any substance, chemical, or material declared to be hazardous or toxic under any Governmental Requirements applicable to CPKC, Licensee, or the Property;
- d. any Waste containing hazardous biological material;
- e. any substance that, if added to any water, would degrade or alter the quality of the water to the extent that it is detrimental to its use by humans or by any animal, fish, or plant; and
- f. any solid, liquid, gas, or odor or combination of any of them that, if Released, creates or contributes to a condition that:
  - i. endangers the health, safety, or welfare of humans;
  - ii. interferes with the normal enjoyment of life or property; or
  - iii. causes damage to plant life, animal life, or to property.

**7.1.5** “**Release**” or “**Released**” means any actual or threatened spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, or spreading of any Hazardous Substance into the environment, as “environment” is defined in CERCLA or any other Governmental Requirement;

**7.1.6** “**Response**” or “**Respond**” means action taken in compliance with Environmental Laws to correct, remove, remediate, cleanup, prevent, mitigate, monitor, evaluate, investigate, assess, or abate the Release of a Hazardous Substance;

**7.1.7** “**Use**” as a verb, shall be broadly defined to include all uses, including without limitation to manage, generate, manufacture, process, treat, store, use, re-use, refine, recycle, reclaim, blend, or burn for energy recovery, incinerate, accumulate speculatively, transport, transfer, dispose of, or abandon.

## **7.2 Investigation; Compliance with Laws; Safety Requirements.**

### **7.2.1 Tenants and Licensees in possession of Property**

Before entering the Property to perform the Work, Licensee shall secure the consent of all persons or entities who are using or occupying any portion of the Property. CPKC will cooperate with Licensee to obtain consent from any such person or entity who unreasonably withholds consent.

### **7.2.2 Underground Utilities And Structures**

- a. Licensee shall be responsible for determining the location of all underground utilities (electric lines, telephone lines, gas lines, steam lines, sewer lines, water lines, fiber optic cables, pipes, wires, and the like) and underground structures.
- b. Licensee shall call **CPCBYD “Canadian Pacific Call before You Dig” at 1-866-291-0741 for Signal, Fiber Optics, and Power for CPKC Facilities on Canadian Pacific Right of Way and the Minnesota’s “ONE CALL”** a minimum of five (5)

business prior to commencing any excavation, boring, or earth-moving on the Property.

- c. CPKC will cooperate with Licensee to identify the location of underground utilities and structures known to CPKC, but such cooperation shall not relieve Licensee from its primary responsibility to determine the locations of such utilities and structures.

#### **7.2.3 Permits And Licenses; Compliance With Laws**

Licensee shall secure, at no expense to CPKC, any permits or licenses required in connection with the Work and shall comply with all laws applicable to the Work and the Property, including (but not limited to) any Environmental Laws or other laws, standards, regulations, and permit requirements relating to environmental pollution or contamination or to occupational health and safety. Licensee shall indemnify and defend CPKC against any and all Claims arising out of or connected with the violation of any law by Licensee while on or about the Property to perform the Work.

#### **7.2.4 Compliance With CPKC Safety Requirements; Identification**

- a. While on the Property, Licensee shall comply with the safety requirements of CPKC, as such requirements may be amended from time to time during the duration of the Work, all at no expense to CPKC. CPKC's safety requirements are set forth in CPKC's "**CPKC SAFETY REQUIREMENTS FOR CONTRACTORS – UNITED STATES**", which accompanies this ROE License Agreement, and in CPKC's current safety handbook. One free copy of the current safety handbook will be provided to the Licensee by the CPKC contact person. Additional copies will be provided at Licensee's expense. Licensee shall be responsible for ensuring that any person performing any of the Work for or on behalf of Licensee shall comply with the CPKC safety requirements that would apply to a CPKC employee performing similar work.
- b. Prior to any entry onto the Property, Licensee and every employee, agent, or subcontractor who carries out any part of the Work on the Property shall successfully complete the safety training available through the e-railsafe program at [www.e-railsafe.com](http://www.e-railsafe.com) in respect to requirements for CPKC operations.
- c. Licensee and every employee, agent, or subcontractor who carries out any part of the Work on the Property shall at all times wear and visibly display the identification badge issued to them following successful completion of the e-railsafe safety training together with whatever additional identification materials that CPKC may reasonably require.

### **7.3 Work In Close Proximity To Railroad Operations; Drainage:**

#### **7.3.1 Interference With Railroad Operations**

Licensee shall keep CPKC fully apprised of its proposed activities on the Property so as to prevent any interference with the operations of CPKC trains or equipment (or trains or equipment of others) operating on or near the Property.

#### **7.3.2 Clearance**

No work shall be done or any equipment or other obstruction placed over or within 25 feet laterally of the centerline of any track without advance notification to CPKC prior to performing such work or placing such equipment or obstruction.

#### **7.3.3 Flagging**

Licensee must make arrangements with CPKC for such flagging or watchman service for the protection of railroad traffic. However, the fact that CPKC provides such service shall

not relieve Licensee from any liability under this ROE License Agreement. CPKC's labor and material additives are subject to change without notice to Licensee, and CPKC shall be reimbursed based upon its labor and material additives actually in effect as of the date of such service.

**7.3.4 Certain Work Close To Track Not Permitted; Lateral Support:**

- a. Unless otherwise agreed to in writing by CPKC, excavations, borings, wells, pits, test holes, probe sites, and the like shall not be located closer than 25 feet from the centerline of the nearest railroad track on or adjacent to the Property nor shall it take or allow any action upon the Property that would materially impair the lateral or subadjacent support of adjacent lands or railroad tracks;
- b. Unless otherwise agreed to in writing by CPKC, drilling and excavating equipment and related equipment shall not be located closer than 25 feet from the nearest rail of any such track;
- c. In the event that CPKC permits excavations, borings, wells, pits, test holes, probe sites, or the like in close proximity to tracks, embankments or other features providing lateral or subadjacent support to land or tracks, then notwithstanding anything to the contrary in this license, Licensee shall be responsible for designing and constructing at no cost to CPKC any measure that is required to prevent the collapse, erosion, or impairment to said land or tracks.

**7.3.5. Storm Water**

Licensee shall not, without the advance written approval of CPKC, make any changes to the Property that would either increase the historic flow rate of storm water from the Property or create an impediment to the historic flow of storm water to the Property. Unless otherwise agreed in writing, between CPKC and the Licensee it is understood and agreed that Licensee shall at Licensee's cost and expense be liable to CPKC for the construction, maintenance, repair, and replacement upon the real property or other land not belonging to Grantor such storm sewer lines, manholes, mains, rip rap, boulders, wing walls, ditches, and related to improvements required for Licensee's compliance with this section.

**7.3.6. Fencing**

Licensee shall, as applicable and at no cost to CPKC, construct and maintain during the term hereof a fence acceptable to CPKC in the location(s) designated on Schedule A. Following completion of the Work, the Licensee shall remove the fencing, remove any post footings or concrete, and fill and tamp any post holes with clean fill material.

**7.4 Conduct**

**7.4.1. Property clean, safe and free from nuisances**

Licensee shall not permit the existence of any nuisance upon the Property and shall at all times keep the Property in a proper, clean, safe, and sanitary condition, and free from accumulations of waste materials, debris, or refuse.

**7.4.2. Release of Hazardous Substances**

Licensee shall not cause or allow the Release or threat of Release of any Hazardous Substance on, to, or from the Property.

**7.4.3. Response Actions**

The Licensee shall promptly take all necessary action in Response to any Release or Use of a Hazardous Substance at the Property caused by, or attributable to, any act or

omission of the Licensee (or the Licensee's employees, agents, representatives or invitees) that could:

- a. Give rise to any Claim under any Environmental Law,
- b. Cause a public health or workplace hazard, or
- c. Create a nuisance.

## **7.5. Required Notices/Disclosures**

### **7.5.1 Transportation and Disposal Contracts**

The Licensee shall, as applicable and upon written request by CPKC, provide CPKC with copies of transportation and disposal contracts and manifests for Hazardous Waste, any permits issued under any Environmental Laws, and any other documents demonstrating that the Licensee has complied with all Environmental Laws relating to the Property

### **7.5.2 Releases or Suspected Releases**

The Licensee shall promptly notify CPKC of any actual or suspected Release of any Hazardous Substance on, to, or from the Property, regardless of the cause of the Release.

### **7.5.3. Notices, summons citations, etc.**

The Licensee shall promptly provide CPKC with copies of all summons, citations, directives, information inquiries or requests, notices of potential responsibility, notices of violation or deficiency, orders or decrees, claims, causes of action, complaints, investigations, judgments, letters, notices of environmental liens, or Response actions in progress, and other communications, written or oral, actual or threatened, from the United States Environmental Protection Agency, the United States Occupational Safety and Health Administration, or other federal, state, or local agency or authority, or any other entity or individual, concerning:

- a. Any Release of a Hazardous Substance on, to or from the Property,
- b. The imposition of any lien on the Property, or
- c. Any alleged violation of or responsibility under any Environmental Law relating to the Property.

### **7.5.4. Other Reports**

Licensee shall, at CPKC's option and at no cost to CPKC, provide CPKC a copy of any other report, summary or written test results, collectively "**Report**," pertaining to the Work. If any such Report is to be filed or made available to any governmental agency acting in a regulatory capacity, then Licensee shall also give CPKC a reasonable time (not less than five (5) working days) to review and comment on a draft of such Report and when preparing any such final Report pertaining to the Work, Licensee or its contractor shall give due consideration to CPKC's comments with respect to the draft of that Report. Licensee will promptly provide CPKC with a copy of any final Report.

## **7.6. CPKC's Right to Participate in Response Actions**

Following receipt of any notice, order, claim, investigation, information request, letter, summons, citation, directive, or other communication identified in Section 7.5.3 above in connection with any response action taken pursuant to Section 7.4.3 above, Licensee shall notify CPKC of and permit CPKC to participate in any and all investigations, telephone conferences, settlement discussions, remediation plans, and all other interactions, direct or indirect, with governmental or regulatory officials, and Licensee shall take all action necessary to ensure that any indemnification, release, waiver, covenant not to sue, or hold harmless agreement benefiting Licensee and arising out of such activities, whether from a governmental or regulatory entity or from a private entity, also benefits CPKC to at least the same extent as Licensee.

## **7.7. Restoration of Property;**

Upon completion of the Work or expiration or early termination of this ROE License Agreement, whichever occurs first, Licensee shall remove any debris resulting therefrom and shall restore the Property to the condition it was in prior to the commencement of the Work (or such other condition as is satisfactory to CPKC, taking into account the necessary changes associated with the agreed-to construction by Licensee of an underground box culvert, its approaches, drainage, and all work incidental thereto). All excavations are to be backfilled and tamped. All borings shall be backfilled with grout. Drill cuttings shall not be used as backfill. Licensee shall dispose of all drill cuttings, soil and sediment samples, purge water, dewatering effluent, and water samples and all excess excavation material in a manner acceptable to CPKC and in accordance with all applicable laws, all at no expense to CPKC.

## **8. LIABILITY**

### **8.1. Damage To Tracks, Facilities, And Equipment**

If any tracks, facilities, or equipment owned, used, or maintained by CPKC are damaged in connection with the Work, CPKC shall repair (or arrange for the repair of) such damage, and Licensee shall pay the full cost of such repair within 30 days after CPKC shall tender a bill therefor.

### **8.2. Assumption Of Risk**

Licensee is fully aware of the dangers of working on and about railroad property and railroad operations and knowingly and willingly assumes the risk of harm (e.g., injury to or death of persons and damage to or destruction of property) that may occur while on and about the Property. Without in any way limiting the scope of the preceding sentence, Licensee assumes the risk that monitoring wells, elevation bench marks, reference points, and other installations located on the Property may be disturbed, damaged, or destroyed by CPKC or third persons, and Licensee shall not make any claim against CPKC on account of same, even if such disturbance, damage, or destruction arises from the negligence of CPKC or its employees, agents, lessees, or invitees. Licensee assumes full responsibility for protecting its installations and personal property from theft and vandalism while such installations and personal property are on the Property.

### **8.3. Indemnity**

To the maximum extent permitted by applicable law, Licensee shall indemnify, defend, and hold harmless the CPKC Indemnified Parties (as defined below) against all Claims (as defined in this ROE License Agreement) arising out of, resulting from or relating to any loss of (or damage to) any property, natural resource, or business or any injury to (or death of) any person, where such loss, damage, injury, or death actually arises (whether directly or indirectly, wholly or in part) from the Work, any action or omission of Licensee while on or about the Property pursuant to this ROE License Agreement, or the exercise by Licensee of the license granted by this ROE License Agreement. As used in this ROE License Agreement, CPKC Indemnified Parties, individually and collectively, means (a) CPKC, (b) CPKC's directors, officers, stockholders, employees, agents, invitees, insurers, parents, affiliates, subsidiaries, predecessors, successors, and assigns, and (c) anyone acting on behalf of any person or entity described in (a) or (b).

## **9. INSURANCE.**

**9.1.** During the Term of this ROE License Agreement, Licensee shall at its own cost and expense, take out and keep in full force and effect:

### **9.1.1. Commercial General Liability Insurance**



Commercial General Liability Insurance policy with an inclusive limit of not less than Ten Million Dollars (\$10,000,000) per occurrence for personal injury, bodily injury, death or property damage, or any other increased amount as CPKC may reasonably require upon conducting reviews from time to time. Such insurance shall specifically state by its wording or by endorsement:

- a. CPKC, together with its associated parents, affiliates, and subsidiaries (and the directors, officers, employees, agents, and trustees of all of the foregoing) shall be named as an additional insured with respect to the Licensee's indemnity obligations under this ROE License Agreement;
- b. The policy shall contain a "cross-liability" or "severability of interest" clause which shall have the effect of insuring each entity, person, firm or corporation insured thereunder in the same manner and to the same extent as if a separate policy had been insured to each;
- c. Blanket contractual liability, including the insurable liabilities and obligations assumed by the Licensee under this ROE License Agreement;
- d. Broad form completed operations;
- e. Tenants' legal liability;
- f. Sudden and accidental pollution liability; and
- g. Shall not exclude operations on or in the vicinity of the railway right-of-way.

**9.1.2. Automobile Liability and Property Damage Insurance**

Automobile public liability and property damage insurance in an amount not less than Five Million dollars (\$5,000,000) all-inclusive covering the ownership, use and operation of any motor vehicles and trailers licensed for use on public highways and which are owned, non-owned, licensed, or controlled by Licensee or its agents or Licensee Representatives, and used in regards to this ROE License Agreement.

**9.1.3. Workers Compensation Insurance**

Workers compensation insurance which shall be in strict accordance with the requirements of the most current and applicable state workers compensation insurance laws, and employers' liability insurance, including occupational disease insurance with limits of not less than One Million Dollars (\$1,000,000) for each accident/each employee, and where appropriate coverage under said policies to be extended for liability under the Federal Employers Liability Act (FELA), United States Longshore and Harbor Workers Compensation Act (USL&H), and the Merchant Marine Act of 1920 ("Jones Act"). Licensee shall, before any services are commenced under this ROE License Agreement submit written evidence that it has obtained full Workers Compensation insurance coverage for persons whom it employs or may employ in carrying out the services under this ROE License Agreement. CPKC Indemnified Parties shall be waived of any and all subrogation in the event of injury, death, losses, incidents, claims and potential claims.

**9.1.5. Environmental Pollution Legal Liability Insurance:**

Pollution Legal Liability insurance in respect of the operations of Licensee thereon against claims including but not limited to bodily injury, property damage and clean-up costs, indemnifying and protecting CPKC and Licensee, their respective employees, servants, agents, contractors and invitees, the amount of which will be determined based on the risks associated to the products being handled, to the inclusive limit of not less than Five Million Dollars (\$5,000,000) per occurrence or such amounts as CPKC may reasonably require from time to time. Such insurance shall provide 1) offsite coverage on a sudden & accidental basis and 2) onsite coverage on a gradual and sudden & accidental basis. Such insurance shall specifically state by its wording or by endorsement that:



- a. the policy extends to cover the contractual obligations assumed by Licensee under the Agreement with CPKC;
- b. the policy shall name CPKC as an additional insured; and
- c. the policy shall contain a "cross-liability" clause.

**9.2. Insurance No Limit on Liabilities**

Licensee agrees that the insurance requirements set out herein shall not limit or restrict its liabilities pursuant to this ROE License Agreement.

**9.3. Form/Type of Insurance Policies**

The insurance coverage required to be maintained pursuant to this ROE License Agreement shall be primary, and not excess of any other insurance that may be available. Unless otherwise provided above, all insurance coverage shall take the place in the form of an occurrence-basis policy, and not a claims-made policy.

**9.4. Subrogation**

Licensee shall waive any and all subrogation in the event of injury, death, losses, incidents, claims and potential claims where permissible under the insurance policies required under this ROE License Agreement.

**9.5. Cancellation Notice to CPKC**

The insurance coverages above shall be endorsed to provide CPKC with not less than thirty (30) days' written notice in advance of cancellation.

**9.6. Contractual Endorsement**

Licensee shall provide CPKC with written notice and all reasonable particulars and documents related to any damages, losses, incidents, claims, and potential claims concerning this ROE License Agreement as soon as practicable after the damage, loss, incident, or claim has been discovered. Licensee is responsible for any deductible and excluded loss under any insurance policy. The deductible in any insurance policy shall not exceed such maximum amount that a reasonably prudent business person would consider reasonable.

**9.7. Insurance Documentation**

Licensee shall, prior to the effective date of this ROE License Agreement, and upon the insurance renewal date thereafter for the duration of the Term of this ROE License Agreement, furnish to CPKC Certificates of Insurance evidencing the above coverages by email to [CPKCrail@ebix.com](mailto:CPKCrail@ebix.com). Upon request, Licensee shall provide CPKC with certified copies of the insurance policies. Such notice shall be by registered mail to the specific attention of: Risk Management, Canadian Pacific Railway Company, 7550 Ogden Dale Road SE, Calgary, AB T2C 4X9.

**9.8. CPKC's Review of Insurance Documentation**

CPKC shall have no obligation to examine such certificate(s) or to advise Licensee if its insurance coverage is not in compliance with this ROE License Agreement. Acceptance of any certificate(s) which are not compliant with the requirements set out herein shall in no way whatsoever imply that CPKC has waived its insurance requirements.

**9.9. Maintenance of Insurance Coverage/Termination Option**

CPKC reserves the right to maintain the insurance coverage in good standing at Licensee's expense and to require Licensee to obtain additional insurance where, in CPKC's reasonable opinion, the circumstances so warrant. If the Licensee fails to obtain and maintain the insurance coverage required in this ROE License Agreement, Licensee is not permitted access to the

Property until Licensee has received written approval from CPKC or CPKC may, at its option, terminate this ROE License Agreement without notice.

## **10. GENERAL PROVISIONS**

### **10.1. Survival of Indemnity Provisions.**

The indemnification provisions of this ROE License Agreement shall survive its expiration or termination.

### **10.2. Mere License.**

The permissions encompassed by this ROE License Agreement constitute a mere license to use the Property for the specified purpose of Licensee's performance of the Work and does not create any estate or interest in the Property.

### **10.3. No Warranty Of Title.**

CPKC does not warrant that it has good title to the Property.

### **10.4. Assignment; Binding Effect:**

This ROE License Agreement may not be assigned by Licensee without the advance written consent of CPKC. Subject to the preceding sentence, this ROE License Agreement shall be binding upon, and inure to the benefit of, the Parties' respective successors and assigns.

### **10.5. Governing Law:**

This ROE License Agreement shall be construed and interpreted in accordance with the laws of the state in which the Property is located, without reference to the choice of law rules of that state.

### **10.6. Entire Agreement:**

This ROE License Agreement is the full, complete, and entire agreement of the parties with respect to Licensee's licensed right of entry upon the Property as set forth herein, and any and all prior writings, representations, and negotiations with respect to those subjects are superseded by this ROE License Agreement.

### **10.7. Headings:**

The headings used in this ROE License Agreement are provided solely as a convenient means of reference. They are not intended to, and do not, limit or expand the purpose or effect of the paragraphs to which they are appended. The headings shall not be used to construe or interpret this ROE License Agreement.

### **10.8. Singular And Plural:**

As used in this ROE License Agreement, the singular form of a word includes the plural form of that word, and vice versa, and this ROE License Agreement shall be deemed to include such changes to the accompanying verbiage as may be necessary to conform to the change from singular to plural, or vice versa.

### **10.9. Duplicate Copies & Counterparts.**

This ROE License Agreement may be executed in counterparts, which together shall constitute one and the same document. The Parties may execute more than one copy of this ROE License Agreement, each of which shall constitute an original.

*[Remainder of this page left blank; signatures on the following page]*

**11. SIGNATURES.**

**THE PARTIES** have executed this ROE License Agreement as evidence of their agreement to the terms herein.

**HESELTON CONSTRUCTION, LLC**

**DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION (“CPKC”)**

By: \_\_\_\_\_  
Jason Brandvold  
Project Manager

By: \_\_\_\_\_  
Daniel Sabatka  
Director Public Works

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**SCHEDULE A**  
Map of the Property



**SCHEDULE B**

***MINIMUM SAFETY REQUIREMENTS FOR CONTRACTORS WORKING ON CPKC PROPERTY***



## CPKC Safety Requirements for Contractors United States

<b>Approval Authority:</b>	Safety Management Systems	<b>Effective Date:</b>	Jul. 1, 2024
<b>Version:</b>	4.0	<b>Next Review Date:</b>	Jul. 1, 2027

## Table of Contents

1.0 Introduction .....	1
2.0 Application .....	1
3.0 Definitions and Interpretation .....	1
4.0 Interpretation and Application .....	3
5.0 Contractor Compliance and Responsibilities .....	3
6.0 Site Safety Plans .....	4
7.0 Safety Training .....	5
8.0 Safety Orientation .....	5
9.0 Job Safety Briefing .....	5
10.0 Applicable Legislation .....	6
11.0 Security Access to CPKC Property .....	7
12.0 Personal Conduct .....	8
13.0 Personal Protection .....	10
14.0 Railroad Track Protection .....	11
15.0 HAZCOM .....	15
16.0 Operation of Highway Vehicles .....	15
17.0 Tools, Equipment and Machinery .....	17
18.0 Emergency Response .....	20
19.0 Confined Space .....	21
20.0 Reportable Accidents, Incidents, and Injuries .....	21
21.0 Reporting .....	22
22.0 Contractor & Contractor Personnel Acknowledgement .....	24
21.0 Attachment A – Emergency Information Sheet .....	26
22.0 Attachment B – Work Site Information Sheet .....	27



## 1.0 Introduction

At CPKC, safety is an integral part of the way we do business. We expect everyone working for CPKC to be unconditionally committed to safety. Safety must be given top priority and will take precedence over deadlines, production schedules, and all other considerations.

## 2.0 Application

- 2.1 These Safety Requirements are applicable to all who work on CPKC property (except as noted in 2.3 and 2.4 below) including contractors and other persons performing work or otherwise providing services to CPKC on its property in the United States.
- 2.2 These Safety Requirements cannot be waived or altered, in whole or in part, without a prior risk Assessment specific to the work being conducted, and written consent has been provided by the Manager-in-Charge.
- 2.3 Notwithstanding the foregoing, these Safety Requirements do not apply to other railroad companies who only operate trains on CPKC property under various trackage or interchange agreements.
- 2.4 Further notwithstanding the foregoing, these Safety Requirements may not apply to work or services provided in CPKC office premises.

## 3.0 Definitions and Interpretation

### 3.1 Definitions

- 3.1.1 In these Safety Requirements, the following capitalized terms shall have the ascribed meaning below:

**Applicable Legislation** - means all applicable legislation, regulations, by-laws, codes, rules, standards, policies, procedures, promulgated by any federal, state, and municipal governmental body, including those of its agencies, having authority over CPKC and, or a contractor in relation to the work in the matter of health and safety of the person, property and, or the environment.

**Canadian Pacific Kansas City or CPKC** - means Canadian Pacific Kansas City Limited, and its subsidiaries and affiliates, and includes each of their respective directors, officers, employees, agent, and representatives.

**CPKC Personnel** - means CPKC's employees, agents, and representatives.

**CPKC Property** - means any building, facility, yard, track, right of way or other property owned or controlled by CPKC.

**Contractor** - means the company or person, and their respective employees and authorized agents, representative and subcontractors who are providing goods or services to CPKC; or on behalf of a third party working on CPKC property.

**Contractor Personnel** - means the contractor's employees, and authorized agents, representative and subcontractors.

**Efficiency Test (eTest)** – means a planned procedure to evaluate compliance with rules, instructions, and procedures, with or without the employee's knowledge.

**Foul of Track** - means the placement of an individual or equipment within 4 feet (1.2 m) of the outside rail of a railway track that could be struck by a moving train or on- track work equipment (e.g., hi-rail equipment).

**Hazardous Materials-** means any substance, which is hazardous to persons or property and includes, without limiting the generality of the foregoing:

- i) radioactive, explosive, poisonous, or toxic substances.
- ii) any substance that if added to any water, would degrade, or alter the quality of the water to the extent that it is detrimental to its use by man or by any animal, or plant.
- iii) any solid, liquid, gas or odor or combination of any of them that, if emitted into the air, would create, or contribute to the creation of a condition of the air that endangers the health, safety, or welfare of persons, or the health of animal life, or causes damage to plant life or to property, or
- iv) substances declared to be hazardous, toxic, or dangerous under any law or regulation now or hereafter enacted by any governmental authority having jurisdiction.

**Manager-in-Charge-** means a CPKC manager as designated or otherwise identified by CPKC as being responsible for overseeing the work to be performed, such Manager-in-Charge may include, but is not limited to local CPKC Management, Superintendents, Chief Engineers, and Project Managers, etc.

**Mobile Equipment-** means any motorized and self-propelled equipment, excluding railroad equipment and highway vehicles, but including, for example, forklifts, tractors, cranes, ATVs, mules, motorized scissor lifts, telescopic boom lifts, and similar equipment that are not designed to operate or move on railroad tracks.

**Office Premises-** means any building, facility, or portion thereof, or other premises, whether owned or controlled by CPKC, which is used solely for clerical or administrative purposes, and which does not contain heavy equipment or machinery, as designated by CPKC from time to time.

**Qualified and Authorized-** means a status attained by a person who has successfully completed any required training and demonstrated proficiency in the duties of a particular position or function and who has been given the right to act.

**Railroad Equipment-** means trains, locomotives, railcars, on track equipment (track units), hi-rail vehicles and any other equipment designed to operate or move on railroad tracks.

**Site Safety Plan-** means a documented plan which set out how work is to be conducted in a safe manner, as required by applicable legislation, see 6.1).

**Third Party Project-** means any work being performed on CPKC property that CPKC is not managing (i.e., road authority, utility company, commuter agency, or other similar entity, are on CPKC property for their own purposes, and not a project sponsored or managed by CPKC.

**Work-** means the provision of products and services and related activities.

**Work Site-** means any CPKC property where CPKC personnel or contractor personnel are present, or permitted to be present, while engaged in any Work, including any railroad equipment, mobile equipment and highway vehicles operated by or used to convey a person engaged in such Work. This applies also to work immediately adjacent to CPKC property which can pose a risk to safe railway operations (i.e., blasting, excavation next to right-of-way (ROW), etc.).

## 4.0 Interpretation and Application

- 4.1 Where legislation is referred to in these Safety Requirements, it shall include all amendments and replacements thereto as promulgated from time to time.
- 4.2 Where standards, such as those of the American National Standards Institute (ANSI), are referred to in these Safety Requirements, they shall include all amendments and replacements thereof from time to time.
- 4.3 Where there is any ambiguity, inconsistencies, or omissions between or among any agreements with CPKC, expressed or implied; any applicable legislations; any applicable CPKC policies and practices; and any applicable industrial standards and practices, contractor and contractor personnel shall adhere to that which is most stringent and current.

## 5.0 Contractor Compliance and Responsibilities

### 5.1 General Compliance

- 5.1.1 The contractor shall be fully and solely responsible for ensuring the health and safety of contractor personnel and for ensuring that its work and other activities do not compromise the health and safety of CPKC personnel or any other party, the protection of the environment, the protection of CPKC's property and those of any other party, and do not interfere with the safety of CPKC's railroad operations.
- 5.1.2 The contractor shall comply with and shall ensure all of contractor personnel are trained and qualified to safely perform the Work and that they comply with all Applicable Legislation pertaining to the protection against fire, safety, health, and environmental hazards, and with any license, permits, authorizations issued by the respective authority and provide CPKC with written certification that contractor's safety program required by 49 CFR Part 243 has been approved by the Federal Railroad Administration (FRA) where applicable.
- 5.1.3 The contractor shall comply with and shall ensure all of contractor personnel comply with all terms and conditions of all agreements, expressed or implied, between contractor and CPKC, and all applicable CPKC policies and practices.
- 5.1.4 Subject to the requirements of CPKC's Access Control Procedures, the contractor shall provide CPKC eRailsafe training for each employee engaged in work on CPKC property.

Note - contractors entering into new agreements after Apr. 14, 2023, will be required to enroll or / subscribe to eRailsafe / ISNetworld as required by CPKC Access Control Policy / Procedure).

Where there is no agreement between CPKC and the contractor, the contractor is responsible for meeting the additional requirements outlines within CPKC's Access Control Procedures.

- 5.1.5 The contractor shall provide contractor personnel, at its own expense, all safety equipment required to protect against injuries during the performance of the work and shall ensure that contractor personnel are knowledgeable of and utilize safe practices in performing the work.
- 5.1.6 The contractor shall always have a copy of the documents listed below at the work site, and shall produce them as and when requested by CPKC:
  - a) CPKC Safety Requirements for Contractors - United States.
  - b) Licenses, certifications, permits, training records or other documents required by applicable legislation or these Safety Requirements.
  - c) Contractor's site safety plan.

- d) Contractor's Emergency Information Sheet (see Attachment A) / Worksite Information Sheet (see Attachment B).
- e) Any additional documents required by contract or by agreement with Manager-in-Charge.
- f) Employee identification (eRailsafe badge or equivalent, see 11.1.1).

## 5.2 Compliance Assurance

- 5.2.1 CPKC reserves the right to observe, inspect, test and audit contractor and contractor personnel for compliance with all requirements herein, and to demand and receive all relevant records, documentation, and materials evidencing compliance, at any time, and from time to time.
- 5.2.2 Failure of the contractor or contractor personnel to comply with any applicable provisions herein may be considered a material breach, and in addition to all other remedies available, CPKC may without prejudice:
  - a) take over control of that work or activity.
  - b) order the work to stop, and / or
  - c) order contractor personnel to leave CPKC Property.
- 5.2.3 Upon the earlier of the completion of the work, the expiration of the applicable agreement, or the request of a Manager-in-Charge, contractor and contractor personnel shall return all identification, badges, access cards, and decals, issued or provided by CPKC to the Manager-in-Charge.

## 6.0 Site Safety Plans

### 6.1 General Requirements

- 6.1.1 Prior to starting any work on CPKC Property, the contractor must have a written site safety plan that identifies:
  - a) All applicable legislation, rules, policies, and work practices in relation to the work being performed.
  - b) Specific hazards that are associated with the work being performed on CPKC property for CPKC, and work being performed not for CPKC:

#### For example:

- i) Construction, maintenance, or inspections of buildings.
  - ii) Working on or adjacent to railroad tracks.
  - iii) Maintenance or inspection of railroad tracks, crossings, or signal systems.
  - iv) Operating railroad equipment on CPKC tracks, or
  - v) When / where contractor personnel work directly with or in proximity (time or space) to CPKC personnel.
- c) Methods of verifying compliance.
- 6.1.2 The contractor will provide Manager-In-Charge with a copy of this site safety plan on reasonable request.
- 6.1.3 The contractor must be able to demonstrate an awareness of applicable legislation, rules, policies, and work practices in relation to the work being performed.

## **7.0 Safety Training**

### **7.1 Training & Qualifications**

- 7.1.1 At its sole cost and expense, contractor shall ensure that all contractor personnel be fully trained and qualified for the work they will be performing. Contractors and contractor personnel shall meet, or exceed, all applicable legislation requirements relating to training and qualification, including but not limited to the requirements of 49 CFR Part 243 and provide training documentation to ISNetworld for filing / record keeping as per CPKC Access Control Policy / Procedure.
- 7.1.2 Additionally, contractor personnel training and qualification shall meet or exceed all applicable industry standards.

### **7.2 Proof of Training & Qualification**

- 7.2.1 Contractor personnel shall always have proof of such training and qualifications and shall produce them as and when requested by the Manager-in-Charge.
- 7.2.2 CPKC reserves the right to inspect qualification certificates, licenses, training records and / or work history records for any contractor personnel, and, or to be provided with copies thereof, on reasonable request. In addition, CPKC reserves the right to perform eTests on contractor employees, and request discipline for non-conformance.

## **8.0 Safety Orientation**

### **8.1 General Requirements**

- 8.1.1 Prior to beginning work, all contractor personnel shall participate in a CPKC authorized safety orientation, including on-site orientation presented by the Manager-in-Charge or designate.
- 8.1.2 Any time the scope of work, location, condition or supervision changes, contractor personnel may be required to attend additional safety orientation sessions.
- 8.1.3 After successful completion of such safety orientation, contractors must be able to produce company identification or an eRailsafe photo identification badge authorizing access to CPKC property unescorted for the purposes of conducting work. Managers can enter the tracking code into Compliance Management (CM) (CP property) and Operational Testing System (OTS) (KC property). Third parties who hire subcontractors must ensure required compliance while on CPKC property. The eRailsafe identification card shall be worn or be always made visible or produced upon request and cannot be transferred under any circumstances.

## **9.0 Job Safety Briefing**

- 9.1.1 Contractor personnel shall attend all job safety briefings as and when conducted. Contractor personnel shall be solely and fully responsible for understanding the content of the job safety briefing, shall:
  - a) understand the scope of work to be performed and an appreciation of the nature of the location, environment, and conditions where such work is to be performed.
  - b) be aware of specific or unusual hazardous condition, existing or potential and the control measures required to protect against, control, mitigate, or where possible, avoid said hazard, and
  - c) have an emergency response plan / evacuation procedures.

- 9.1.2 Where contractor personnel are working directly with or in proximity (time or space) to CPKC personnel, job safety briefings must include both CPKC personnel and contractor personnel, and any other affected third parties. The job safety briefing shall identify nature and extent of the interaction between the work being performed by contractor personnel, and those performed by CPKC personnel or other third parties. Contractor personnel shall inform CPKC personnel, and any other third parties of known or potential unsafe conditions and hazards that may be created by, resulting from, or inherent in their work and the corresponding preventative, mitigation, and / or control measures at all job briefings prior to commencing work, or as soon as contractor personnel becomes aware of such conditions.
- 9.1.3 In all situations, all contractor personnel are expected to:
- a) continually identify hazards and assess risk of hazards and to communicate all hazards continually and clearly to the Manager-in-Charge and to all other parties that may be affected at job safety briefings, and at any other time as and when appropriate or necessary.
  - b) take actions that are within their assigned responsibility to eliminate or control hazards and risks, and
  - c) immediately notify their supervisor or the Manager-in-Charge of hazards that pose unacceptable risk that they are unable to eliminate or control.
- 9.1.4 Where contractor personnel are unable to eliminate or control a hazard, contractor personnel shall take interim measures to protect people, property, equipment, and the environment until the hazard can be accurately assessed and appropriate corrective actions taken.

## **10.0 Applicable Legislation**

### **10.1 General Requirements**

- 10.1.1 Contractor and contractor personnel shall be solely responsible for identifying and complying with all applicable legislation. Contractor and contractor personnel shall comply with the federal legislations set out below which list is intended solely for general guidance, and not as a comprehensive list of all applicable legislation.
- 10.1.2 Additionally, the Association of American Railroads (AAR) is an industry association which can provide support and guidance on matters related to railroad safety and the transportation of hazardous materials.

### **10.2 Transportation of Hazardous Materials**

- 10.2.1 When work involves the handling or transportation of hazardous materials (hazmat), that work must comply with Hazardous Materials Transportation Act and regulations administered by the Pipeline and Hazardous Materials Safety Administration (PHMSA).
- 10.2.2 Contractors shall be solely responsible for ensuring that all contractor personnel who handles, offers for transport and / or transports hazmat by any transportation mode are trained and hold a valid training certificate or is working under the direct supervision of someone who is trained and holds a valid training certificate. That training must be based on the work that the person is expected to perform and the hazmat that the person is expected to handle, offer for transport or transport.
- 10.2.3 All U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA) regulations are published in Chapter I of title 49 of the Code of Federal Regulations (49 CFR).



### 10.3 Railroad Work

- 10.3.1 When work involves the construction, alteration, operation, inspection, and maintenance of any part work of the general railroad system of transportation, that work must comply with the Federal Railroad Safety Act and regulations administered by the Federal Railroad Administration (FRA).
- 10.3.2 Contractors shall be solely responsible for ensuring that all contractor personnel who perform railroad work are trained and qualified in accordance with those regulations and hold valid certificates when required.
- 10.3.3 All FRA regulations are published in Chapter II of title 49 of the Code of Federal Regulations (49 CFR).

### 10.4 Occupational Safety & Health

- 10.4.1 Any work being performed that may create a risk to the health and safety of any person, including CPKC personnel and contractor personnel, when not covered by FRA regulations shall be governed by U.S. Department of Labor regulations administered by Occupational Safety and Health Administration (OSHA).
- 10.4.2 All OSHA regulations are published in Chapter XVII of title 29 of the Code of Federal Regulations (29 CFR).

### 10.5 Environmental Protection

- 10.5.1 Where work is being performed that may impact the environment, that work must comply with all applicable federal state, and local government legislation, regulations, and standards.
- 10.5.2 Federal legislation is generally administered by the Environmental Protection Agency (EPA). A compilation of these laws and regulations can be accessed at <http://www.epa.gov/lawsregs/>

## 11.0 Security Access to CPKC Property

- 11.1.1 All contractor personnel must have a valid eRailsafe photo identification card (when / where required) or personal identification (as per the list below) authorizing access and in their possession at all times while on CPKC property, and present them for review to any Manager-in-Charge, other CPKC managers and employees, police officer, security guard, or regulatory officer upon request:
  - Photo identification (e.g., driver's license); and
  - Proof of employment, document, or card; and
  - CPKC safety orientation certificate, or
  - Building access pass issued by CPKC, or third-party having control over CPKC premises, or
  - CPKC security photo ID card or badge, or
  - Other proof of safety orientation and access authorization issued by CPKC.
- 11.1.2 Where any work requires contractor personnel to ride in locomotive or other non-passenger railroad equipment, the contractor must also possess a CPKC Access Pass for riding non-passenger railroad equipment, signed by the responsible operating manager. Such a signed pass must be presented to the train crew or operator when boarding the equipment. Failure to possess such a pass will result in the equipment not moving, removal from the equipment, and / or the filing of trespasser charges.



## 11.2 Security Awareness

- 11.2.1 Contractor shall conduct employee background checks as is necessary to ensure that contractor personnel do not pose a security risk to CPKC, such security risk includes the risk of the commission of terrorist activities, sabotage, vandalism, theft, and violence. CPKC reserves the right, at all times, to require that contractors undertake certain security training and / or performs background checks on contractor personnel, prior to allowing such contractor personnel to enter onto CPKC property.
- 11.2.2 On request CPKC can make available a copy of CPKC's Railway Security Awareness Program for use by contractor personnel.

## 11.3 Firearms & Explosives

- 11.3.1 Firearms (loaded or empty) are not permitted on CPKC Property, except for police officers and other designated government officials when authorized to do so.
- 11.3.2 No explosives will be permitted on CPKC Property without written approval by the Manager-in-Charge.

## 11.4 Reporting

Contractor personnel must report any security concern, security incident, criminal activity (known or suspected), suspicious happenings and / or suspicious persons on CPKC Property to the Manager-in-Charge or to CPKC Police Services in accordance with Section 20.

## 12.0 Personal Conduct

### 12.1 Drug and Alcohol Prohibition

CPKC recognizes the problem of alcohol and substance abuse in today's society. This problem poses concerns to an employer who is subject to governmental regulations and seeks to promote the safety of the general public. CPKC has a concern for the safety, health and well-being of its employees as well as an obligation to comply with the United States Department of Transportation (DOT) and Federal Railroad Administration (FRA) regulations. CPKC will comply with all statutes and regulations administered by the FRA in implementing the required 49 CFR §219 Drug and Alcohol Program. CPKC also expects employees of other railroads, visitors or contractors to comply with this regulation while on CPKC property, consistent with federal regulations. If subject to this regulation, contractor shall be solely responsible for compliance with the 49 CFR Part 219. Contractor shall provide CPKC with proof of its compliance prior to performing services for CPKC and continued proof of compliance must be provided to CPKC immediately upon request. This proof of compliance will include, but will not be limited to, a copy of the 49 CFR §219 Drug and Alcohol Program Plan and FRA Approval Letter and Continued Certification of Compliance and Statistical Reporting. Periodic audits to ensure compliance with these regulations may be performed and cooperation and compliance is expected upon request.

If subject to other DOT modalities and regulations, such as the Federal Motor Carriers Safety Administration (FMCSA), compliance of that modality's drug and alcohol program guidelines will be required and periodic audits to ensure compliance with these regulations may be performed and cooperation and compliance is expected upon request.

- 12.1.1 Entry onto CPKC Property when in possession of, or under the influence of alcohol, intoxicants, narcotics, or controlled substances is strictly prohibited. Controlled substances include all Schedule 1 drugs (such as marijuana and "medical marijuana") and synthetic / designer drugs and / or any intoxicants or products labeled "not intended for human consumption".
- 12.1.2 The sale, trade, and / or offer for sale alcohol or controlled substances are prohibited.

12.1.3 Additionally, contractor personnel shall be free of any condition which may in any way adversely affect alertness, concentration, responsiveness, or the ability react calmly and responsibly to safety hazards.

12.1.4 CPKC reserves the right to request drug and / or alcohol tests for contractor personnel as and where required or permitted by law.

## **12.2 Inappropriate Behavior**

12.2.1 CPKC is committed to maintaining a work environment that supports the dignity of all individuals. No person working at CPKC may be subjected to any form of discrimination or harassment, including sexual harassment.

12.2.2 Acts or threats of violence are always unacceptable on CPKC Property. Uttering of threats or committing acts of violence will result in the removal of the responsible contractor personnel from CPKC property, termination of the contract, and / or criminal charges.

12.2.3 Horseplay, practical jokes, fighting or any other activity that may create a safety hazard is not permitted.

## **12.3 Electronic Entertainment and Communication Devices**

12.3.1 The use of personal entertainment devices, including portable audio and video devices such as compact DVD, CD, video game players, iPads / tablets, SMART watches, and MP3 players, is prohibited:

- a) while working on CPKC property.
- b) while transporting CPKC personnel, whether on and off CPKC property, and
- c) while operating any CPKC highway vehicle, railroad equipment or mobile equipment, whether on and off CPKC property.

12.3.2 The use of electronic communication devices, including cell phones, walkie-talkies, PDAs, iPads, Tablets, GPS navigation units, portable computers, and similar devices, is prohibited:

- a) while operating any highway vehicle unless it is stopped and parked in a safe location.
- b) while transporting CPKC Personnel, whether on and off CPKC property.
- c) while operating or assisting in the operation of any railroad equipment or mobile equipment.
- d) while operating power tools, equipment, or machinery.
- e) when Foul of Track for any reason.
- f) wherever use is prohibited by signage or by a CPKC manager, or
- g) whenever use of such a device creates an unsafe condition.

12.3.3 Notwithstanding the foregoing, company cell phones, radios, walkie-talkies, GPS units, iPads, tablets, and other communication devices may be used solely for the conduct of business when authorized by the CPKC Manager-in-Charge and where not prohibited by state or municipal legislation. Any electronic communication device may be used when it is necessary to communicate an emergency condition.

## **12.4 Smoking**

12.4.1 Smoking, including the use of e-cigarettes is prohibited on all CPKC Property, and in or on all highway vehicles, Railroad Equipment, and Mobile Equipment, except for CPKC designated outdoor smoking areas.

## 13.0 Personal Protection

### 13.1 Work Clothing

- 13.1.1 The Contractor must ensure that contractor personnel wear clothing that meets applicable legislation and is suitable to perform the work safely. This always includes at minimum ankle length pants and waist length shirts with a minimum quarter-length sleeves. Clothing must not interfere with vision, hearing or use of hands and feet.

### 13.2 Personal Protective Equipment (PPE)

- 13.2.1 The contractor shall ensure that contractor personnel wear personal protective equipment required by applicable legislation, regulations, codes and industry standards as necessary to protect against personal injuries while on railroad property. All personal protective equipment shall meet applicable legislation and American National Standards Institute (ANSI) standards and shall be in good condition and be properly fitted.
- 13.2.2 The following mandatory personal protective equipment ("PPE") shall be supplied by the contractor at its own expense, and shall be always worn by contractor personnel while on CPKC property:
- Safety hard hat, meeting ANSI Z89.1 standards, except in office buildings or in enclosed vehicles or equipment.
  - Safety footwear with protective toe caps and puncture resistant soles, meeting ASTM F2413 standards.
  - Safety glasses with permanently attached side shields meeting ANSI Z87.1 standards in office buildings or enclosed highway vehicles.
  - Note- transition lenses are not permitted.
  - High visibility fluorescent outerwear with retro reflective striping meeting ANSI / ISEA 107 Class 2 standards not covered by other clothing or equipment, except where necessary for safety reasons such as where fall protection or pole climbing equipment is being used.
  - Any other PPE as required by applicable legislation or referenced standard, or as otherwise required to protect contractor personnel from injuries.

Type of Protection	Additional Recommendations
Hard Hats	Have hi-visibility characteristics which are not obscured by markings or decals.
Safety Eyewear	<p>Tinted safety eyewear must meet military tinting standards for red signal recognition if operating railway equipment (safety eyewear meeting this requirement is available from Wurth / North / ORR Safety; ask for CPKC approved tinted safety eyewear).</p> <p>Polarized lenses are discouraged and should be worn with caution when required to view LCD / LED screens. Transition lenses are discouraged and should be worn with caution when working in changing light conditions.</p> <p>Personal sunglasses are discouraged and must not be worn when operating railway equipment.</p> <p>Wear mesh face shields over top safety glasses when using any striking tool while performing on track maintenance work (e.g., spiking, snapping on/off anchors, etc.). If working alongside CPKC employees, you will be required to comply with this practice.</p>
Safety Footwear	<p>Have defined heels.</p> <p>Laced fully to the top and tied securely for ankle support.</p> <p>When snow and ice conditions are present wear anti-slip winter footwear.</p>
High Visibility Apparel	Lime-green is recommended when working on, or near tracks, or when performing work in proximity to CPKC personnel.

- 13.2.3 Contractor and contractor personnel shall be solely and fully responsible for assessing the risks related to the work and determining whether additional PPE may be required such as:
- a) Nomex or Proban fire-retardant protective gear when performing certain Transportation of Dangerous Goods (TDG) work and / or handling certain Hazardous Materials or performing specialized work.
  - b) Hearing protection when working in any area where noise exposure levels:
    - i) are consistently equal to or greater 85 dBA.
    - ii) exceed 115 dBA at any time.
    - iii) any other work areas where posted, or so notified by CPKC management.
  - c) Respiratory protection where contractor personnel may be exposed to occupational dusts / particulates, fumes, mists, gases and vapors, in which case, in which case contractors must have a written Respiratory Protection Program that meets or exceeds applicable legislation.
  - d) Additional eye and face protection meeting ANSI standard Z87.1 (i.e. face shields, impact / splash goggles, welding / cutting goggles and welding helmets).
  - e) Fall protection systems and equipment meeting appropriate ANSI Z359 standards as required by applicable legislation and as appropriate for the related fall hazards.
  - f) Fall protection when working on an unguarded surface over water, where the water is deeper than 4 feet (1.2 m), or where there is a hazard of drowning due to terrain, winter conditions, water velocity or current; contractors must use a fall protection system or a personal floatation device (PFD) meeting approved standards.

## 14.0 Railroad Track Protection

### 14.1 Contractor's Responsibilities for the Protection of Railroad Traffic and Property

- 14.1.1 Where the work site is in close proximity to, or is located on, above, or below railroad tracks, special attention, care and precautions shall be taken to ensure the safety of all contractor personnel, CPKC personnel, all other third parties and to protect CPKC's property and railroad operations.
- 14.1.2 Contractor shall ensure that contractor personnel are made aware of all unique and inherent hazards in working near, on, above or below railroad tracks and shall ensure that all contractor personnel are fully trained and equipped to work safely.
- 14.1.3 Contractors who perform inspection, maintenance or repair to railroad tracks or track structures must be trained in accordance with FRA On Track Safety Rules (FRA 49 CFR Part 214, Subpart C - Roadway Worker Protection Regulations).
- 14.1.4 Contractors will not be allowed to foul a track unless:
- a) They have been properly advised of the On Track Safety awareness procedures.
  - b) A railroad employee who is qualified to provide protection is present at the work site, or
  - c) The contractor has personnel present who are specifically trained, qualified, and authorized to provide that protection.
- 14.1.5 All work shall be organized or executed in such a manner as to ensure no interference with the regularity and safety of railroad operations. No step or sequence of any work that might directly or indirectly affect the safe movement of railroad traffic shall be started without the approval of the Manager-in-Charge.
- 14.1.6 No temporary structure, materials, or equipment shall be permitted closer than 12 feet (3.7 m) to the nearest rail of any track without prior approval in writing of the Manager-in-Charge.

Contractor personnel shall always remain alert to the movement of trains, rolling stock and other railroad equipment.

- 14.1.7 Contractor Personnel shall be especially alert in yards and terminal areas as
  - a) Railroad equipment that appears to be stationary may be moving.
  - b) Rate of movement of railroad equipment may be faster than it appears.
  - c) Railroad equipment change tracks often; and movements may be occurring simultaneously on adjacent tracks.
- 14.1.8 The Contractor shall always conduct its operations in a wholly responsible manner to avoid damage to the CPKC's tracks or property.

## **14.2 Clearance Requirements (50 feet / 15.2 m)**

- 14.2.1 All work shall be performed as far away from railroad tracks as possible.
- 14.2.2 Unless authorized by CPKC, contractor personnel, equipment, and vehicles are not permitted to be within 50 feet (15.2 m) of the closest track centerline.
- 14.2.3 In the event work must be carried out within 50 feet (15.2 m) of the closest track written authorization must be obtained from the Manager-in-Charge, and contractor personnel must always remain at the maximum practicable distance from all railroad tracks.
- 14.2.4 When crossing tracks, contractor personnel shall ensure a minimum of 50 feet (15.2 m) separation between standing railroad equipment, stay at least 15 feet (4.6 m) away from the end of the nearest equipment, and look both ways before crossing tracks, and if clear, walk at a right angle to the tracks.
- 14.2.5 No work activities or processes are allowed within 50 feet (15.2 m) of the track while trains are passing through the work site unless specifically authorized.

## **14.3 Flagging Protection**

- 14.3.1 When the work requires contractor personnel to be within 50 feet (15.2 m) of any railroad tracks, contractor or contractor personnel shall notify and obtain the written approval of the Manager-in-Charge in advance of the intended start date, and when approved, shall only perform work strictly in accordance with all terms and conditions of that approval.
- 14.3.2 Unless otherwise indicated by the Manager-in-Charge, proper protection against the movement of trains, rolling stock and other railroad equipment shall be deemed always required whenever work or contractor personnel must be within 50 feet (15.2 m) of the closet track. Protection may be provided only by a qualified CPKC employee through use of a flag person.
- 14.3.3 Where CPKC determines that flagging is required, then work must be strictly conducted under the direction of a CPKC flag person, or such other person designated by the Manager-in-Charge.
- 14.3.4 Contractor personnel shall ensure that there is always clear communication between contractor personnel and any CPKC flag person. Contractor personnel shall ensure that they are aware of:
  - (a) flagging distance limits.
  - (b) time limits, and
  - (c) any adjacent tracks where movement of railroad equipment may still occur.

- 14.3.5 Contractor Personnel shall not assume that a train movement is being stopped or cleared unless clear communication is received directly from the CPKC flag person.
- 14.3.6 A job briefing between the CPKC flag person, and all contractor personnel must occur before beginning any work on or foul of track.
- 14.3.7 Blue signal protection is used to indicate that CPKC or contractor personnel are working on, under or between railroad equipment and movement of trains or other railroad equipment is prohibited. Blue signals must not be tampered with or obstructed. Blue signals can only be removed by the person or group of persons who originally applied it. Application, use, and removal of blue signals, when appropriate, may only be done under the authorization and guidance of the Manager-in-Charge.
- 14.3.8 Red flag protection is used to indicate that CPKC or contractor personnel are working on or foul of track, or the track is out of service and movement of trains or other railroad equipment is prohibited. Red flags must not be tampered with or obstructed. Application, use, and removal of red flags, when appropriate, may only be done under the authorization and guidance of the Manager-in-Charge.

#### **14.4 Working on or near Tracks**

- 14.4.1 When authorized to perform work foul of track or otherwise be near railroad tracks, contractor personnel shall ensure all contractor personnel, equipment, and vehicles are kept as far away from railroad tracks as practicable, and shall at all times:
  - (a) be alert to train movements and shall expect the movement of trains, engines, cars, or other mobile railroad equipment at any time, on any track, and in any direction, even if they appear to be stationary or in storage.
  - (b) not rely on others to protect them from train movement.
  - (c) stay at least 15 feet (4.6 m) away from the ends of railroad equipment when crossing the track.
  - (d) ensure a minimum of 50 feet (15.2 m) separation prior to crossing between railroad equipment.
  - (e) look both ways before crossing tracks, and if clear, walk at a right angle to them.
  - (f) never climb on, under or between railroad equipment.
  - (g) be aware of the location of structures or obstructions where track clearances are close.
  - (h) not stand on the track in front of an approaching engine, car, or other equipment.
  - (i) stand at least 20 feet (6.1 m) from the track(s) when there is a passing movement of trains, engines, cars, or other mobile railroad equipment, to prevent injury from flying debris or loose rigging and shall observe the train as it passes and be prepared to take evasive action in the event of an emergency.
  - (j) not stand on or between adjacent tracks in multiple track territory when a train is passing.
  - (k) not walk, stand or sit on the rails, between rails or on the end of ties, unless necessary. As the rail surface can be extremely slippery, personnel must step over the rails when crossing tracks. Personnel shall also be aware railroad ties can also be slippery and that railroad ballast can shift while walking on top of it. Situational awareness and use of proper footwear is important.
  - (l) not remain in a vehicle that is within 50 feet (15.2 m) of a passing train unless specifically authorized, or where this is not possible.
  - (m) keep away from track switches as remotely operated switch points can move unexpectedly with enough force to crush ballast rock. Personnel shall stay away from any other railroad devices they are unsure of. Personnel shall not disturb or foul the ballast at any time.



- (n) Third party work that has a potential to impact rail traffic must consider machine swing radius, vertical grade differences, overhead work, etc. to ensure it will not impact a passing train; work and equipment must maintain 50 feet (15.2 m) of a passing train.
- (o) When exiting on track machinery as trains are passing; exit on the opposite side.
  - i) use 3-point contact when getting on / off any vehicle, equipment, or track unit.
  - ii) face the vehicle or equipment / track unit when getting on / off.
  - iii) place handheld items onto equipment / track unit or seek help prior to getting on / off.
  - iv) get on / off on the operators' side when possible.

## 14.5 Equipment on or near tracks

- 14.5.1 Contractor personnel shall not be Foul of Track with any piece of equipment without a CPKC flag person or other authorized track protection.
- 14.5.2 Contractor personnel shall not move equipment across the tracks except at established road crossings, or unless under the protection and authorization of a CPKC flag person and only if the work site has been properly prepared for such a move. Tracked equipment will require a CPKC flag person any time railroad tracks are crossed.
- 14.5.3 Contractor personnel shall not move equipment across railroad bridges or through tunnels, except as expressly authorized and only under such conditions as stipulated by the Manager-in-Charge.
- 14.5.4 When there is passing rail traffic, contractor personnel shall move equipment away from the tracks at least 50 feet (15.2 m), or where not possible, park the equipment as far away from the tracks as possible, exit to the side away from the track where the movement is taking place, and walk to a safe distance.
- 14.5.5 When there is passing rail traffic, buckets, shovels, and loads on cranes must be lowered to the ground to rest, and cranes without a load must have their load line tightened or retracted to prevent movement.

## 14.6 Railroad Signs, Signals, Flags, and other Communication Infrastructure

- 14.6.1 Signs, signals and flags shall not be obstructed, removed, relocated, disabled, or altered in any way without proper authorization and qualification.
- 14.6.2 Only qualified contractor personnel who are authorized by CPKC are permitted to operate switches, derails, electric track mechanisms, signal and communication systems or other track control appliances.
- 14.6.3 Railroad pole lines carry electric power and should be treated as any other power lines.
- 14.6.4 The contractor shall keep all contractor personnel informed of current weather conditions.
 

Personnel shall stay alert for possible high-water conditions, or flash floods. During severe weather conditions:

  - a) Personnel shall be prepared to take cover in the event of a tornado.
  - b) Personnel shall not work while lightning is occurring.
  - c) If storm conditions arise unexpectedly, contractor personnel shall ensure that equipment is in the clear of the tracks and secured before seeking cover. Contractor personnel shall stay away from railroad tracks when visibility is poor, such as during fog or blizzard conditions.



Any Contractor personnel discovering a hazardous or potentially unsafe condition, which may affect the safe passage of railroad traffic, must advise CPKC immediately by calling:

- CPKC U.S. North (north of Kansas City) 1-800-716-9132
- CPKC U.S. South (Kansas City and south of) 1-877-527-9464

## **14.7 Excavation**

14.7.1 Before starting excavation operations, the contractor shall ascertain that there are no underground wires, fiber optic cables, pipelines or other utilities which could be damaged or, if present, that such installations are properly protected. Fiber optic cables are present on most segments of the right-of-way. Prior to commencing any excavation, the contractor shall contact the proper authority CPKC and / or public utility to obtain the necessary permit and to locate and protect such cables or other underground utilities.

14.7.2 Excavations shall not be left unattended unless they are properly protected; and the Manager-in-Charge shall be notified.

14.7.3 Contractors must obtain and maintain utility locates in accordance with applicable law.

## **15.0 HAZCOM**

### **15.1 General Requirements**

15.1.1 If at any time contractor's work involves the use, handling, storage, or disposal of hazardous materials ("Handling of Hazardous Materials"), Contractor Personnel must inform the Manager-in-Charge.

15.1.2 Contractors shall ensure that all contractor personnel are fully trained in the handling of hazardous materials and that contractor and contractor personnel are in full compliance with all applicable legislation, and as directed by the Manager-in-Charge.

15.1.3 Contractor personnel shall have appropriate processes, systems and controls in place to prevent or otherwise mitigate potential environmental, health and safety risks associated with the handling of hazardous materials.

### **15.2 Access to Safety Data Sheets (SDS)**

15.2.1 Prior to beginning any work that may expose CPKC personnel to hazardous materials, contractor or contractor personnel shall:

- a) provide a copy of the respective SDS to the Manager-in-Charge, and
- b) keep a copy of the SDS at the work site and ensure that it is always readily available.

### **15.3 Hazardous Material Incident or Spill**

15.3.1 In the event of a hazardous material incident or spill, the contractor must:

- (a) ensure that no contractor or CPKC personnel have or will be exposed
- (b) take all reasonable actions to contain the spill
- (c) respond in accordance with its emergency response plan, and
- (d) notify CPKC immediately in accordance with Section 18 below.

## **16.0 Operation of Highway Vehicles**

### **16.1 Highway Vehicles**

- 161.1 The following requirements apply to all highway vehicles, when operated on CPKC property; or used to transport CPKC personnel.

## **16.2 Regulations and Inspection**

- 16.2.1 Before using a highway vehicle, contractor personnel shall:
- (a) complete a pre-trip inspection.
  - (b) maintain an inspection log.
  - (c) ensure periodic inspections are completed at official testing locations as required.
  - (d) ensure the vehicle is always maintained and in safe operating conditions, and
  - (e) ensure the vehicle is in compliance with applicable motor vehicle regulations and license requirements.
- 16.2.2 Vehicle maintenance, inspection records and logs must be made available to the Manager-in-Charge on request.

## **16.3 Vehicle Operator Requirements**

- 16.3.1 Operation of highway vehicles is restricted to those contractor personnel who are licensed, qualified and authorized to do so. Such contractor personnel shall be always responsible for the safety of all passengers. For greater certainty, such contractor personnel shall:
- (a) hold a valid license for the class of vehicle being operated, in accordance with applicable local, state, and federal requirements.
  - (b) strictly comply with all posted traffic signs, signals, and all shall obey all applicable legislation,
  - (c) maintain the required driver log, and make the log available to the Manager-in-Charge on request, and
  - (d) comply with the requirements on the use of electronic devices as set out in Section 12 above.

## **16.4 Driving on CPKC Property**

- 16.4.1 In addition to the requirements set out above, while on CPKC Property, contractor personnel shall:
- (a) travel only on designated roadways unless otherwise instructed.
  - (b) keep daytime running lights on (if so equipped).
  - (c) not exceed 15 mph (24.1 Km/h) unless otherwise posted.
  - (d) come to a full stop at all blind corners, rail, and roadway crossings.
  - (e) yield the right of way to all mobile equipment and other non-highway equipment or service vehicles.
  - (f) not operate vehicles (or any internal combustion equipment) inside buildings or enclosed structures unless adequate ventilation is provided.
  - (g) not park foul of track unless on-track protection is provided.
  - (h) not leave vehicles running unnecessarily.
  - (i) park only in pre-determined or designated areas.
  - (j) always use the parking brake (or wheel chocks) when leaving an unoccupied vehicle running.

- (k) prior to operation of a vehicle the driver must conduct a walk around of the vehicle to identify any obstacles, clearance restrictions, or adjacent vehicles that may interfere with executing a safe movement.
- (l) where safe and practicable, pull vehicles through or back into marked parking spaces to avoid reverse collisions when exiting.
- (m) If a passenger is present, he exit the vehicle prior to a reverse movement to provide guidance and direction to the driver during the reverse movement and applies to commercial vehicles and vehicles with restricted rear views.

16.4.2 All contractor personnel who will be operating a highway vehicle or mobile equipment in any CPKC intermodal facilities must complete a driver safety orientation program prior to first entry, and from time to time thereafter as directed by the Manager-in-Charge.

## **16.5 Seat Belts**

16.5.1 Seat belts must always be worn while operating or riding in any equipped vehicle unless contractor personnel is actively engaged in inspections requiring said contractor personnel to be free of such restraint, and then only when the vehicle is operating at less than 15 mph (24.1 Km/h).

## **16.6 Loads**

16.6.1 Contractor personnel shall ensure vehicles are loaded according to weight and dimensional requirements as authorized by state regulations and permits, and properly load and secure tools, material, equipment and freight to avoid shifting, falling, leaking or otherwise escaping from vehicles during operation.

## **16.7 Riding in CPKC Vehicles**

16.7.1 Contractor personnel are prohibited from operating or riding in any CPKC vehicles unless authorized to do so, or in case of emergency.

## **17.0 Tools, Equipment and Machinery**

### **17.1 General Safety Requirements Respecting All Tools, Equipment and Machinery**

- 17.1.1 Contractor personnel shall ensure that all tools, equipment, and machinery used be:
  - (a) in compliance with all applicable legislation.
  - (b) in good working order, properly serviced and maintained.
  - (c) safe for their proposed use and used only for purposes specified by the manufacturer.
  - (d) operated and maintained only by persons properly trained and qualified for that duty.
  - (e) seat belts (if present on equipment) must be worn while operating or riding any such equipped mobile equipment.
  - (f) if mobile, equipped with appropriate safety devices (e.g., lights, horns, back-up alarms, safety beacons), and
  - (g) be prevented from moving, through use of the hand brake, wheel blocking, wheel chocking and / or a derail, where applicable.
- 17.1.2 The contractor shall provide adequate lighting when performing work between sunset and sunrise.
- 17.1.3 Use of CPKC tools, equipment and machinery by contractor personnel is prohibited unless specifically authorized by local CPKC management.

## 17.2 Hazardous Energy Control- Lockout

- 17.2.1 Contractor personnel shall employ lockout / tagout procedures as required to eliminate the accidental or unexpected start-up, energizing, or release of stored (residual) energy during maintenance, repair and/or servicing activities.
- 17.2.2 All tools, equipment and machinery must be made safe and isolated from all energy sources rendering the machine, equipment, or process inoperative prior to performing maintenance, repair or servicing related tasks.
- 17.2.3 No contractor personnel can remove any CPKC applied lock or tag, including bad-order tag.
- 17.2.4 Notwithstanding the foregoing, if contractor's work may create an energy hazard to any CPKC. Personnel, then all affected parties must follow the requirements set forth in CPKC's Lockout – Hazardous Energy Control Policy and Code of Practice.
- 17.2.5 If CPKC personnel and contractors are jointly performing maintenance, repair or servicing activities on the same machine, equipment or using the same energy source, then a multi-lock hasp must be applied with individual locks and tags affixed (as per CPKC's Lockout – Hazardous Energy Control Policy and Code of Practice).

## 17.3 Electrical Safety Requirements

- 17.3.1 In addition to the hazardous energy control lockout requirements above, all electrical work must comply with applicable legislation, National Electrical Code (NEC), and National Fire Protection Association (NFPA) requirements.
- 17.3.2 Contractor personnel working on electrical systems must:
  - (a) if in proximity to CPKC Personnel, inform them of:
    - (i) existing or potential electrical hazards,
    - (ii) any specific additional personal protective equipment that may be required,
    - (iii) applicable safe work practices,
    - (iv) applicable emergency and evacuation procedures, and
    - (v) apply lock out procedures as per section above on Hazardous Energy Control- Lockout.
  - (b) have practices, procedures and training that comply with:
    - (i) Applicable sections of the NEC and NFPA electrical safety standards.
    - (ii) Any other applicable legislation.
  - (c) not operate or allow cranes or other mobile equipment to approach closer to any live electrical power line than is permitted by OSHA regulations (29 CFR 1910.333).

## 17.4 Lifting Devices

- 17.4.1 All lifting devices, including but not limited to jacks, cranes, cables, slings, chains, and hooks shall:
  - (a) meet applicable legislation governing design, inspection, maintenance, and operation.
  - (b) be safety certified and labeled or tagged with load capacity limits where required.
  - (c) have sufficient capacity for the planned lift.
  - (d) have sufficient footing or support area to properly distribute the load during a lift.

## **17.5 Welding and Torch Cutting**

17.5.1 When welding or torch cutting, contractor personnel shall:

- (a) be properly trained and qualified.
- (b) ensure that all closed containers have been properly purged.
- (c) direct flame or sparks away from other workers, equipment and flammable material.
- (d) have a fire extinguisher readily available.
- (e) keep compressed gas and oxygen cylinders stored in a secure, vertical position, with regulators removed and caps applied, labeled properly, and located in vented cabinets or other designated locations.

## **17.6 Explosive Actuated Tools**

17.6.1 Only contractor personnel who are qualified and licensed in accordance with applicable legislation, and authorized by CPKC, may use explosives or explosive actuated tools.

## **17.7 Unattended Equipment or Machinery**

17.7.1 Tools, equipment and machinery shall not be left unattended at any time and shall not be stored on CPKC property, unless expressly permitted pursuant to a written agreement with CPKC or by the Manager-in-Charge in writing, and where so permitted, contractor shall ensure that:

- (a) storage shall be restricted to the designated area, or as otherwise specified by CPKC.
- (b) all such tools, equipment and machinery shall be secured in a safe position well clear of all tracks to prevent accidental contact with trains and moving equipment and to not restrict train crew sightlines.
- (c) as much as possible, tools, equipment and machinery shall be stored in locations out of public view.
- (d) Machines must be secured in accordance with on-track machinery rules.

## 18.0 Emergency Response

### 18.1 Emergency Response Plan

18.1.1 The contractor must maintain a current emergency response plan and make it available to CPKC on request. Emergency response plans must include at a minimum:

- (a) contractor reporting procedures in the event of an incident or spill.
- (b) emergency response contacts and phone numbers, including phone numbers for CPKC incident reporting and local CPKC managers (See Attachment A), and
- (c) containment measures to be taken in the event of an incident or spill.

### 18.2 Initial Response

18.2.1 Initial response to any emergency condition must follow the following sequence:

- (a) Protect the safety and security of all individuals and communities.
- (b) Provide environmental protection and mitigation.
- (c) Conduct incident investigation and evidence preservation.
- (d) Restore railroad operations.

### 18.3 First Aid

18.3.1 Contractor personnel must have sufficient First Aid qualified personnel and the required first aid kit and any other required first aid equipment at the work site, suitable for the crew size, nature of work being performed and location, all of which shall, at a minimum, comply with OSHA regulations (29 CFR 1910.266).

### 18.4 Fire Protection

18.4.1 The contractor must have appropriate fire extinguishers suitable (i.e., type, size and quantity) for nature of the work being done, in compliance with applicable legislation, and be always readily available on:

- (a) the work site, and
- (b) all contractor equipment, machinery, and highway vehicles.

18.4.2 Contractor personnel shall ensure that all necessary precautions are taken to prevent fires, including the following:

- (a) storing flammable material (e.g., paper, rubbish, sawdust, oily or greasy rags, etc.) in proper containers,
- (b) storing and transporting fuel, gasoline, or other flammable liquids in approved containers. Use of unapproved containers is prohibited,
- (c) proper disposal of flammable material daily,
- (d) preventing static electricity when dispensing or transferring flammable liquids by using proper grounding and bonding techniques,
- (e) avoid using cutting or welding torches during the last one-half hour of shifts, if possible.
- (f) taking special precautions with fusees, including:
  - (i) store and transport in approved containers.
  - (ii) do not allow fusees to come in contact with any combustible material, including railroad ties or wooden timbers, and

- (iii) fully extinguish fusees before leaving the location where used.
  - (g) promptly advise CPKC management of any fire on CPKC property, and
  - (h) fully extinguish or provide protection for any fire prior to leaving the work site.
- 18.4.3 Contractors working on the CPKC right-of-way where a high risk of fire exists (e.g., during rail grinding, rail welding) must have:
  - (a) appropriate fire prevention and suppression plans (including emergency numbers for CPKC, local firefighters and fire control districts), and
  - (b) additional firefighting equipment and trained contractor Personnel on site, as required by applicable legislation or the Manager-in-Charge.

## **19.0 Confined Space**

### **19.1 Confined Space**

- 19.1.1 Qualified and authorized contractor personnel must follow all required confined space entry procedures in accordance with applicable legislation and standards prior to entering into a confined space.
- 19.1.2 Rescue procedures and equipment must readily available when required to enter a confined space.

## **20.0 Reportable Accidents, Incidents, and Injuries**

### **20.1 Reportable Injuries**

- 20.1.1 Reportable injuries include any personal injury to:
  - (a) Contractor personnel.
  - (b) any CPKC personnel, or
  - (c) to any third party on CPK property.

### **20.2 Reportable Accidents**

- 20.2.1 Reportable accidents include any occurrence that results in:
  - (a) damage to railroad tracks, right of way, buildings or other CPKC property,
  - (b) damage to railroad equipment,
  - (c) damage to CPKC highway vehicles,
  - (d) release of hazardous material,
  - (e) spill or loss of transported commodities, and
  - (f) any threat to the environment.



## 20.3 Reportable Incidents

### 20.3.1 Reportable incidents include:

- (a) unintended movement of railroad equipment.
- (b) failure to provide track protection for workers when required.
- (c) movement of railroad equipment beyond authorized limits.
- (d) operation of railroad equipment by an unqualified person.
- (e) unauthorized handling of a track switch.
- (f) damage, vandalism or tampering with any railroad signals, structures or railroad safety device.
- (g) seepage, leakage, spills of, or other contamination from, hazardous materials.
- (h) actual, threaten or suspected security related incidents.
- (i) slides, washouts, or other on-track obstructions, or
- (j) any occurrence that may disrupt the movement of trains or affect safe rail operations.

## 21.0 Reporting

### 21.1 Emergency Reporting

#### 21.1.1 In the case of an emergency, contractor personnel must call:

- (a) 911, where this emergency response system exists, or
- (b) the local police, fire or emergency department in all cases, and
- (c) CPKC Police Services Communication Center- 1-800-716-9132.

### 21.2 Accident, Incident, Injury Reporting

#### 21.2.1 When an accident, incident or injury occurs on CPKC Property, the contractor must:

- (a) immediately report it to the
  - (i) CPKC U.S. North (north of Kansas City) 1-800-716-9132 or CPKC U.S. South (Kansas City and south of) 1-877-527-9464
  - (ii) CPKC Manager-in-Charge
- (b) follow all instructions given to protect the scene.

#### 21.2.2 CPKC is obligated to report contractor personnel injuries occurring on CPKC property to the Federal Railroad Administration (FRA). Any state or required regulatory reporting remains the contractor's responsibility.

### 21.3 Information to Report

#### 21.3.1 Information required with the initial report includes:

- (a) type of incident.
- (b) date and time of occurrence.
- (c) location (mileage, subdivision, building, yard, or other physical description).
- (d) identity of person(s) involved or injured (company & name).
- (e) description of any hazardous materials involved.
- (f) type & unit number of any railroad equipment or vehicle involved.

- (g) description of occurrence, damage and/or injury, and cause if known.
- (h) description of any emergency response.
- (i) name and contact information of person making the report, and
- (j) any such other information that CPKC may require.

## **21.4 Environmental Incidents and Spills**

21.4.1 In the event of an environmental incident or spill that could have a negative impact on the environment, the contractor must immediately:

- (a) Report the incident to the Operations Center, the Manager-in-Charge, and the designated CPKC Contact as per the governing agreement relating to the work.
- (b) take all reasonable actions to contain the spill.
- (c) respond in accordance with its emergency response plan, and
- (d) provide CPKC with the following information:
  - (i) description of location and surrounding area, including any sensitive environmental areas nearby (e.g., rivers, parks, sewers).
  - (ii) type and quantity of substance released.
  - (iii) cause of spill or deposit, if known, and
  - (iv) details of any immediate action taken, or action proposed to be taken to contain spill and recover substance.

## **21.5 Additional Contractor Requirements**

21.5.1 Contractor and Contractor Personnel must:

- (a) ensure an appropriate emergency response is initiated.
- (b) protect any evidence until released by the CPKC Manager-in-Charge.
- (c) cooperate fully with any CPKC investigation.
- (d) cooperate fully with any investigating government agency, and
- (e) notify CPKC if information is requested by any investigating government agency.

## **22.0 Contractor & Contractor Personnel Acknowledgement**

### **Acknowledgement**

- 20.1.1 Contractor and Contractor Personnel who Work on CPKC Property shall be deemed to have read and understood the content of these CPKC Safety Requirements for Contractors - United States, as amended from time to time, and to agree to be bound by them.
- 20.1.2 These CPKC Safety Requirements for Contractors - United States are subject to change without prior notice.



*Home Safe is a commitment to be vigilant about personal safety and the safety of co-workers.*

**21.0 Attachment A – Emergency Information Sheet**

<b>Emergency Contact Information:</b>		
<b>Emergency Contacts:</b>	<b>Phone:</b>	<b>Location:</b>
CPKC U.S. North (North of Kansas City):	1-800-716-9231	
CPKC Public Safety Communication Centre (PSCC)		
CPKC U.S. South (Kansas City and south of)	1-877-527-9464	
CPKC U.S. North Railroad Dispatcher Radio Channel:		
CPKC U.S. South Railroad Dispatcher Radio Channel:		
Manager-in-Charge (MIC):		
Local Emergency Services (EMS):		
Local Police Services:		
Local Fire Services:		
Hospital:		
Physician:		
Aircraft service, (if applicable):		
Watercraft service, (if applicable):		
Other Emergency Services:		
<b>Emergency Evacuation Route:</b> (Describe nearest evacuation assembly location or provide sketch on back)		

**22.0 Attachment B – Work Site Information Sheet**

<b>Work Site Information:</b>	<b>Details:</b>
Worksite Location Name:	
Worksite Location Address:	
Railroad Subdivision Name and Mileage:	
Nearest Town:	
Manager-in-Charge: (Name / Phone Number)	
Contractor Supervisor: (Name / Phone Number)	
Worksite Phone Number:	
Certified First Aid Attendant(s): (Name(s) / Phone Number(s))	
Location of First Aid Kit(s):	
Location of AED (if onsite):	
Location of Fire Extinguishing Equipment:	
Location of Safety Data Sheets (SDSs):	

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Schedule E  
Public Highway Easement No. 5130901

## PUBLIC HIGHWAY EASEMENT No. 5130901

Date: \_\_\_\_\_, 2025.

In consideration of the sum of Twenty-Six Thousand and No/100 Dollars (\$26,000.00), the receipt whereof is hereby acknowledged,

**DAKOTA, MINNESOTA, & EASTERN RAILROAD CORPORATION**, a Delaware corporation doing business as CPKC, of 120 South Sixth Street, Suite 700, Minneapolis, Minnesota 55402, ("**Grantor**")

hereby grants and conveys unto **STEELE COUNTY** ("**Grantee**"),

an easement ("**Easement**") described and conditioned as follows:

- 1.0 **DESCRIPTION OF EASEMENT AREA:** The Easement is granted over, under, across and through the following parcel of land in **Steele County, Minnesota**, described as follows:

That part of the southeast quarter of Section 14, Township 107 North, Range 20 West, shown as Parcel 200 on Steele County Highway Right of Way Plat No. 21 as the same is on file and recorded on April 18, 2023 as Document Number A000447501 in the office of the County Recorder in and for Steele County, Minnesota

**CONTAINING 22,886 square feet**, more or less and hereinafter referred to as the "**Easement Area**." And depicted on the attached Exhibit A.

2.0 **PURPOSES:** The Easement shall be limited to:

- 2.1. The installation, construction, maintenance, repair, replacement, and use of a public highway (the “**Roadway**”) for public vehicular and pedestrian uses over, under, through and across the Easement Area.
- 2.2. The installation, construction, maintenance, repair, replacement, and use of State, County or City owned pipes, wires or other State, County or City-owned utilities (collectively “**Public Utilities**” or individually a “**Public Utility**”) provided that:
  - A. any such Public Utility installed or replaced after the date hereof, shall conform to the standards promulgated by the Grantor for the placement of such item upon, beneath or across operating railroad property;
  - B. No such Public Utility shall be installed without advance written approval of the Grantor and without submitting proposed plans at least 30 days in advance of planned construction, maintenance or replacement;
  - C. Subject to the preceding section 2.2(A) and (B), the installation, repair or replacement of any Public Utility shall be subject to the provisions of Section 5.2 herein;
  - D. The foregoing sections 2.2(A) through (C) shall not apply if railroad operations are abandoned across the Easement Area or if railroad tracks are permanently removed.
  - E. Nothing herein shall be construed to allow a non-government owned utility company to construct, maintain, repair or replace pipes wires or other items upon or across the Easement Area.

3.0 **RESERVATIONS:**

- 3.1 Grantor’s railroad operations, tracks and facilities shall be deemed superior to the rights granted herein for Roadway purposes and Grantor reserves the right and privilege to construct additional tracks or facilities as may be required for railroad traffic, operations or safety, in a manner that, once completed, does not materially and unreasonably interfere with the Grantee's use of the Easement Area pursuant to this Easement.

### 3.2 Grantor reserves:

- A. fee title to the Easement Area to itself; Grantee's maintenance and use of the Easement Area, however long continued, shall not vest in the Grantee rights adverse to those of the Grantor other than those granted by this Easement;
- B. the right to permit other parties to use the Easement Area in a manner that does not unreasonably interfere with the Grantee's use of the Easement Area pursuant to this Easement;
- C. the right of incidental use of the Easement Area in a manner that does not unreasonably interfere with the Grantee's use of the Easement Area pursuant to this Easement; and
- D. the right and privilege to use the Easement Area for any and all other purposes that are not inconsistent with the use thereof for the purpose or purposes permitted by this Easement or which do not unreasonably interfere with or restricts the rights granted to Grantee.

### 4.0 **TERM, TERMINATION AND EXPIRATION:**

4.1 This Easement shall remain in effect so long as required by Grantee for Roadway or Public Utility purposes. The Easement shall be subject to termination or expiration as follows:

- 4.1.1 Abandonment: In the event the Easement Area is not used for Roadway or Public Utility purposes for a period of twelve (12) consecutive months and Grantor serves upon Grantee a written notice alleging such non-use. If Grantee does not refute the allegation of non-use within 30 days following receipt of said written notice, then Grantee shall be deemed to have agreed with Grantor's allegations and the Easement shall therewith be extinguished.
- 4.1.2 Removal: In the event Grantee substantially removes the Roadway and Public Utilities with the intent of not replacing them, then the Easement shall therewith be extinguished.
- 4.1.3 Breach: If Grantee is unable or unwilling to cure a breach of any of the provisions of this Easement within thirty (30) days (or such longer period as may be reasonably required if Grantee promptly initiates the cure and diligently prosecutes the cure to completion) following receipt of a written notice from Grantor detailing such breach, then this Easement shall therewith be terminated. The foregoing shall be subject, however, to

reasonable seasonal accommodations for any physical work to the Roadway or Public Utilities required to cure a breach.

- 4.2 Upon termination or expiration of this Easement for any reason, except for portions of the Roadway within 10 feet of the centerline of any railroad track owned by Grantor, Grantee shall, at its sole expense, promptly remove the Roadway from the Easement Area and restore the Easement Area to substantially its former state. In the event that Grantee fails to remove the Roadway, within sixty (60) days following receipt by Grantee of a written notice from Grantor that it intends to remove the Roadway, the Roadway may be so removed. Upon receipt of a bill therefor, Grantee shall immediately pay to Grantor the costs incurred by Grantor in the removal of the Roadway.

#### 5.0 **ROADWAY CONSTRUCTION, MAINTENANCE AND REMOVAL WORK:**

The provisions of this Section 5 shall apply to the extent the provisions of this Section 5 are not included in a separate written agreement between the parties.

- 5.1 Division of Responsibility: Grantee shall be responsible, at its cost and expense, for all work necessary to install, construct, maintain, repair, replace and remove the Roadway, except for those portions within 10 feet of the centerline of any railroad track owned by Grantor (the "**Track Zones**"). Grantor, unless it notifies Grantee to the contrary, shall install, maintain and remove those parts of the Roadway within the Track Zones at Grantee's expense; provided, that Grantor's expense shall in all circumstances be reasonable and customary in the railroad industry for the type of work undertaken. Unless reimbursement has been paid in advance, upon receipt of a bill therefor, Grantee shall reimburse Grantor for such work within the Track Zones.

#### 5.2 Roadway and Public Utility work by Grantee:

- 5.2.1 Grantee, shall secure all necessary public approvals and permits for the construction, maintenance, operation or removal of the Roadway or Public Utilities from or in the Easement Area.
- 5.2.2 Grantor makes no representation by the granting of this indenture that the Easement Area is free of any such pipes, wires, conduits, sewers, pilings or other obstructions.

Prior to any construction, maintenance or removal of the Roadway or Public Utilities, Grantee shall be responsible for determining the location and existence of any pipes, wires, conduits, sewers, piling or other obstructions to the construction of the Roadway. Grantee expressly assumes the risk of damage to the foregoing pipes, wires, conduits, sewers, piling or other

obstructions, if any, and agrees to pay any claims arising from damage thereto in connection with the construction or maintenance of the Roadway.

5.2.3 Grantee shall not carry on any work in connection with the installation, maintenance, repair, changing or renewal of the Roadway or Public Utilities within 25 feet of the center line of any Grantor – owned track until:

5.2.3.1 it shall have given Grantor at least five (5) days' written notice, and

5.2.3.2 an authorized representative of Grantor shall, at Grantor's election, be present to supervise same. Upon bills being rendered for the authorized representative's supervision, Grantee shall promptly reimburse Grantor for all reasonable expenses incurred by it in connection with such supervision, including all labor costs for flagmen supplied by Grantor to protect railroad operations, and for the entire cost of the furnishing, installation and later removal of any temporary supports for said tracks, if any.

5.2.4 Prior to the commencement of work, the Grantee shall require any third party contractor acting on behalf of the Grantee pursuant to this Easement to:

5.2.4.1 to the extent permitted by law, execute and deliver to the Grantor a release of liability that shall provide that the contractor shall indemnify, hold harmless and defend the Indemnitees (as defined below) from and against all claims arising out of, resulting from or relating to any loss of (or damage to) any property or business or any injury to (or death of) any person, where such loss, damage, injury, or death actually or allegedly arises (whether directly or indirectly, wholly or in part) from any negligence or willful misconduct of the Contractor (or its employees, agents, or contractors) while on the Easement Area pursuant to this Easement. "Indemnitees" means Grantor, its subsidiaries, affiliated companies and parent companies, and their directors, officers, employees and agents, including without limitation, Soo Line Railroad Company, Delaware and Hudson Railroad Corporation, Dakota, Minnesota and Eastern Railroad Corporation, Soo Line Corporation, Wyoming, Dakota Railroad Properties, Inc., The Milwaukee Motor Transportation Company, Hiawatha Transfer Company, The Kansas City Southern Railway Company, the Texas Mexican Railway Company, the Gateway Eastern Railway Company, MidSouth, LLC, Canadian Pacific Railway Company, and Canadian Pacific Kansas City Limited. In no event will the Grantee be required to indemnify, hold harmless and defend the Indemnitees (as defined above) from and against any claim whatsoever.



5.2.4.2 to maintain during any period of time that any of its employees or agents or equipment are upon the Property, policies of insurance with initial limits of coverage shown in brackets “[ ]” as follows:

- a) Workers' Compensation Insurance which fully meets the requirements of any Workers' Compensation law in force in Minnesota, including the requirements of any Occupational Disease Law.
- b) Business Automobile Coverage Insurance covering all owned, non-owned and hired vehicles engaged in or on the Easement Area, with a combined single limit of \$[5,000,000.]
- c) Commercial General Liability insurance with a combined single limit of \$[10,000,000].

5.2.5 The above policies of insurance shall further be subject to the following:

5.2.5.1 The coverage limits of the foregoing policies shall be initially as shown in brackets, but such amounts shall after one year from the date hereof be such amounts as Grantor reasonably deems standard for work in close proximity to railroad operations.

5.2.5.2 Each such insurance policy shall name the Grantor as an additional Insured. Prior to commencement of any work upon the Easement Area, the Grantor must receive and approve a certificate or certificates of insurance for each such insurance policy stating that such coverage will not be canceled or materially changed without ten (10) days written notice being given to the Grantor. The certificate for the Commercial General Liability Policy of insurance shall include the following endorsement:

“It is agreed that the policy or policies of insurance evidenced by this certificate covers the liability assumed by the insured in connection with work to be performed in connection with the Roadway as set forth in the easement grant dated \_\_\_\_\_, 2025 by Dakota, Minnesota, & Eastern Railroad Corporation, Inc. to the Steele County, including work upon railroad property, within railroad right of way and in close proximity of operating railroad tracks.”

5.2.6 Grantee shall, at its sole expense, do all necessary grading of the Roadway approaches to said grade crossing and install drainage culverts, if required by Grantor, all in a manner satisfactory to the Grantor's Division Engineer or other designated representative; provided that if such grading is completed according to approved plans, any such grading shall be deemed approved by Grantor.

- 5.2.7 Except repairs caused by Grantor's acts of gross negligence or willful misconduct, Grantee, at Grantee's sole expense, whenever notified in writing by Grantor to do so, shall promptly make such repairs to or changes in the Roadway, including reasonable changes in location as Grantor may require to accommodate changes in railroad operations or construction of railroad facilities.
- 5.2.8 Grantee, at Grantee's sole expense, whenever notified in writing by Grantor to do so, shall promptly make emergency repairs to the Roadway as Grantor and Grantee agree are necessary. If Grantee fails to make such repairs within a reasonable period, Grantor shall have the right, at its election, to make these emergency repairs to the Roadway and in such event Grantee, upon bills being rendered therefor, will promptly reimburse Grantor for all reasonable expenses incurred in connection therewith.
- 5.3 Roadway work by Grantor: Unless Grantee is notified to the contrary, on a case-by-case basis, Grantor shall construct, maintain and remove that part of the Roadway within the Track Zones at Grantee's expense; provided, that Grantor's expense shall in all circumstances be reasonable and customary in the railroad industry for the type of work undertaken. Grantee shall, upon receipt of an invoice therefor, pay Grantor for all costs and expenses incurred by Grantor in connection with:
- 5.3.1 The construction, maintenance or renewal of improvements necessary for rail bed, tracks, flanger signs, drainage, and road surface;
- 5.3.2 Flagging services as may be required by Grantor;
- 5.3.3 Any grading, paving installation of approach signs and the paving of the roadway approaches up to the edge of the rail ties performed by Grantor;
- 5.3.4 Incidental work and materials to construct, maintain, or renew any at-grade crossing, roadway or appurtenances thereto, other than signal or warning devices, including gates;
- 5.3.5 Other incidental expenses and reasonable administration or overhead charges not to exceed reasonable and customary expenses incurred or allocated under similar circumstances in the railroad industry.
- 6.0 **TAXES AND ASSESSMENTS**: Grantee shall assume and pay any taxes or assessments which may be levied by any competent authority by reason of the existence or use of the Easement Area for public highway purposes.

## 7.0 **LIABILITY:**

In consideration for the grant of the Easement, without which it would not be granted, Grantee assumes all risk of damage to or destruction of the Roadway or Public Utilities through any cause whatsoever while located upon and across the Easement Area, except as may result from Grantor's willful misconduct.

## 8.0 **ENVIRONMENTAL:**

8.1 As used in this Section, the following terms have the following definitions:

8.1.1 **"Claim"** or **"Claims"** means any and all liabilities, suits, claims, counterclaims, causes of action, demands, penalties, debts, obligations, promises, acts, fines, judgments, damages, consequential damages, losses, costs, and expenses of every kind (including without limitation any attorney's fees, consultants' fees, response costs, remedial action costs, cleanup costs and expenses which may be related to any Claims);

8.1.2 **"Environmental Law"** or **"Environmental Laws"** means the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Clean Water Act, 33 U.S.C. § 1321 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., all as amended from time to time, and any other federal, state, local or other governmental statute, regulation, rule, law or ordinance dealing with the protection of human health, safety, natural resources or the environment now existing or hereafter enacted;

8.1.3 **"Hazardous Substance"** or **"Hazardous Substances"** means any petroleum product, distillate, or fraction, radioactive material, chemical known to the Federal Government or the State of Minnesota to cause cancer or reproductive toxicity, polychlorinated biphenyl or any other chemical, substance or material listed or identified in or regulated by an Environmental Law of the United States or the State of Minnesota including but not limited to Federal or Minnesota hazardous waste laws;

8.1.4 **"Release"** or **"Released"** means any actual or threatened spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing or spreading of any Hazardous Substance into the environment, as "Environment" is defined in CERCLA;

8.1.5 **"Response"** or **"Respond"** means action taken in compliance with Environmental Laws to correct, remove, remediate, cleanup, prevent,

mitigate, monitor, evaluate, investigate, assess or abate the Release of a Hazardous Substance;

8.1.6 **"Use"** means to manage, generate, manufacture, process, treat, store, use, re-use, refine, recycle, reclaim, blend or burn for energy recovery, incinerate, accumulate speculatively, transport, transfer, dispose of, or abandon a Hazardous Substance.

## 8.2 The Grantee:

8.2.1 shall be familiar with the requirements of, comply with, and secure at the Grantee's own expense any permits or licenses required by, all applicable laws, regulations, ordinances, and standards, including without limitation all Environmental Laws;

8.2.2 shall, upon written request by the Grantor (but only in such circumstances where Grantor has reasonably reliable information that the Easement Area has been contaminated), provide the Grantor with the results of appropriate reports and tests from a qualified engineer to demonstrate that the Grantee has complied with all Environmental Laws relating to the Easement Area;

8.2.3 shall not in any manner cause or allow the Easement Area to become a hazardous waste treatment, storage or disposal facility within the meaning of, or otherwise bring the Easement Area within the ambit of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. or any similar state statute or local ordinance;

8.2.4 shall not, without prior written disclosure to and approval by the Grantor, Use or authorize the Use of any Hazardous Substance on the Easement Area, except for the Roadway and other incidental and associated uses and such other utilization as may be in accordance with Environmental Laws;

8.2.5 shall not cause or allow the Release or threat of Release of any Hazardous Substance on, to, or from the Easement Area;

8.2.6 shall promptly notify the Grantor of any actual or suspected Release of any Hazardous Substance on, to, or from the Easement Area, regardless of the cause of the Release;

8.2.7 shall promptly provide the Grantor with copies of all summons, citations, directives, information inquiries or requests, notices of potential responsibility, notices of violation or deficiency, orders or decrees, claims, causes of action, complaints, investigations, judgments, letters, notices of environmental liens or Response actions in progress, and other communications, written or oral, actual or threatened, from the United States Environmental Protection

Agency, the United States Occupational Safety and Health Administration, or other federal, state or local agency or authority, or any other entity or individual, concerning any Release of a Hazardous Substance on, to or from the Easement Area, or any alleged violation of or responsibility under any Environmental Law relating to the Easement Area; and

8.2.8 shall promptly take all necessary action in Response to any Release or Use of a Hazardous Substance by Grantee at the Easement Area that gives rise to any liability, claim, cause of action, obligation, demand, fine, penalty, loss, judgment or expense under any Environmental Law, or causes a significant public health or workplace effect, or creates a nuisance.

8.2.9 By accepting delivery of this Easement, Steele County, covenants and agrees not to sue Grantor or its respective directors, officers, stockholders, divisions, agents, affiliates, subsidiaries, predecessors, successors and assigns, grantors or anyone acting on its behalf or their behalf with respect to any Claims (including without limitation all Claims arising under any Environmental Law), existing and contingent, known and unknown, that Grantee had, has or may have, whether arising at common law, in equity, or under a federal, state or local statute, rule or regulation, arising out of, resulting from, or relating to the condition of the Easement Area. The foregoing shall apply to any condition of the Easement Area, known or unknown, contemplated or un contemplated, suspected or unsuspected, including without limitation the presence of any Hazardous Substance on the Easement Area, whether such Hazardous Substance is located on or under the Easement Area, or has migrated from or to the Easement Area, regardless of whether the foregoing condition of the Easement Area was caused in whole or in part by the Grantor's actions or inactions.

## 9.0 **MISCELLANEOUS:**

9.1 Grantee/Grantor: As used in this Easement, the terms “**Grantee**” and “**Grantor**” shall include the parties first named above and their respective successors or assigns.

9.2 Headings: The paragraph headings used in this Easement are used solely for the purpose of convenience. They are not intended to, and do not, modify or limit the wording of the paragraphs to which they are appended, and they shall not be used or construed as guides to the interpretation of said paragraphs.

9.3 Severability of Terms: Each provision, paragraph, sentence, clause, phrase, and word of this Easement shall apply to the extent permitted by applicable law and is intended to be severable. If any provision, paragraph, sentence, clause, phrase or word of this indenture is illegal or invalid for any reason whatsoever,

such illegality or invalidity shall not affect the legality or validity of the remainder of this Easement.

- 9.4 No Waiver: Any act or omission constituting a breach of this Easement shall be limited to such act or omission and shall not be construed as a permanent or continuing waiver thereof;
- 9.5 Notices: Any notice given by a party pursuant to this Easement, shall be good if served upon the other party, or if deposited in a United States post office, certified mail, addressed to the other party at its last known address.
- 9.6 Merger: This Easement completely outlines all of the rights, responsibilities, and obligations of the parties hereto and said indenture may not be amended or altered except by an instrument in writing signed by both parties. Furthermore, this Easement merges all prior oral representations and negotiations of the parties hereto.
- 9.7 No Warranty: Grantor does not warrant title to the Easement Area, and makes no representations or warranties, express or implied, as to the habitability of the Easement Area or the fitness of the Easement Area for Grantee's purpose or any other particular purpose.
- 9.8 Prior Appropriation: To the extent this Easement imposes obligations on Grantee that require the expenditure of funds by Grantee, such obligations are contingent upon and subject to the Minnesota Legislature appropriating funds for such obligations. If there is no appropriation of funding for all or part of any such obligation, Grantee shall make a good faith effort to secure funding to cover the obligation.

This Easement shall inure to the benefit of and be binding upon the successors and assigns of the Grantor and the Grantee.

*[Remainder of this page left blank]*

**DAKOTA, MINNESOTA, & EASTERN RAILROAD CORPORATION**  
*doing business as CPKC*

By: \_\_\_\_\_  
Nikol R. Daniels  
Its: Director Real Estate - U.S.

STATE OF MISSOURI       )  
  ) ss:  
COUNTY OF JACKSON    )

The foregoing easement was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by Nikol R Daniels, Director Real Estate - U.S., of Dakota, Minnesota, & Eastern Railroad Corporation, a corporation under the laws of the State of Delaware, on behalf of the corporation.

Notary Seal

\_\_\_\_\_  
Notary Public



**STEELE COUNTY**

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF MINNESOTA    )  
  ) ss:  
COUNTY OF STEELE     )

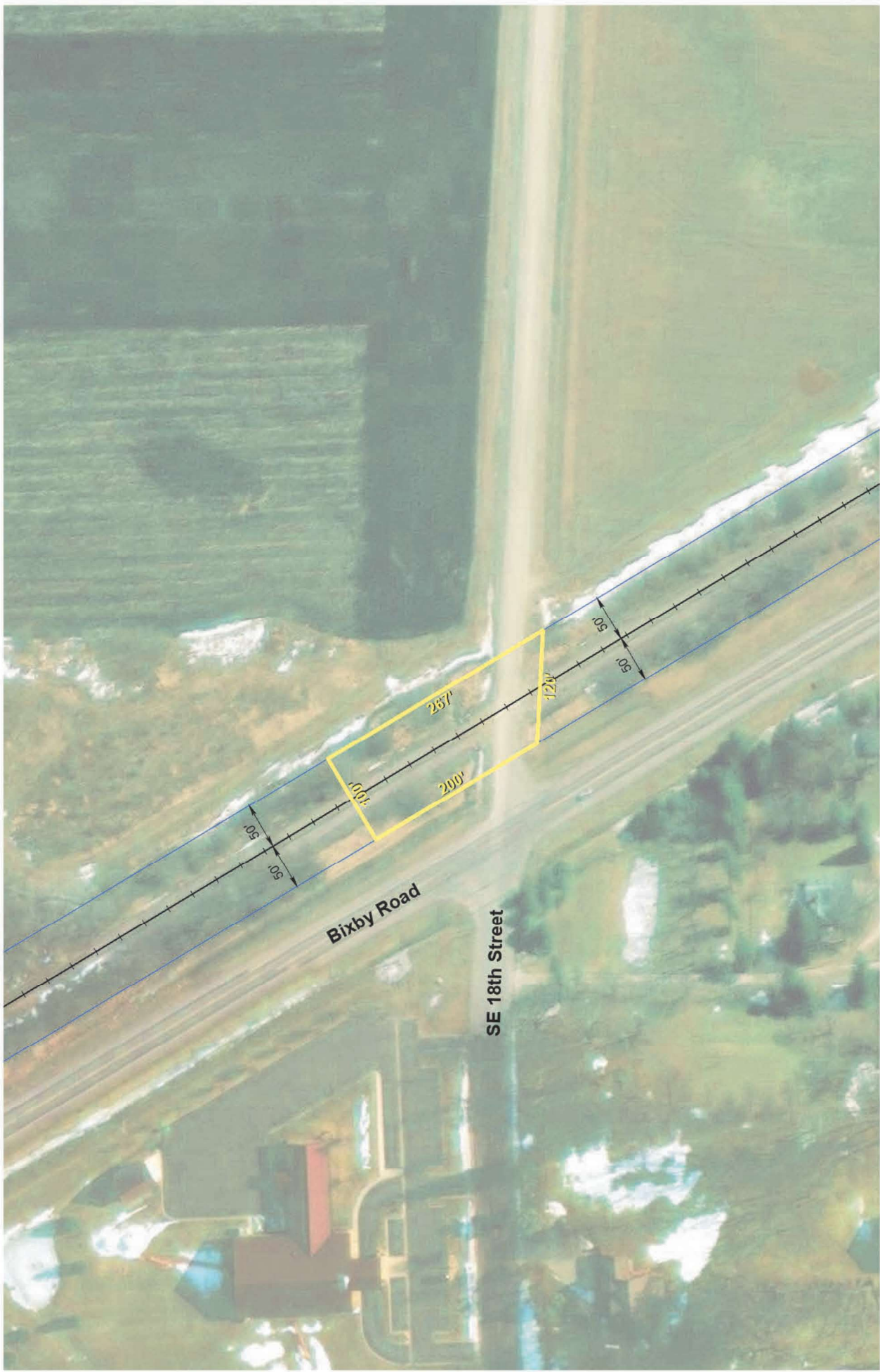
The foregoing easement was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by \_\_\_\_\_.

Notary Seal

\_\_\_\_\_  
Notary Public

This instrument was drafted by:  
Real Estate Department  
CPKC  
700 Canadian Pacific Plaza  
120 South Sixth Street  
Minneapolis, Minnesota 55402

**EXHIBIT A – Depiction of the Easement Area**



DISCLAIMER:  
THIS EXHIBIT HAS NOT BEEN PREPARED FROM  
FIELD DATA, BUT FROM AERIAL IMAGERY  
PROVIDED BY ESRI AND OTHER CONTRIBUTORS.  
ALL DATA SHOWN IS DERIVED FROM GIS SOURCES  
AND SHOULD BE CONSIDERED APPROXIMATE AND  
NOT ALL ENCOMPASSING. THIS EXHIBIT IS INTENDED  
FOR REFERENCE PURPOSES ONLY. IT IS NOT  
INTENDED FOR CONVEYANCES, NOR IS IT A LEGAL  
SURVEY. MAP IS BEST VIEWED IN COLOR.

NOTES:  
AREA CALCULATION APPROXIMATE  
LAND LICENSE AREA:  
22,886 SF  
0.53 AC

LEGEND:  
CPKC PROPERTY LINE  
CPKC TRACK  
LAND EASEMENT BOUNDARY  
50' EASEMENT BOUNDARY DIMENSION



MAP NOT TO SCALE



CPKC

EASEMENT AGREEMENT

EXHIBIT A

OWATONNA, MN

MP 99

LAT 44.066179, LON -93.194570

OWATONNA SUB

SHEET 1 OF 224 OF 224 DATE: 3/12/2025



## Steele County Agenda Item

Request for Board Action

**Subject: Canadian Pacific Kansas City Railroad and the State of Minnesota Agreement for Rail Crossing Signal at SE 18<sup>th</sup> Street**

**Department:** Highway

**Committee:** Public Works

**Work Session Date:** N/A

**Committee Meeting Date:** N/A

**Board Meeting Date:** May 13, 2025

**Consent Agenda:** ☐ Yes ☒ No

**Resolution:** ☒ Yes ☐ No

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### Policy Committee Recommendation:

N/A

### Recommendation:

Adopt resolution for and approve agreement with CPKC railroad and State of Minnesota for the installation of crossing signals and gates at the SE 18<sup>th</sup> Street rail crossing.

### Background (*Including Budget Impact*):

Construction of a roundabout at CSAH 48 Bixby Rd and SE 18<sup>th</sup> Street is suspended until agreements with CPKC railroad (Company) can be completed. The project requires relocating the railroad crossing just east of the intersection to complete the construction. In addition, all alignment alternatives being considered for the East Side Corridor will be routed via SE 18<sup>th</sup> Street through this crossing. The East Side Corridor project is programmed for construction in the 2025-2029 Highway Capital Improvement Plan.

To address the intersection changes and anticipated future traffic at the crossing, the Minnesota Commissioner of Transportation (State) determined that the crossing be provided with new railroad cantilevered flashing light signals, gates, a side light, constant warning circuitry, and LED lenses. The Federal Highway Administration (FHWA) makes funding available through the State to eliminate rail crossing hazards.

The agreement outlines the State, County, and Company responsibilities to complete and maintain that work in the future. The State will provide \$5,000 from Federal Funds. The County will fund the remaining costs estimated at \$441,083.38 from State Aid and Sales Tax funding budgeted in 2023.

In addition to the agreement, the State requires a resolution approving the agreement to be adopted by the County Board.

### Attachments:

Agreement  
Resolution

**STATE OF MINNESOTA  
RAILROAD CROSSING SIGNAL**

<b>USDOT Number:</b>	380288F	<b>Total Obligation:</b>	\$ 446,083.38
<b>State Project Number (SP):</b>	74-00140	<b>Anticipated Federal Aid:</b>	\$ 5,000.00
<b>Federal Project Number:</b>	RRS 7425 (180)	<b>Total Local Agency Obligation:</b>	\$ 441,083.38
<b>CFDA:</b>	20.205		

**Railroad:** Dakota, Minnesota & Eastern Railroad d/b/a CPKC  
**Location:** T-118 (SE 18<sup>th</sup> Street), Owatonna, Steele County, MN Steele  
**Local Agency:** County, MN

This agreement (Agreement) made and entered into by and between State of Minnesota through its Commissioner of Transportation, (State), the Dakota, Minnesota & Eastern Railroad d/b/a CPKC, (Company), and Steele County, MN, (Local Agency).

**RECITALS**

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- 1 T-118 (SE 18<sup>th</sup> Street), as now established, crosses the track of the Company at grade in Owatonna, Steele County, MN, the location of the crossing and railway track shown on the attached print, marked Exhibit A.
- 2 The State, Local Agency, and the Company desire that this grade crossing be provided with new railroad cantilevered flashing light signals, gates, a side light, constant warning circuitry, and LED lenses (Project), and the Company is willing to install, maintain and operate such signals upon the terms and conditions set forth in this Agreement.
- 3 The State, pursuant to Minnesota Statute Section 161.36, is authorized to cooperate with the United States Government in contracting for the construction, improvement and maintenance of transportation in the state of Minnesota, financed in whole or in part by federal monies.
- 4 The Federal Highway Administration (FHWA), when acting in cooperation with the State of Minnesota, is authorized by Section 130 of Title 23 of the United States Code to make Federal Aid available for the purpose of eliminating hazards at railroad grade crossings within the State of Minnesota.
- 5 The State, pursuant to Minn. Stat. §219.26, has reviewed the proposed selection of warning devices for the railroad grade crossing and has determined that the proposed selection is appropriate for the crossing.

**AGREEMENT TERMS**

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**1. Term of Agreement, Survival of Terms and Incorporation of Exhibits**

- 1.1. **Effective Date:** This Agreement will be effective on the date State obtains all required signatures under Minn. Stat. §16C.05, subdivision 2. Company shall not begin work under this Agreement until this Agreement is fully executed and Company has been notified in writing by State's Project Manager to begin the work.
- 1.2. **Expiration Date:** This Agreement will expire four years after this Agreement is fully executed, or when all obligations have been satisfactorily fulfilled, whichever occurs first. The State or Local Agency will not pay for work after the expiration of the Agreement. The Company agrees to complete such work at its own expense.
- 1.3. **Survival of Terms:** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this Agreement, including, but not limited to the following clauses: 3. Future Responsibility;



6.3 State Audits; 6.5 Data Disclosure; 6.6 Government Data Practices; and 6.11 Governing Law, Jurisdiction and Venue.

- 1.4. Exhibits: Exhibits A, B, C, D, and E are attached and incorporated into this Agreement. Exhibit A Location Print; Exhibit B Detailed Cost Estimate; Exhibit C Title VI Non-Discrimination Provisions; Exhibit D Buy America, and Exhibit E Local Agency Resolution.

## 2. Scope of Work

### 2.1. Work Performance

- 2.1.1. The Company shall furnish all material for and install a complete railroad crossing signal system with cantilevered flashing light signals, gates, a side light, constant warning circuitry, and LED lenses on T-118 ( SE 18<sup>th</sup> Street), at the location indicated on Exhibit A. The Company shall place the signals in accordance with Part 8 of the Minnesota Manual on Uniform Traffic Control Devices (MN MUTCD).
- 2.1.2. The Company shall submit detailed plans and specifications for the work to be done to the State for approval, prior to starting work.
- 2.1.3. The Company may contract any or all of the work included under the Agreement provided a market based competitive procurement process is used.
  - (a) If the contracted work costs less than \$10,000, the Company shall provide a detailed invoice of work performed by the contractors
  - (b) If the contracted work costs \$10,000 or more, the Company shall:
    - i. Have prior approval of the State;
    - ii. Enter into a written contract with the contractor; an existing continuing contract under which the Company has the same kind of work regularly performed at the Company's cost may be considered to conform to the requirements of this section if the State determines that the costs are reasonable; and
    - iii. Provide a copy of the continuing contract or individual contract used for work under the Agreement.
- 2.1.4. The Company will comply with Buy America, the requirements of which are detailed in Exhibit D which is attached and incorporated into this Agreement.

### 2.2. Inspection, Standard of Performance

- 2.2.1. Applicable standards for railroad grade crossing construction consist of standards and regulations in AASHTO, AREMA, FHWA, MN MUTCD, Minn. Stat. §219 and Minn. Rules §8830. Should a conflict be identified in any of these standards and regulations, the Minnesota statutes and rules are deemed controlling.
- 2.2.2. The Company shall have the signals placed in service within 18 months after the date the Company is authorized to begin work. If the Company determines it is not possible to place signals in service within 18 months, the Company shall notify the State of a time extension and indicate the reason for such extension.
- 2.2.3. The Company and Local Agency shall permit the State to inspect and approve the work performed under this Agreement during the regular working hours of the Company with prior notice.
- 2.2.4. The Company shall notify the State in writing of the date when signals are in service. When signals are in service, representatives of the State and the Company shall conduct a joint inspection of the work.
- 2.2.5. The State may refuse to approve any and all work performed under this Agreement for failure to comply with applicable standards for work of that type. If the State fails to approve the work performed under this Agreement, the State may refuse to make any further payments under this

Agreement until the work at issue is performed in accordance with acceptable standards for work of this type and the work is approved by the State.

2.2.6. The company shall notify the State in writing of the date when all work is completed.

### 2.3. Traffic Control

2.3.1. The Company shall be responsible for all traffic control and schedule coordination with the Local Agency as may be required to install the signal system covered under this Agreement. Where work on or near the traveled roadway is necessary, proper traffic signs, channelizing devices, warning lights, and barricades will be erected to protect traffic, employees, and pedestrians. All traffic control devices and methods will conform to the Minnesota Field Manual on Temporary Traffic Control Zone Layouts, Minnesota Manual on Uniform Traffic Control Devices (MN MUTCD), Minnesota Standard Sign Manual, and the provisions and requirements of the State or Local Agency.

2.3.2. The Company shall provide 48 hours of notice to the Local Agency before placing any traffic control on the roadway.

2.3.3. The Company shall coordinate with the Local Agency if there is a need for a road detour in connection with the installation of the signal system prior to the starting dates.

2.3.4. The actual costs incurred by the Company for traffic control are eligible for reimbursement under the terms of this Agreement.

## 3. Future Responsibility

### 3.1. Maintenance

3.1.1. The Company shall maintain and operate, at the expense of the Company, the signal system upon completion of installation, provided, however that the Company's agreement herein to operate and maintain the signal system will not prejudice the Company from having the benefit and advantage of Federal, State, or other public funds that may become available to pay or contribute to the cost of operation and maintenance of signal systems at highway-railroad grade crossings.

### 3.2. Advance Signing and Pavement Markings

3.2.1. Subsequent to the installation of the signal system, the State agrees to contact the Local Agency to install or have installed, as may be needed, appropriate advance warning signs, other supplemental signs and pavement markings and remove signs that are no longer needed, in accordance with the Minnesota Manual on Uniform Traffic Control Devices (MN MUTCD).

### 3.3. Future Modifications or Removal

3.3.1. The signal system provided for in this Agreement is the property of the State and will not be removed unless there has been a determination by the State that the signal system is no longer required at this location. If the State determines that the signal system is to be removed, the Company shall notify the State of the removal date.

3.3.2. The Company shall bear the entire cost of the modification without contribution from the State or Local Agency if railway improvements necessitate a rearrangement of the signal system at this crossing.

3.3.3. The Company shall negotiate a separate agreement with the Local Agency to allocate costs if highway improvements necessitate a modification of the signal system at this crossing.



#### 4. Billing and Payment

- 4.1. Cost Estimate. The State, Local Agency and Company have agreed upon an estimated cost for the installation of the signal system to be installed by the Company or its contractor.

##### **Estimated Signal Cost**

State Funds (from received Federal Funds)	\$ 5,000.00
Local Agency Funds	\$441,083.38
<b>Total Estimated Cost</b>	<b>\$446,083.38</b>

- 4.2. Work Changes. In the event it is determined that a change from the statement of work to be performed by the Company, as outlined in paragraph 2.1, is required, it will be authorized only by an amendment to this Agreement executed prior to the performance of the work involved in the change.
- 4.3. Cost Sharing: Each party will receive a bill setting forth its proportional share of the costs whenever a Project billing is submitted.
- 4.4. Reimbursement

4.4.1. The State shall pay the Company only for such items of work and expense as are proper and eligible for payment, as provided in 23 Code of Federal Regulations including, but not limited to, Parts 1, 140, 172 and 646 (hereinafter called, "23 CFR"). Only materials actually incorporated into the project will be eligible for reimbursement. Actual costs include taxes, such as applicable sales and use taxes, gross receipts taxes, business and occupation taxes, and similar taxes. Payments will be made in accordance with the following:

- (a) State shall make payments in accordance with Minnesota Statutes §16A.124.
- (b) Invoices for labor and materials ("partial invoices") may be submitted on a periodic basis during the term of the project, but not more frequently than once per month. These valid partial invoices will be paid 30 days from the date they are received by the Office of Freight and Commercial Vehicle Operations.
- (c) Partial invoices that are not approved due to disputed items will be returned to the Company with a request for an explanation for any disputed items. If the dispute is resolved, the State shall pay the Company within 30 days of receiving a corrected invoice. The State may pay the non-disputed portion of any disputed invoice.
- (d) Partial invoices must be based on actual (not estimated) costs incurred. Partial invoices need not be itemized, but State must be able to substantiate costs by checking the Company's records.
- (e) Final invoices must be submitted within 120 days of the completion of the reimbursable railroad work. Invoices submitted after this date, and less than one (1) year after the last activity on the project will not be paid, unless good cause is shown for the delay in the submission of the invoice. In accordance with federal regulations, 23 CFR 140.922, any final invoice received more than one (1) year after the last reimbursable railroad work will not be paid.
- (f) The final invoice will be a detailed, itemized statement of all items of work performed by the Company, as shown in the appropriate exhibit or exhibits attached to this Agreement, and should be marked "Final Invoice".
- (g) The State shall inspect and approve the work prior to payment of the final invoice. Subsequently, the final invoice will be forwarded for audit by the State, in accordance with the requirements of state and federal laws and regulation. The Company shall keep account of its work in such a way that accounts may be readily audited. In the event that any amount previously paid to the company is in excess of the actual cost determined by audit, the Company, upon notice from the State, shall within 30 days pay to the State the difference. Conversely, in the event that any amount previously paid to the Company is less than the

actual costs determined by audit, the State shall pay the actual costs due within 30 days of the determination of the actual costs of the work.

(h) All invoices will be addressed as follows:

MnDOT Office of Freight and Commercial Vehicle Operations  
M.S. 470, 395 John Ireland Boulevard  
St. Paul, MN 55155-1899

4.5. Overrun of estimated costs with no work changes. If it appears to the Company, at any time subsequent to the date of this Agreement and prior to the final completion of such work, that the actual cost of the project will exceed the estimated cost, the Company shall send written request for approval to the State. The request will explain the reasons for the additional costs and the amount of the costs.

4.5.1. If the Overrun will be less than 20% of the estimated cost and State approves such request, State will encumber additional funds and then issue a notice to proceed.

4.5.2. If the overrun is equal to or greater than 20% of the estimated cost, an amendment to the Agreement is required prior to proceeding with the work. If State approves such request, State will encumber additional funds and then issue a notice to proceed. Any additional expenses incurred by the Company prior to receiving notice to proceed may not be reimbursed by State.

## 5. Project Contacts

### 5.1. State's Project Manager:

Name: Matthew Miller

Telephone: 651.334.4058

E-Mail: matthew.2.miller@state.mn.us

### 5.2. Company's Project Representative:

Name: Brian Osborne

Telephone: 612.330.4555

E-Mail: brian.osborne@cpkcr.com

### 5.3. Local Agency's Project Representative:

Name: Paul Sponholz, P.E.

Telephone: 507.475.2253

E-Mail: Paul.Sponholz@SteeleCountyMN.gov

## 6. General Terms

6.1. **Assignment of Receivables.** Any party to this Agreement may assign any receivables due them under this Agreement, provided, however, such assignments will not relieve the assignor of any of its rights or obligations under this Agreement.

6.2. **Amendments, Waiver, Merger and Counterparts.** Any amendments to this Agreement must be in writing and executed by the same parties who executed the original Agreement, or their successors in office. Failure of a party to enforce any provision of this Agreement will not constitute or be construed as, a waiver of such provision or of the right to enforce such provision. This Agreement contains all prior negotiations and agreements between the Company and the State. No other understandings, whether written or oral, regarding the subject matter of this Agreement will be deemed to exist or to bind either or both of the parties. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same Agreement.

- 6.3. **State Audits.** Under Minn. Stat. §16C.05, subd. 5, the Company's books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years after an appropriate State official certifies the Company's completion of the construction required under this Agreement.
- 6.4. **Liability.** Each of the parties is responsible for its own acts and omissions. State's liability is governed by Minn. Stat. §3.736. Local Agency's liability is governed by Minnesota Statutes Chapter 466.
- 6.5. **Data Disclosure.** Under Minnesota Statutes Section 270C.65, and other applicable law, the Company consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Company to file state tax returns and pay delinquent state tax liabilities, if any.
- 6.6. **Government Data Practices.** Government Data Practices. This Agreement is subject to the provisions of the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13.
- 6.6.1. Only to the extent that Company's duties and obligations under this Agreement require the performance of State's governmental functions will all data created, collected, received, stored, used, maintained or disseminated by Company under this Agreement be subject to the provisions of Minn. Stat. §13.05, subdivision 11. In such case, the remedies of Minn. Stat. §13.08 will apply to the release by Company of the data governed by the Minnesota Government Data Practices Act.
- 6.6.2. If the Company receives a request to release the data governed by this section, Company shall immediately notify State. State shall give Company instructions concerning the release of the data to the requesting party before the data is released.
- 6.7. **Workers Compensation.** The Company certifies that it is in compliance with workers compensation insurance coverage required by Minnesota Law, or Federal Law if the Company is subject to Federal Law which preempts the Minnesota Law. The Company shall require its contractors to present proof of coverage under the Minnesota Workers Compensation Act. The Company's employees and agents will not be considered State employees. Any claims arising under workers compensation laws and any claims made by a third party as a consequence of the acts or omissions of the Company, its agents, employees or contractors are in no way the responsibility of the State.
- 6.8. **Cancellation**
- 6.8.1. The State may immediately terminate this Agreement if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Company. The State is not obligated to pay for any services that are provided after notice and effective date of termination.
- 6.8.2. However, the Company will be entitled to payment, determined on a pro rata basis for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the Agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State shall provide the Company notice of the lack of funding within a reasonable time of the State's receiving that notice.
- 6.9. **Non Discrimination.** If the Company enters into an agreement with a contractor, to perform all or any portion of the Company's work set forth in this Agreement, the Company for itself, its assigns and successors in interest, agrees that it will not discriminate in its choice of contractors and will include all of the nondiscrimination provisions in this Agreement and as set forth in Exhibit C.

- 6.10. **Disadvantaged Business Enterprise.** The disadvantaged business enterprise requirements of 49 CFR 26, apply to this Agreement. The Company shall insure that disadvantaged business enterprises as defined in 49 CFR 26, have the maximum opportunity to participate in the performance of contracts, financed in whole or in part with federal funds. In this regard, the Company shall take all necessary and reasonable steps in accordance with 49 CFR 26, to insure that disadvantaged business enterprises have the maximum opportunity to compete for and perform any contracts awarded under this Agreement. The Company shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of contracts under this Agreement. Failure to carry out the above requirements constitutes breach of this Agreement, and may result in termination of the Agreement by the State, and possible debarment from performing other contractual services with the Federal Department of Transportation.
- 6.11. **Governing Law, Jurisdiction and Venue.** Minnesota law, without regard to its choice-of-law provisions, governs this Agreement. Venue for all legal proceedings arising out of this Agreement, or its breach, will be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

**THE BALANCE OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK**

**COMPANY**

Company certifies that the appropriate person(s) have executed the contract on behalf of Company as required by applicable articles, bylaws or resolutions.

Signed: Daniel Sabatka

Title: Director Projects & Public Works

Date: April 29, 2025

**STATE ENCUMBRANCE VERIFICATION**

Individual certifies that funds have been encumbered as required by Minnesota Statutes §16A.15 and §16C.05

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

SWIFT PO: \_\_\_\_\_

**DEPARTMENT OF TRANSPORTATION**

(with delegated authority)

Signed: \_\_\_\_\_

Title: Manager, Rail safety and Coordination Section

Date: \_\_\_\_\_

**COMMISSIONER OF ADMINISTRATION**

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

**LOCAL AGENCY**

Local Agency certifies that the appropriate person(s) have executed the contract on behalf of Local Agency as required by applicable articles, bylaws or resolutions.

Signed: \_\_\_\_\_

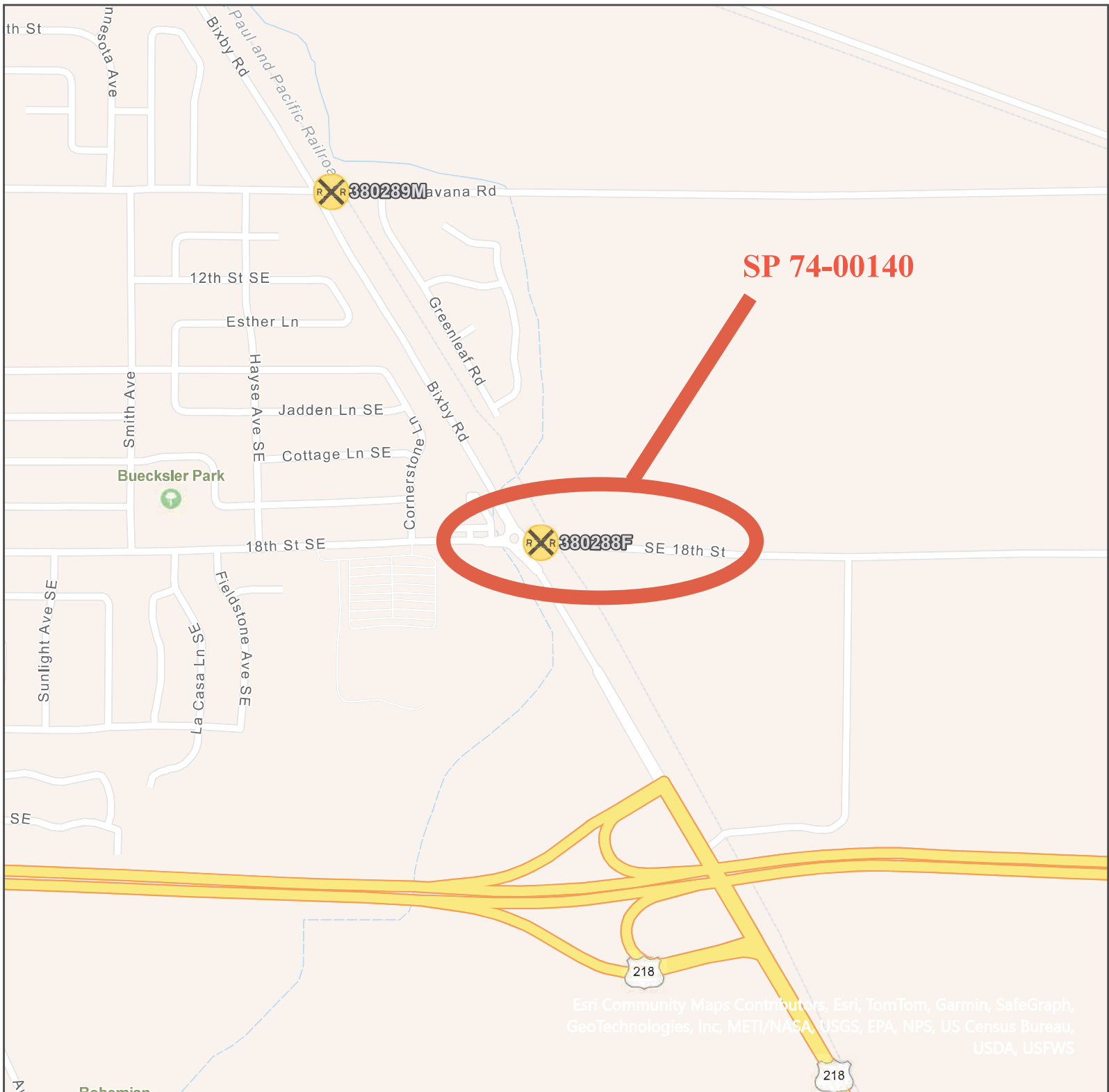
Title: \_\_\_\_\_

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





## Exhibit B

## Detailed Cost Estimate

**CANADIAN PACIFIC KANSAS CITY****SE 18th St - Owatonna (Steele), MN****OWAT - Owatonna (OWAT) Subdivision Mi 99.73****FRA/DOT INVENTORY NO. 380288F****Latitude: 44.066273 Longitude: -93.194629****#N/A****(Estimate dated 1/10/2025) 2024\_Rev 3\_Ver\_A4w (Estimate expires 05/18/2024 (Funding: MNDOT \$5,000.00\_Steele County 100%))**

LINE	100% FUNDING	SUMMARY OF PROJECT TOTAL ESTIMATE	QTY.	SUBTOTAL	TOTAL FUNDING
1		SUBTOTAL MATERIAL:	1	\$256,302.45	\$256,302.45
2		SUBTOTAL RSS:	1	\$40,262.67	\$40,262.67
3		RSS PROFIT:	1	12.00%	\$4,831.52
4		SUBTOTAL CPKC DIRECT LABOR:	1	\$23,523.76	\$23,523.76
5		CPKC DIRECT FIELD LABOR ADDITIVES RATE:	1	87.78%	\$20,649.16
6		CPKC GENERAL LIABILITY INSURANCE RATE:	1	11.28%	\$2,653.48
7		ACCOUNTING LABOR:	1	\$1,481.20	\$1,481.20
8		CPKC ACCOUNTING LABOR ADDITIVE RATE:	1	54.28%	\$804.00
9		SUBTOTAL CPKC TRAVEL, EQUIPMENT & OUTSIDE SERVICES:	1	\$95,575.14	\$95,575.14
10		PROJECT TOTAL:		TOTAL	\$446,083.38

LINE	MNDOT	SUMMARY OF PROJECT TOTAL ESTIMATE	QTY.	SUBTOTAL	TOTAL FUNDING
1		MNDOT FUNDING:	1	\$5,000.00	\$5,000.00

LINE	STEELE COUNTY	SUMMARY OF PROJECT TOTAL ESTIMATE	QTY.	SUBTOTAL	TOTAL FUNDING
1		STEELE COUNTY FUNDING:	1	\$441,083.38	\$441,083.38



**EXHIBIT C****Non-Discrimination Provisions of Title VI of the Civil Rights Act of 1964**

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor"), agrees as follows:

1. **Compliance with Regulations:** The Contractor will comply with Regulations of the Department of Transportation relative to nondiscrimination in federally-assisted programs of the Federal Highway Administration (Title 49, Code of Federal Regulation, Part 21, hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination:** The contractor, with regard to the work performed by it after award and prior to completion of the contract work, will not discriminate on the ground of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix "A", "B" and "C".
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligation under this contract and the Regulations relative to discrimination on the ground of race, color or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Regulations, or orders and instructions issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify the Department of Transportation, or the Federal Highway Administration as appropriate, and shall set forth what efforts it has made to obtain the information.
5. **Sanctions for noncompliance:** In the event of contractor's noncompliance with the nondiscrimination provisions of this contract, the Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including but not limited to,
  - a. Withholding of payments to the contractor under the contract until the contractor complies, and/or
  - b. Cancellation, termination or suspension of the contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraph (1) through (5) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, order, or instructions issued pursuant thereto. The contractor will take such action with respect to any subcontract or procurement as the Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the State to enter into such litigation to protect the interests of the State, and in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

**EXHIBIT D**  
**Buy America**

1. **Buy America.** The provisions of the Build America, Buy America (BABA) Act, Public Law No.117-58 §§ 70901-70952, the Buy America law, 23 U.S.C. § 313, 2 CFR Part 184, and 23 CFR § 635.410 are applicable to this Agreement. The Company must furnish iron and steel materials (including miscellaneous items such as fasteners, nuts, bolts, and washers) and construction materials which will be permanently incorporated on projects, funded at least partly with federal funds to be produced in the United States.
2. **Iron and Steel.** In the case of iron and steel materials, produced in the United States means that all manufactured processes from the initial melting stage through the application of coatings, occur in the United States. Foreign source materials are any domestic products taken out of the United States for any process (e.g., change of chemical content, permanent shape or size, or final finish of product).
  - 2.1. Prior to performing work, the Company shall submit to the Engineer a certification stating that all iron and steel materials supplied are produced in the United States.
  - 2.2. Raw materials such as iron ore, pig iron, processed, pelletized, and reduced iron ore, waste products (including scrap, iron or steel no longer useful in its present form from old automobiles, machinery, pipe, railroad rail, and steel trimmings from mills or product manufacturing) and other raw materials used in the production of iron or steel products may be imported from outside of the United States. Extracting, handling, or crushing the raw materials which are inherent to the transporting of these Materials for later use in the manufacturing process are exempt from the BABA Act.
3. **Construction Materials.** In the case of construction materials, produced in the United States means that all manufacturing processes for the construction materials occurred in the United States.
  - 3.1. Construction materials include any article, material, or supply that is or consists primarily of: Non-ferrous metals, Plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables), Glass (including optic glass), Fiber optic cable (including drop cable), Optical Fiber, Lumber, Engineered wood, or Drywall.
  - 3.2. The BABA Act does not apply to: cement, cementitious materials, aggregates such as stone, sand, or gravel, aggregate binding agents or additives, or asphalt.
4. **Certificate of Compliance.** The Company is required to submit a Certificate of Compliance prior to incorporating any materials into the Project containing iron or steel, or construction materials. This shall be accomplished by the Company submitting the appropriate Certificate of Compliance to the State when the materials are delivered to the project site. The Certifications of Compliance for iron and steel will certify the materials are considered produced in the United States. The Certifications of Compliance for construction materials will certify that all manufacturing processes for the construction materials occurred in the United States. The certificate must be signed and dated by the Company's authorized representative, include a BABA Act submittal number, and a statement: The materials herein referenced are produced in the United States and comply with the requirements of 23 CFR § 635.410, 2 CFR Part 184, and Public Law No.117-58 §§ 70901-70952, and 23 U.S.C. § 313.
5. **Documentation.** Supporting documentation to demonstrate compliance with BABA Act provisions (such as mill test reports, manufacturer/supplier certifications, etc.) shall be organized and maintained by the Company from the date of delivery until six years after substantial completion of the Project.
  - 5.1. The State may review the Company's supporting documentation to verify compliance with the BABA Act provisions at any time upon request. The burden of proof to meet the BABA Act provisions rest with the Company. If the supporting documentation does not demonstrate to the State that the iron or steel and construction materials identified in the Certificates of Compliance were produced in the United States, then the iron, steel, or construction materials will be considered unauthorized work and must be removed and replaced.



**STEELE COUNTY RESOLUTION**  
**SE 18<sup>TH</sup> ST RAIL CROSSING WARNING DEVICES AGREEMENT**

**Department:** Highway

**Date:** 5/13/2025

**Resolution No:** 2025-027

**WHEREAS,** the Dakota, Minnesota & Eastern Railroad d/b/a CPKC (COMPANY) operate tracks that cross T-118 (SE 18<sup>th</sup> Street) just east of CSAH 48 (Bixby Rd), and

**WHEREAS,** the County of Steele (COUNTY) is reconstructing the approaches to the crossing as part of S.A.P. 074-648-008 to make safety improvements and provide for anticipated traffic volume increases, and

**WHEREAS,** the COUNTY, the COMPANY, and the Minnesota Commissioner of Transportation desire to enter an agreement that outlines the responsibility for the work and the cost share for the installation of new railroad cantilevered flashing light signals, gates, a side light, constant warning circuitry, and LED lenses at the intersection of T-118 (SE 18th Street). The Minnesota Department of Minnesota received \$5,000 in Federal Funds to contribute to the project and the COUNTY is responsible for contributing the remaining estimated \$441,083.38 of the total signal cost.

**NOW, THEREFORE, BE IT RESOLVED** that the COUNTY enters into an agreement with the COMPANY and the Minnesota Commissioner of Transportation for the installation of new railroad cantilevered flashing light signals, gates, a side light, constant warning circuitry and LED lenses at the intersection of T-118 (SE 18th Street) with the tracks of the COMPANY, and appointing the Commissioner of Transportation agent for the COUNTY to supervise said project and administer available Federal Funds in accordance with Minnesota Statute, Section 161.36.

**BE IT FURTHER RESOLVED** that the County Board Chair be and is hereby authorized to execute said agreement and any amendments thereto for and on behalf of the County of Steele.

This resolution shall become effective upon its passage and without further publication.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2025.

STEELE COUNTY  
BOARD OF COMMISSIONERS

\_\_\_\_\_  
Chair

**CERTIFICATION**

I hereby certify that the above is a true and correct copy of a Resolution duly passed, adopted, and approved by the County Board of said County on the \_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Attest



## Steele County Agenda Item

Request for Board Action

**Subject: Amendment with WSB for Preliminary Engineering Services for East Side Corridor Project**

**Department:** Highway

**Committee:** Public Works

**Committee Meeting Date:** NA

**Work Session Date:** N/A

**Board Meeting Date:** May 13, 2025

**Consent Agenda:** ☐ Yes ☒ No

**Resolution:** ☐ Yes ☒ No

---

**Policy Committee Recommendation:**

NA

**Recommendation:**

Approve Amendment with WSB for Preliminary Engineering Services for East Side Corridor Project and Authorize the County Engineer to sign the Amendment.

**Background (*Including Budget Impact*):**

The 2040 Steele County Transportation Plan identified the East Side Corridor as a needed addition to the Steele County highway system. The county contracted with WSB to complete the necessary state and federal environmental documentation required for the project and WSB began work in January 2022.

As work progresses, WSB has identified additional work that is outside of the original contract and previous amendments but is work that is required to complete the preliminary engineering required to complete the environmental documents. The previously amended contract amount was \$426,044. The cost for the additional services amounts to \$209,235. The revised not-to-exceed contract total is \$635,297.

The additional cost will be funded with Sales Tax revenue reserves.

**Attachments:**

WSB Amendment Request

## Memorandum

To: Paul Sponholz, Steele County

From: Andrew Plowman, WSB

Date: May 2, 2025

Re: East Side Corridor Project  
WSB Project No. 019850-000  
Contract Amendment No. 2

Pursuant to our discussions, WSB respectfully submits this amendment request for additional design services associated with the following tasks:

- Additional Project Management and General Coordination
- Right of Way Base Mapping
- Roundabout Design/Mitigation Measures
- Noise Analysis based on Mitigation Measures
- CATEX Document
- Soil Boring near Maple Creek
- Hydraulic/Floodplain Design
- Bridge Design

The revised contract total amount is \$426,044. WSB respectfully requests compensation for these additional services in the not-to-exceed amount of \$209,235, resulting in a revised contract total of \$635,279, as summarized below:

If this Proposal is acceptable, please issue the appropriate Amendment incorporating this letter for our review and signature.

We thank you for the opportunity to submit this Proposal and look forward to continuing to with you on this Project. If you have any questions, please let me know.

The following outlines the request for additional fee and details the scope of services for the project:

### **Additional Project Management and General Coordination**

The project management and general coordination for the project includes additional coordination with agencies, additional project management team meetings and scheduling activities.

The total cost for this task is \$16,000, which is based on 80 hours of time with an average cost per hour of \$200/hr.

### **Right of Way Base Mapping**

The right of way limits have been determined for the preferred option. Given the right of way process requires significant duration, WSB proposes to start the process by compiling the title

work and right of way base files. This scope would include the base work for the preferred corridor.

The total cost for this task is \$32,400, which is based on 180 hours of time with an average cost per hour of \$180/hr.

In addition, the expense to obtain the title reports would be included in this task, which would assume 20 parcels at \$500/parcel. \$10,000.

### **Roundabout Design/Mitigation Measures**

It was determined that roundabouts would be considered at the intersections of 29<sup>th</sup> Avenue and Rose Street, Dane Avenue, 26<sup>th</sup> Street and 26<sup>th</sup> Street and Kenyon Road. This includes the design, analysis, performance checks and grading of 4 roundabouts that were previously not considered. This will not include the final design component or landscaping. We will include an additional fee in the 60% design task.

The total cost for this task is \$37,800, which is based on 180 hours of time with an average cost per hour of \$210/hr.

### **Noise Analysis based on Mitigation Measures**

Roundabouts have been considered as mitigation measures for the concern with speed and operation of the corridor. This resulted in lower speeds for certain portions of the corridor that indicated noise walls may be feasible and cost effective. The lower speed and character of the corridor resulted in the need to re-analyze the noise impact.

The total cost for this task is \$15,120, which is based on 84 hours of time with an average cost per hour of \$180/hr.

### **CATEX Document**

For the original design, it was assumed an EA/EAW would be required. Amendment 1 indicated the additional work required from switching the type of document and for the added effort. However, that did not include the need for completing two documents. Although they are similar in nature, they do have differences that require additional work and coordination.

The total cost for this task is \$63,875, which is based on 365 hours of time with an average cost per hour of \$175/hr.

### **Soil Boring near Maple Creek**

The County was able to obtain a right of entry permit from the owner of the property at 9153 Co. Road 3, Owatonna, to complete a soil boring near Maple Creek. This will allow for preliminary design of the footings and abutments for the bridge across Maple Creek. It should be noted that additional borings will be necessary, including on the north side.

The total cost for this task is \$11,000, which is based on 32 hours of crew time at \$250/hr, and \$3,000 of laboratory testing and reporting effort.

### Hydraulic/Floodplain Design

The initial bridge design was based on hydraulic and floodplain analysis. In addition to the design, coordination has occurred with the area drainage engineer and the DNR. Some of this effort was included in the original design, but certain investigations were outside the scope, such as impact to the floodplain and how to mitigate and design the bridge.

The total cost for this task is \$9,000, which is based on 40 hours of time with an average cost per hour of \$225/hr.

### Bridge Design

As part of the EAW and CATEX, initial bridge design was required. This included the design of the typical section, profile and initial beam design. A substantial final design will also be required for the project, which includes coordination with the bridge office and plan production.

The total cost for this task is \$14,040, which is based on 54 hours of time with an average cost per hour of \$260/hr.

The revised contract total amount is \$426,044. WSB respectfully requests compensation for these additional services in the not-to-exceed amount of \$209,235, resulting in a revised contract total of \$635,279

Sincerely,



Andrew Plowman, P.E.  
Sr. Project Manager

### ACCEPTANCE:

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





# Steele County Agenda Item

Request for Board Action

**Subject: Contract Award – CSAH 3 Bituminous Resurfacing, CP 074-025-002**

**Department:** Highway

**Committee:** Public Works

**Committee Meeting Date:** NA

**Work Session Date:** N/A

**Board Meeting Date:** May 13, 2025

**Consent Agenda:** ☐ Yes ☒ No

**Resolution:** ☐ Yes ☒ No

## Policy Committee Recommendation:

NA

## Recommendation:

Award a contract for the 2025 CSAH 3 Resurfacing project to Crane Creek Asphalt in the amount of \$586,659.97.

## Background (*Including Budget Impact*):

This project is located on CSAH 3 from CSAH 45 to US 218. The project is programmed/budgeted using State-Aid Maintenance and Sales Tax funding.

The contract was advertised for bids, which were opened on Tuesday, April 29, 2025. Two bids were received:

Bidder	Amount	% Over/Under Estimate
Engineer's Estimate	\$896,362.18	-
Crane Creek Asphalt	\$586,659.97	34.55% under
Ulland Brothers Inc.	\$629,341.32	29.79% under

Crane Creek Asphalt is a responsible contractor capable of performing the work.

## Attachments:

N/A