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# AGREEMENT

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# BETWEEN

# **CITY OF ADDISON**

# AND

# DALLAS GARLAND & NORTHEASTERN RAILROAD

.AND

# **UNION PACIFIC RAILROAD COMPANY**

COVERING

# CONSTRUCTION OF ARAPAHOE ROAD GRADE SEPARATION PUBLIC ROAD CROSSINGS

AT

# ADDISON, DALLAS COUNTY, TEXAS

"POLITICAL BODY COPY"

Agreement Number

# NEW PUBLIC HIGHWAY CROSSING AGREEMENT

# ARAPAHOE ROAD MILE POST 598.3 – DAL-NOR BRANCH ADDISON, DALLAS COUNTY, TEXAS

THIS AGREEMENT, made and entered into as of the \_\_\_\_\_\_ day of \_\_\_\_\_\_, 200\_\_\_, by and between UNION PACIFIC RAILROAD COMPANY, a Delaware corporation to be addressed at 1800 Farnam Street, Omaha, Nebraska 68102 (hereinafter the "UP") and DALLAS GARLAND & NORTHEASTERN RAILROAD, a Texas corporation (hereinafter the "Railroad"), and the CITY OF ADDISON, a municipal corporation of the State of Texas to be addressed at PO Box 9010, Addison, TX 75001-9010 (hereinafter the "Political Body"),

#### WITNESSETH:

#### **RECITALS:**

The Political Body desires to undertake as its project the construction of two new at-grade public road crossings (hereinafter the "Project").

The Political Body desires the right to use for the Project that portion of the right-of-way of the Railroad at 598.3 on the Dal-Nor Branch (hereinafter the "Crossing Area") shown and described on the attached prints dated March 27, 2001, marked Exhibit A.

#### AGREEMENT:

NOW, THEREFORE, it is mutually agreed by and between the parties hereto as follows:

#### ARTICLE 1 - RAILROAD GRANTS RIGHT

For and in consideration of the Political Body's agreement to perform and abide by the terms of this Agreement, including Exhibit A, B, and B-1, attached hereto and hereby made a part hereof, the UP and the Railroad hereby grant to the Political Body, the right to establish, construct, maintain, repair, renew, and use a public highway at grade over and across the Crossing Area, together with the right of entry to control and remove from the Railroad's right-of-way, on each side of the Crossing Area, weeds and vegetation which may obstruct the view of motorists, approaching the Crossing Area, to any trains that may also be approaching the Crossing Area.

#### ARTICLE 2 - ADMINISTRATIVE FEE

The Political Body shall pay to UP TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00) as reimbursement for clerical, administrative and handling expense in connection with the processing of this Agreement.

## ARTICLE 3 - CERTIFICATE OF INSURANCE

A. Before any work on the Premises begins, the Political Body (as defined in Section8(a) of Exhibit B to this Agreement) will provide the UP the Railroad with a Certificate issued by its insurance carrier providing the insurance coverage required pursuant to Exhibit B-1 of this Agreement in a policy containing the following endorsement:

"Union Pacific Railroad Company and Dallas Garland & Northeastern Railroad are named as additional insured with respect to all liabilities arising out of Insured's performance of the work required for the Project."

B. The Political Body WARRANTS that this agreement has been thoroughly reviewed by its insurance agent(s)/broker(s) and that said agent(s)/broker(s) has been instructed to procure insurance coverage and an endorsement as required herein.

C. All insurance correspondence shall be directed to: Union Pacific Railroad Company, 1800 Farnam Street, Omaha, Nebraska 68102, with reference to Folder No. 1976-54.

D. The Political Body may self-insure all or a portion of the insurance coverage required hereunder, subject to UP and the Railroad's review and approval. However, the Political Body's contractor/subcontractor (if any) shall obtain and provide evidence of insurance coverage pursuant to Exhibit B-1 of this agreement.

#### ARTICLE 4 - IF WORK IS TO BE PERFORMED BY CONTRACTOR

If a contractor is to perform any of the work on the Project (including initial construction and subsequent relocation or substantial maintenance and repair work), then the Political Body shall require its contractor to execute the UP's Contractor's Right of Entry Agreement attached hereto as Exhibit C and hereby made a part hereof. Political Body acknowledges receipt of a copy of the Right of Entry Agreement and understanding of its terms, provisions, and requirements, and will inform its contractor of the need to execute the Agreement. Under no circumstances will Political Body's contractor be allowed onto the Railroad's premises without first executing the Contractor's Right of Entry Agreement.

#### ARTICLE 5 - FEDERAL AID HIGHWAY PROGRAM

The Project is to be financed in whole or in part from funds appropriated by the Federal government and expended under Federal regulations. It is therefore agreed, by and between the parties hereto, that Federal-Aid Highway Program Manual, Volume 1, Chapter 4, Section 3, and Volume 6, Chapter 6, Section 2, Subsection 1, issued by the Federal Highway Administration, and any amendments or supplements thereto which are in effect at the time of the execution of each supplement hereto, are incorporated by reference into this Agreement.

#### ARTICLE 6 - WORK TO BE PERFORMED BY THE RAILROAD

A. The Railroad may make any and all changes, alterations or relocations, whether temporary or permanent, and may provide flagging and other protective services and devices, which in the Railroad's judgment may be or become necessary or expedient within the Railroad's right-of-way because of the Project

B. The Railroad shall, at the sole cost and expense of the Political Body, maintain, repair, and replace the warning devices installed hereunder; PROVIDED, HOWEVER, that this provision shall not negate the Railroad's eligibility for any further federal, state or local or other public funds that may become available for the maintenance of said devices; and PROVIDED, FURTHER, that the cost of repair or replacement resulting from damage caused by non-parties that is not recoverable by the Railroad from the non-parties shall be borneentirely by the Political Body

C. The Political Body agrees to pay the Dallas Garland & Northeastern Railroad for the work performed and materials supplied by the Dallas Garland & Northeastern Railroad for the Project.

# ARTICLE 7 - EFFECTIVE DATE; TERM

This Agreement shall become effective as of the date first herein written, or the date work commences on the Project, whichever is earlier, and shall continue in full force and effect until terminated as herein provided.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed intriplicate as of the date first herein written.

# UNION PACIFIC RAILROAD COMPANY

By\_\_\_\_\_ Asst. Vice President- Real Estate

# DALLAS GARLAND & NORTHEASTERN RAILROAD

Ву\_\_\_\_\_

x

Tide:\_\_\_\_\_

ATTEST:

# CITY OF ADDISON

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

Ву\_\_\_\_\_

Resolution No.: \_\_\_\_\_\_\_ Pursuant to Resolution/Order dated:

(Seal)

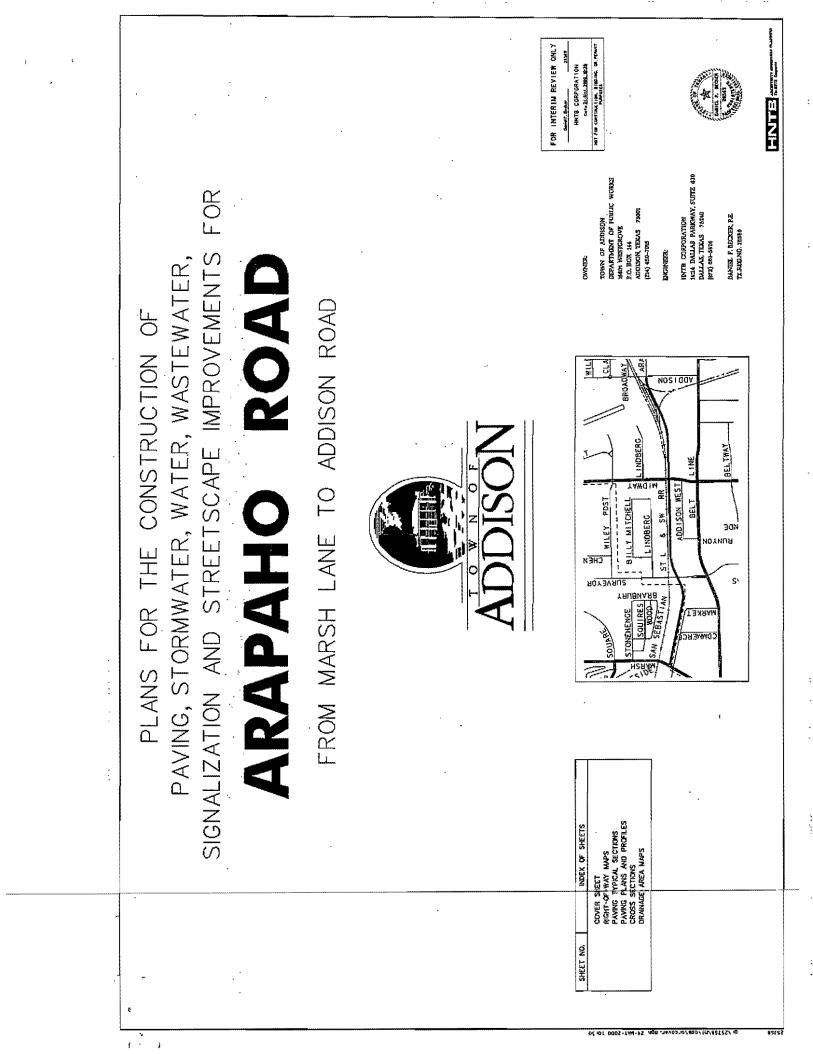
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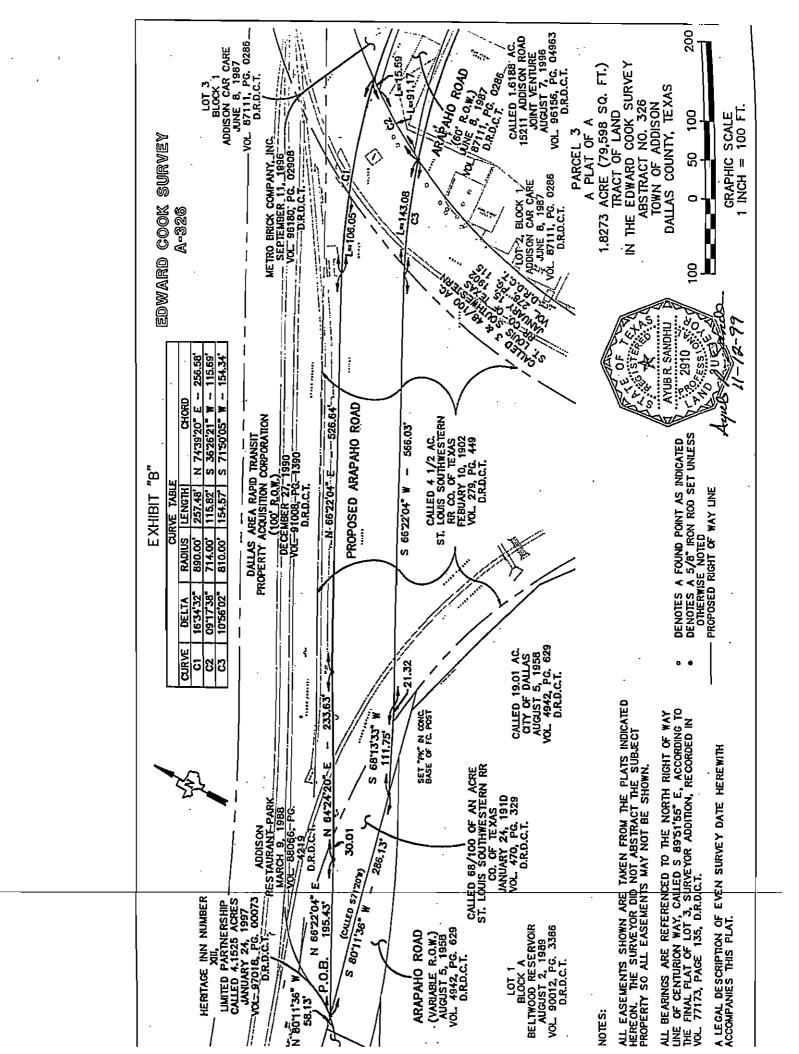
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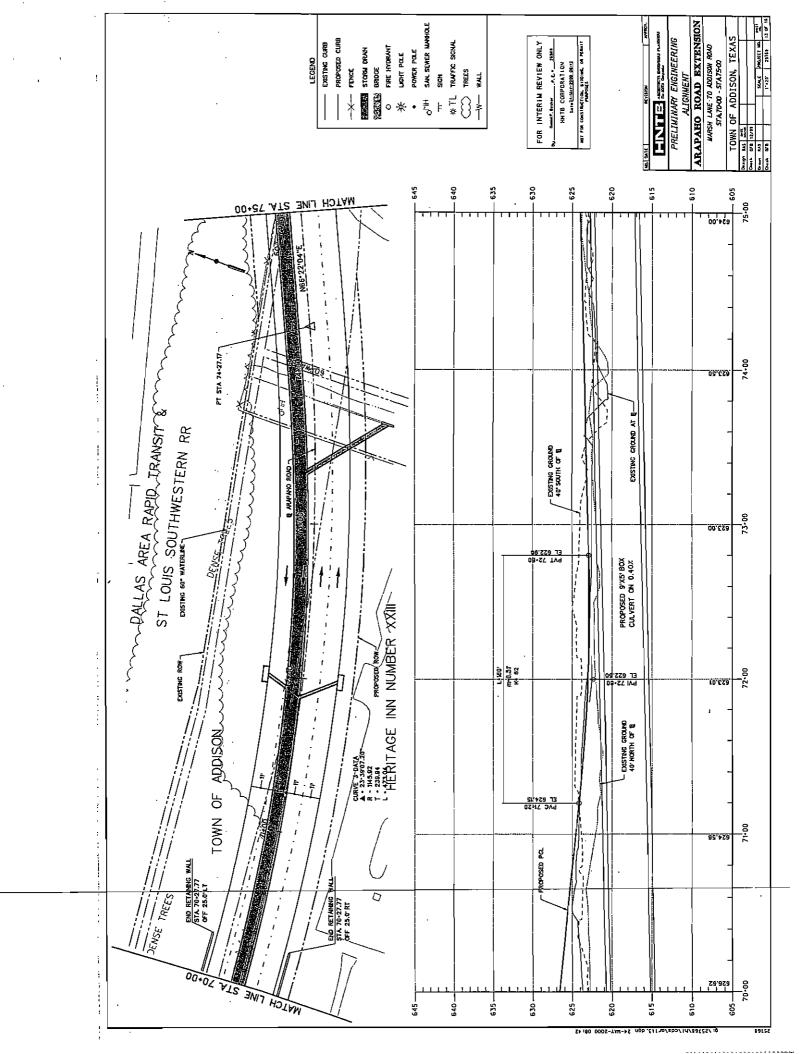
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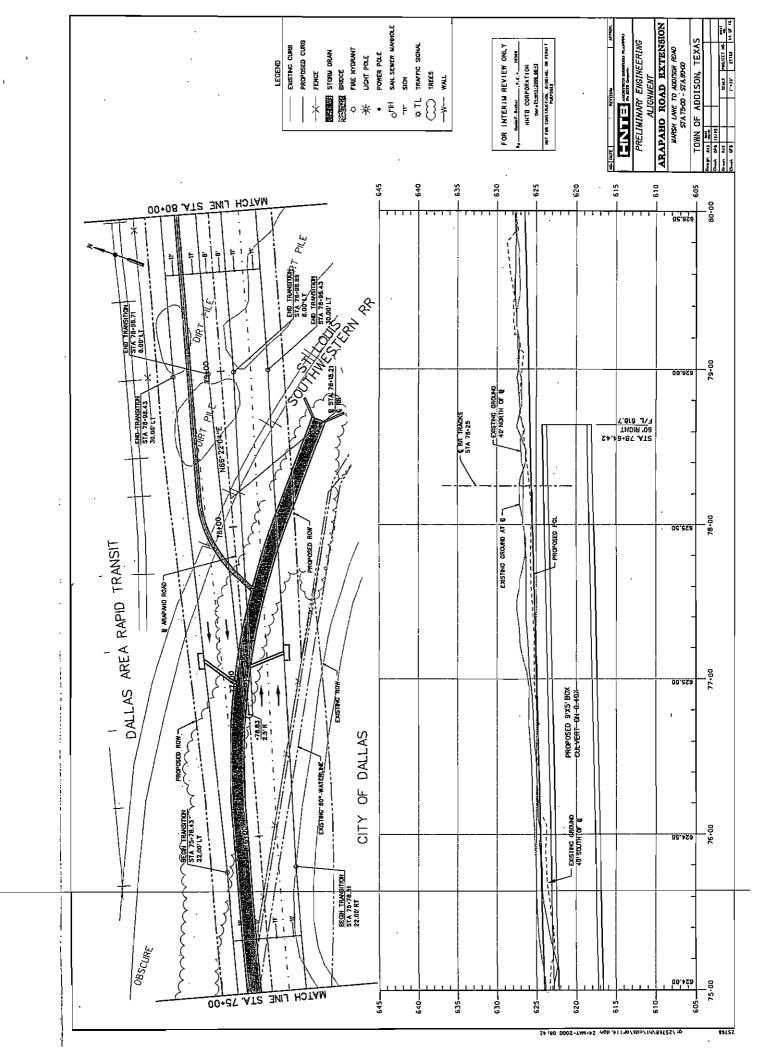
# **EXHIBIT A**

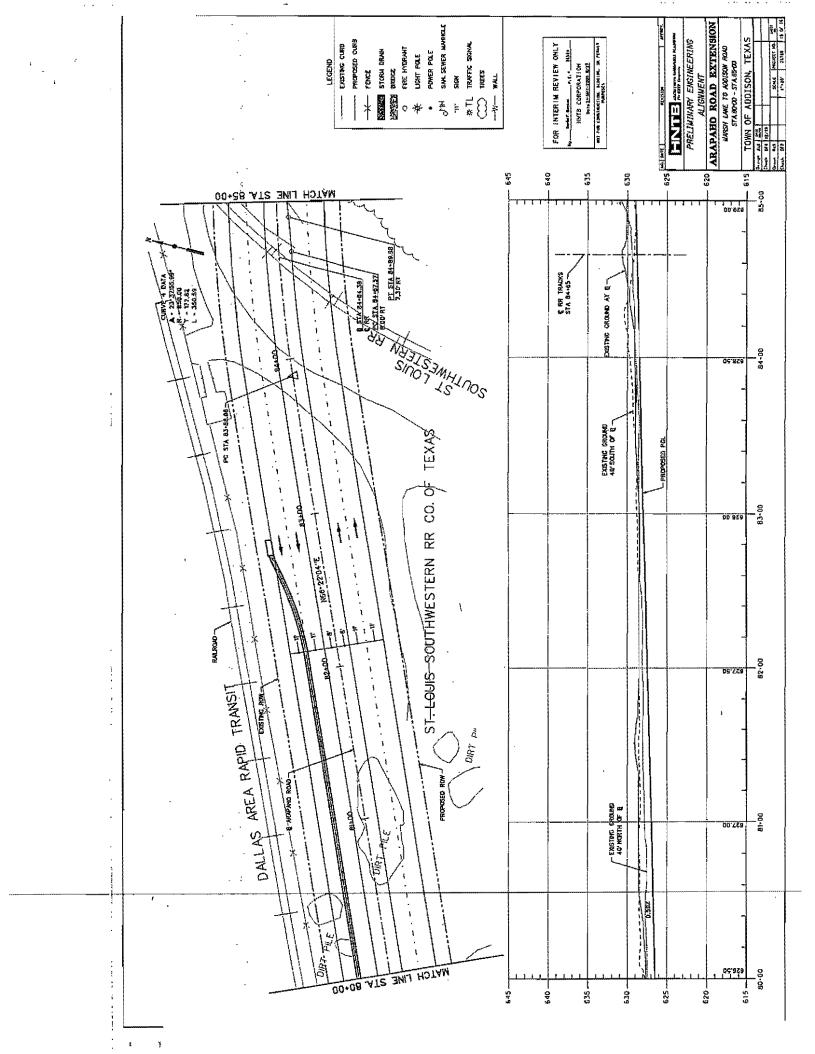
Location & Detail Prints

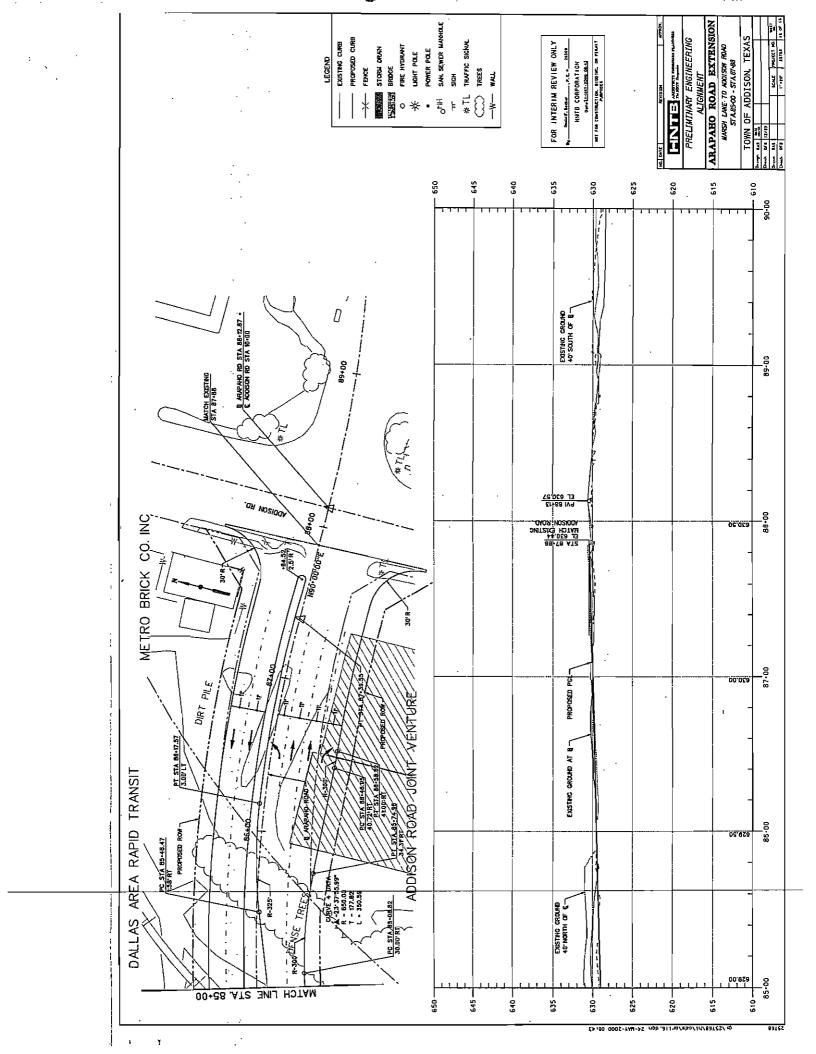












# EXHIBIT B

Terms and Conditions

# EXHIBIT B

# Public Highway Crossing

# SECTION 1 - CONDITIONS AND COVENANTS

a) The Railroad makes no covenant or warranty of title for quiet possession or against encumbrances. The Political Body shall not use or permit use of the Crossing Area for any purposes other than those described in this Agreement. Without limiting the foregoing, the Political Body shall not use or permit use of the Crossing Area for railroad purposes, or for gas, oil or gasoline pipe lines. Any lines constructed on the Railroad's property by or under authority of the Political Body for the purpose of conveying electric power or communications incidental to the Political Body's use of the property for highway purposes shall be constructed in accordance with specifications and requirements of the Railroad, and in such manner as not adversely to affect communication or signal lines of the Railroad or its licensees now or hereafter located upon said property. No nonparty shall be admitted by the Political Body to use or occupy any part of the Railroad's property without the Railroad's written consent. Nothing herein shall obligate the Railroad to give such consent.

b) The Railroad reserves the right to cross the Crossing Area with such railroad tracks as may be required for its convenience or purposes in such manner as not unreasonably to interfere with its use as a public highway. In the event the Railroad shall place tracks upon the Crossing Area, the Political Body shall, at its sole cost and expense, modify the highway to conform with the rail line.

c) The right hereby granted is subject to any existing encumbrances and rights (whether public or private), recorded or not, and also to any renewals thereof. The Political Body shall not damage, destroy or interfere with the property or rights of nonparties in, upon or relating to the railroad property, unless the Political Body at its own expense settles with and obtains releases from such nonparties.

d) The Railroad reserves the right to use and to grant to others the right to use the Crossing Area for any purpose not inconsistent with the right hereby granted, including, but not by way of limitation, the right to construct, reconstruct, maintain, operate, repair, alter, renew and replace tracks, facilities and appurtenances on the property; also the right to cross the Crossing Area with all kinds of equipment. The Railroad further reserves the right to attach signal, communication or power lines to any highway facilities located upon the property, provided that such attachments shall comply with Political Body's specifications and will not interfere with the use of the Crossing Area.

e) So far as it lawfully may do so, the Political Body will assume, bear and pay all taxes and assessments of whatsoever nature or kind (whether general, local or special) levied or assessed upon or against the Crossing Area, excepting taxes levied upon and against the property as a component part of the Railroad's operating property.

f) If any property or rights other than the right hereby granted are necessary for the construction, maintenance and use of the highway and its appurtenances, or for the performance of any work in connection with the Project, the Political Body will acquire all such other property and rights at its own expense and without expense to the Railroad.

## SECTION 2 - CONSTRUCTION OF HIGHWAY

a) The Political Body, at its own expense, will apply for and obtain all public authority required by law, ordinance, rule or regulation for the Project, and will furnish the Railroad upon request with satisfactory evidence that such authority has been obtained.

b) Except as may be otherwise specifically provided herein, the Political Body, at its own expense, will furnish all necessary labor, material and equipment, and shall construct and complete the highway and all appurtenances thereof. The appurtenances shall include, without limitation, all necessary and proper highway warning devices (except those installed by the Railroad within its right-of-way), and all necessary and proper drainage facilities, guard rails or barriers, and right of way fences between the highway and the railroad tracks. Upon completion of the Project, the Political Body shall remove from the Railroad's property all temporary structures and false work, and will leave the Cressing Area in a condition satisfactory to the Railroad.

c) The Railroad will receive no ascertainable benefit from the construction of the Project, and, except as may be specifically provided herein, shall not be required to pay or contribute any part of the cost thereof. If the Project is to be financed in whole or in part by Federal funds, all construction work by the Political Body shall be performed, and any reimbursement to the Railroad for work it performs shall be made, in accordance with the applicable Federal acts, regulations, and this Agreement.

d) All construction work of the Political Body upon the Railroad's property (including, but not limited to, construction of the highway and all appurtenances and all related and incidental work) shall be performed and completed in a manner satisfactory to the Vice President-Engineering Services of the Railroad or his authorized representative and in accordance with detailed plans and specifications prepared by and at the expense of the Political Body, and approved in writing by the Railroad's Vice President-Engineering Services.

e) All construction work of the Political Body shall be performed diligently and completed within a reasonable time, and in any event within three for years from the effective date of this Agreement, or within such further period of time as may be specified in writing by the Railroad's Vice President-Engineering Services. No part of the Project shall be suspended, discontinued or unduly delayed without the Railroad's written consent, and subject to such reasonable conditions as the Railroad may specify. It is understood that the Railroad's tracks at and in the vicinity of the work will be in constant or frequent use during progress of the work and that movement or stoppage of trains, engines or cars may cause delays in the work of the Political Body. The Political Body hereby assumes the risk of any such delays and agrees that no claims for damage on account of any delay shall be made against the Railroad.

f) If the Project includes construction of a structure over which trains are to be operated, or for which the Railroad has any responsibility for maintenance, the Political Body shall furnish the Railroad permanent reproducible prints of all design and shop drawings as soon as possible after approval by the Vice President-Engineering Services of the Railroad or his authorized representative. Upon completion of construction, the Political Body shall furnish the Railroad two sets of "as constructed" prints and, in addition, upon request of the Vice President-Engineering Services of the Railroad, "as constructed" permanent reproducible prints of all or any portion of the structure.

# SECTION 3 - INIURY AND DAMAGE TO PROPERTY

If the Political Body, in the performance of any work contemplated by this Agreement or by the failure to do or perform anything for which the Political Body is responsible under the provisions of this Agreement, shall injure, damage or destroy any property of the Railroad or of any other person lawfully occupying or using the property of the Railroad, such property shall be replaced or repaired by the Political Body at the Political Body's own expense, or by the Railroad at the expense of the Political Body, and to the satisfaction of the Railroad's Vice President-Engineering Services.

## SECTION 4 - PAYMENT FOR WORK BY THE RAILROAD COMPANY

a) Bills for work and materials shall be paid by the Political Body promptly upon receipt thereof. The Railroad will submit to the Political Body current bills for flagging and other protective services and devices during progress of the Project. The Railroad will submit final billing for flagging and other protective services within one hundred and twenty (120) days after completion of the Project, provided the Political Body advises the Railroad of the commencement of the 120-day period by giving the Railroad written notification of completion of the Project.

b) The Railroad may contract for the performance of any of its work by other than railroad forces. The Railroad shall notify the Political Body of the contract price within ninety (90) days after it is awarded. Unless the Railroad's work is to be performed on a fixed price basis, the Political Body shall reimburse the Railroad for the amount of the contract.

# SECTION 5 - MAINTENANCE

a) If the Project involves a grade crossing:

1) The Political Body shall, at its own sole expense, maintain, repair, and renew, or cause to be maintained, repaired and renewed, the entire Crossing Area, except the portions between the track tie ends, which shall be maintained by and at the expense of the Railroad.

2) If, in the future, the Political Body elects to have the surfacing material between the track tie ends, or between tracks if there is more than one railroad track across the Crossing Area, replaced with paving or some surfacing material other than timber planking, the Railroad, at the Political Body's expense, shall install such replacement surfacing, and in the future, to the extent repair or replacement of the surfacing is necessitated by repair or rehabilitation of the Railroad's tracks through the Crossing Area, the Political Body shall bear the expense of such repairs or replacement.

- b) If the Project involves a public highway crossing under the Railroad's tracks:
  - 1) The Political Body shall, at its own sole expense, maintain, repair, and renew, or cause to be maintained, repaired and

renewed, the entire substructure of the highway-railroad grade separation structure.

2) The Railroad shall, at its own sole expense, maintain and repair, or cause to be maintained and repaired, the entire superstructure of the highway-railroad grade separation structure.

c) If the Project involves a public highway crossing over the Railroad's tracks, the Political Body shall, at its own sole expense, maintain, repair, and renew, or cause to be maintained, repaired, and renewed, the entire highway-railroad grade separation structure.

## SECTION 6 - CHANGES IN GRADE

If at any time the Railroad shall elect, or be required by competent authority to, raise or lower the grade of all or any portion of the track or tracks located on the Crossing Area, the Political Body shall, at its own expense, conform the public highway in the Crossing Area to conform with the change of grade of the trackage.

#### SECTION 7 - REARRANGEMENT OF WARNING DEVICES

If the change or rearrangement of any warning device installed hereunder is necessitated for public or Railroad convenience or on account of improvements for either railroad, highway or both, the parties will apportion the expense incidental thereto between themselves by negotiation, agreement or by the order of a competent authority before the change or rearrangement is undertaken.

#### SECTION 8 - SAFETY MEASURES: PROTECTION OF RAILROAD COMPANY OPERATIONS

It is understood and recognized that safety and continuity of the Railroad's operations and communications are of the utmost importance; and in order that the same may be adequately safeguarded, protected and assured, and in order that accidents may be prevented and avoided, it is agreed with respect to all of said work of the Political Body that the work will be performed in a safe manner and in conformity with the following standards:

a) <u>Definitions</u>. All references in this Agreement to the Political Body shall include the Political Body's contractors, subcontractors, officers, agents and employees, and others acting under its or their authority; and all references in this Agreement to work of the Political Body shall include work both within and outside of railroad property.

b) <u>Compliance With Laws</u>. The Political Body shall comply with all applicable federal, state and local laws, regulations and enactments affecting the work. The Political Body shall use only such methods as are consistent with safety, both as concerns the Political Body, the Political Body's agents and employees, the officers, agents, employees and property of the Railroad and the public in general. The Political Body (without limiting the generality of the foregoing) shall comply with all applicable state and federal occupational safety and health acts and regulations. All Federal Railroad Administration regulations shall be followed when work is performed on the Railroad's premises. If any failure by the Political Body to comply with any such laws, regulations, and enactments, shall result in any fine, penalty, cost or charge being assessed, imposed or charged against the Railroad, the Political Body shall reimburse and indemnify the Railroad for any such fine, penalty, cost, or charge, including without limitation attorney's fees, court costs and expenses. The Political Body further agrees in the event of any such action, upon notice thereof being provided by the Railroad, to defend such action free of cost, charge, or expense to the Railroad.

c) <u>No Interference or Delays</u>. The Political Body shall not do, suffer or permit anything which will or may obstruct, endanger, interfere with, hinder or delay maintenance or operation of the Railroad's tracks or facilities, or any communication or signal lines, installations or any appurtenances thereof, or the operations of others lawfully occupying or using the Railroad's property or facilities.

d) <u>Supervision</u>. The Political Body, at its own expense, shall adequately police and supervise all work to be performed by the Political Body, and shall not inflict injury to persons or damage to property for the safety of whom or of which the Railroad may be responsible, or to property of the Railroad. The responsibility of the Political Body for safe conduct and adequate policing and supervision of the Project shall not be lessened or otherwise affected by the Railroad's approval of plans and specifications, or by the Railroad's collaboration in performance of any work, or by the presence at the work site of the Railroad's representatives, or by compliance by the Political Body with any requests or recommendations made by such representatives. If a representative of the Railroad is assigned to the Project, the Political Body will give due consideration to suggestions and recommendations made by such representative for the safety and protection of the Railroad's property and operations.

e) Suspension of Work. If at any time the Political Body's engineers or the Vice President-Engineering Services of the Railroad

or t. Bir respective representatives shall be of the opinion that any work of the Political Body is being or is about to be done or prosecuted without due regard and precaution for safety and security, the Political Body shall immediately suspend the work until suitable, adequate and proper protective measures are adopted and provided.

f) <u>Removal of Debris</u>. The Political Body shall not cause, suffer or permit material or debris to be deposited or cast upon, or to slide or fall upon any property or facilities of the Railroad; and any such material and debris shall be promptly removed from the Railroad's property by the Political Body at the Political Body's own expense or by the Railroad at the expense of the Political Body. The Political Body shall not cause, suffer or permit any snow to be plowed or cast upon the Railroad's property during snow removal from the Crossing Area.

g) Explosives. The Political Body shall not discharge any explosives on or in the vicinity of the Railroad's property without the prior consent of the Railroad's Vice President-Engineering Services, which shall not be given if, in the sole discretion of the Railroad's Vice President-Engineering Services, such discharge would be dangerous or would interfere with the Railroad's property or facilities. For the purposes hereof, the "vicinity of the Railroad's property" shall be deemed to be any place on the Railroad's property or in such close proximity to the Railroad's property that the discharge of explosives could cause injury to the Railroad's employees or other persons, or cause damage to or interference with the facilities or operations on the Railroad's property. The Railroad reserves the right to impose such conditions, restrictions or limitations on the transportation, handling, storage, security and use of explosives as the Railroad, in the Railroad's sole discretion, may deem to be necessary, desirable or appropriate. In addition to any conditions, restrictions as may be specifically imposed:

1) Unless the Railroad's Vice President-Engineering Services agrees otherwise, the Political Body shall provide no less than 48 hours' notice, excluding weekends and holidays, before discharging any explosives.

2) Any explosives loaded in holes or placed or otherwise readied for discharge on a day shall be discharged on the same day during daylight hours, and at mutually acceptable times.

3) The Political Body, at its own expense, shall take all precautionary measures and construct all temporary shelters necessary to guard against danger of damage, destruction or interference arising out of or connected with any blasting or any transportation, handling, storage, security or use of explosives.

4) The Political Body shall require explosives to be transported, handled, stored or otherwise secured and used in a manner satisfactory to the Railroad and in accordance with local, state and Federal laws, rules and regulations, including, without limitation, United States Department of Labor, Bureau of Labor Standards, Safety and Health Regulations for Construction, 29 CFR Part 1518, Subpart U -- "Blasting and the Use of Explosives"; and Occupational Safety and Health Administration Occupational Safety and Health Standards, 29 CFR Part 1910, Subpart H -- "Hazardous Materials".

h) <u>Obstructions to View</u>. Except as otherwise specifically provided herein, the Political Body shall not cause or permit the view along the tracks of the Railroad to be obstructed, nor place any combustible material on the premises, nor erect any structures thereon. If public law or regulation requires control or removal of weeds or vegetation on each side of the Crossing Area, the Political Body will perform such control or removal work without expense to the Railroad or, if the Political Body may not lawfully perform the control or removal work, reimburse the Railroad for the cost of performing such control or removal. If the crossing is not equipped with automatic train activated warning devices with gate arms:

1) The Political Body shall control or remove weeds and vegetation within and on each side of the Crossing Area so that the view of approaching motorists to approaching trains is not obstructed by weeds or vegetation; and

2) Insofar as it may lawfully may do so, the Political Body will not permit non-parties to construct sight obstructing buildings or other permanent structures on property adjacent to the right-of-way.

i) <u>Excavation</u>. The Political Body shall not excavate from existing slopes nor construct new slopes which are excessive and may create hazards of slides or falling rock, or impair or endanger the clearance between existing or new slopes and the tracks of the Railroad. The Political Body shall not do or cause to be done any work which will or may disturb the stability of any area or adversely affect the Railroad's tracks or facilities. The Political Body, at its own expense, shall install and maintain adequate shoring and cribbing for all excavation and/or trenching performed by the Political Body in connection with construction, maintenance or other work. The shoring and cribbing shall be constructed and maintained with materials and in a manner approved by the Railroad's Vice President-Engineering Services to withstand all stresses likely to be encountered, including any stresses resulting from vibrations caused by the Railroad's operations in the vicinity.

i) Drainage. The Political Body, at the Political Body's own expense, shall provide and maintain suitable facilities for draining

the ighway and its appurtenances, and shall not suffer or permit drainage water therefrom to flow or collect upon property of the Railroad. The Political Body, at the Political Body's own expense, shall provide adequate passageway for the waters of any streams, bodies of water and drainage facilities (either natural or artificial, and including water from the Railroad's culvert and drainage facilities), so that said waters may not, because of any facilities or work of the Political Body, be impeded, obstructed, diverted or caused to back up, overflow or damage the property of the Railroad or any part thereof, or property of others. The Political Body shall not obstruct or interfere with existing ditches or drainage facilities.

k) <u>Notice</u>. Before commencing any work, the Political Body shall provide 48 hours prior notice (excluding weekends and holidays) to the Railroad's Manager-Track Maintenance.

I) <u>Fiber Optic Cables</u>. Fiber optic cable systems may be buried on the Railroad's property. Protection of the fiber optic cable systems is of extreme importance since any break could disrupt service to users resulting in business interruption and loss of revenue and profits. Political Body shall telephone the Railroad at 1-800-336-9193 (a 24-hour number) to determine if fiber optic cable is buried anywhere on the Railroad's premises to be used by the Political Body. If it is, Political Body will telephone the telecommunications company(ies) involved, arrange for a cable locator, and make arrangements for relocation or other protection of the fiber optic cable prior to beginning any work on the Railroad's premises.

# SECTION 9 - INTERIM WARNING DEVICES

If at anytime it is determined by a competent authority, by the Political Body, or by agreement between the parties, that new or improved train activated warning devices should be installed at the Crossing Area, the Political Body shall install adequate temporary warning devices or signs and impose appropriate vehicular control measures to protect the motoring public until the new or improved devices have been installed.

# SECTION 10 - OTHER RAILROADS

All protective and indemnifying provisions of this Agreement shall inure to the benefit of the Railroad and any other railroad company lawfully using the Railroad's property or facilities.

# SECTION 11 - REMEDIES FOR BREACH OR NONUSE

a) If the Political Body shall fail, refuse or neglect to perform and abide by the terms of this Agreement, the Railroad, in addition to any other rights and remedies, may perform any work which in the judgment of the Railroad is necessary to place the highway and appurtenances in such condition as will not menace, endanger or interfere with the Railroad's facilities or operations or jeopardize the Railroad's employees; and the Political Body will reimburse the Railroad for the expenses thereof.

b) Nonuse by the Political Body of the Crossing Area for public roadway purposes continuing at any time for a period of eighteen (18) months shall, at the option of the Railroad, work a termination of this Agreement and of all rights of the Political Body hereunder.

c) The Political Body will surrender peaceable possession of the Crossing Area upon termination of this Agreement. Termination of this Agreement shall not affect any rights, obligations or liabilities of the parties, accrued or otherwise, which may have arisen prior to termination.

## SECTION 12 - MODIFICATION - ENTIRE AGREEMENT

No waiver, modification or amendment of this agreement shall be of any force or effect unless made in writing, signed by the Political Body and the Railroad and specifying with particularity the nature and extent of such waiver, modification or amendment. Any waiver by the Railroad of any default by the Political Body shall not affect or impair any right arising from any subsequent default. This Agreement and Exhibits attached hereto and made a part hereof constitute the entire understanding between the Political Body and the Railroad and cancel and supersede any prior negotiations, understandings or agreements, whether written or oral, with respect to the work or any part thereof.

## SECTION 13 - ASSIGNMENT; SUCCESSORS AND ASSIGNS

This Agreement shall not be assigned without the written consent of the Railroad. Subject hereto, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

# EXHIBIT B-1

## Public Road Insurance Requirements

The Political Body and/or its Contractor/Subcontractor shall, at its own and/or its Contractor's/Subcontractor's sole cost and expense, procure the following kinds of insurance and promptly pay when due all premiums for that insurance. The Railroad Protective Insurance described in Paragraph D below only needs to be obtained and kept in force during the duration of construction or major reconstruction of the highway located on the Premises. The other insurance coverage described in Paragraphs A, B and C below shall be kept in force by the Political Body during the life of this Agreement.

- A. General Public Liability insurance providing bodily injury, including death, personal injury and property damage coverage with a combined single limit of at least \$2,000,000 each occurrence or claim and a general aggregate limit of at least \$4,000,000. This insurance shall provide Broad Form Contractual Liability covering the indemnity provisions contained in this Agreement, Underground Hazard, Broad Form Property Damage, a waiver of governmental immunity (ISO Form GL 24 14 or equivalent), severability of interests and name Railroad as an additional insured with respect to all liabilities arising out of Political Body's obligation to Railroad in the Agreement. If coverage is purchased on a "claims made" basis it shall provide for at least a three (3) year extended reporting or discovery period, which shall be invoked should insurance covering the time period of this Agreement be cancelled.
- B. Automobile Public Liability insurance providing bodily injury and property damage with a combined single limit of at least \$2,000,000 each occurrence or claim. This insurance shall provide contractual liability by endorsement ISO Form CA 00 25 or equivalent covering all motor vehicles including hired and non-owned, mobile equipment to the extent it may be excluded from general liability insurance, severability of interests and name Railroad as an additional insured with respect to all liabilities arising out of Political Body's obligation to Railroad in the Agreement.
- C. Worker's Compensation insurance covering the statutory liability as determined by the compensation laws of the state(s) affected by this Agreement and Employers' Liability with a limit of at least \$1,000,000. Also compliance with all laws of states which require participation in their state workers' compensation fund.
- D. Railroad Protective Liability insurance naming Railroad as insured with a combined single limit of \$2,000,000 per occurrence with a \$6,000,000 aggregate. The policy form shall be AAR-AASHTO with broad form coverage for "Physical Damage to Property" (ISO Form GL 00 30) or as revised ISO-RIMA (Form CG 00 35) and include pollution arising out of fuels and lubricants brought to the job site (ISO Form CG 2831 or equivalent). If the Lloyd's London policy form is used, limits shall be \$3,000,000 per occurrence with a \$9,000,000 aggregate and the Extended Claims Made Date shall be determined by adding the length of the original policy period plus one year to the policy expiration date.

The Political Body and/or its Contractor(s)/Subcontractor(s) hereby waive their right of subrogation, as respects the above insurance policy(ies), against Railroad for payments made to or on behalf of employees of Political Body or its agents or its Contractor(s)/Subcontractor(s) and for loss of their owned or leased property or property under their care, custody and control while on or near Railroad's right-of-way or other real property. Political Body's and/or its Contractor's/Subcontractor's insurance shall be primary with respect to any insurance carried by Railroad.

Political Body and/or its Contractor(s)/Subcontractor(s) shall furnish to Railroad certificate(s) of insurance evidencing the required coverage and endorsement(s) and upon request a certified duplicate original of any of those policies. The insurance company(ies) issuing such policy(ies) shall notify Railroad in writing of any material alteration including any change in the retroactive date in any "claims-made" policies or substantial reduction of aggregate limits, if such limits apply, or cancellation thereof at least thirty (30) days prior thereto.

The insurance policy(ies) shall be written by a reputable insurance company or companies acceptable to Railroad or with a current Best's Insurance Guide Rating of B and Class VII or better. Such insurance company shall be authorized to transact business in the state(s) affected by this Agreement.

# **EXHIBIT C**

Contractor's Right of Entry Agreement

UNION PACIFIC RAILROAD COMPANY

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July 20, 2001

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Folder No. 1976-54

To the Contractor:

Before Union Pacific Railroad can permit you to perform work on its property for the construction of two new at-grade public road crossings, it will be necessary to complete two originals of the enclosed Right of Entry Agreement as follows:

- 1. Fill in the <u>complete</u> legal name of the contractor in the space provided on Page 1 of the Contractor's Right of Entry Agreement. If a corporation, give the state of incorporation. If a partnership, give the names of all partners.
- 2. Fill in the date construction will begin and be completed in Article 5, Paragraph A.
- 3. Fill in the name of the contractor in the space provided in the signature block at the end of the Contractor's Right of Entry Agreement. If the contractor is a corporation, the person signing on its behalf must be an elected corporate officer.
- 4. Return all copies of the Contractor's Right of Entry Agreement together with your Certificate of Insurance as required in Exhibit B-1, in the attached, self-addressed envelope.
- 5. Check made payable to the Union Pacific Railroad Company in the amount of **\$500.00**. If you require formal billing, you may consider this letter as a formal bill. In compliance with the Internal Revenue Services' new policy regarding their Form 1099, I certify that 13-6400825 is the Railroad Company's correct Federal Taxpayer Identification Number and that Union Pacific Railroad Company is doing business as a corporation.

After approval of the Right of Entry Agreement and insurance certificate, one fully executed counterpart of the agreement will be returned to you. In no event should you begin work until you have received your counterpart of the fully executed agreement.

Under Exhibit B-1 of the enclosed Contractor's Right of Entry, you are required to procure Railroad Protective Liability Insurance (RPLI) for the duration of this project. As a service to you, Union Pacific is making this coverage available to you. You are not required to purchase this coverage from the Railroad and are encouraged to shop the market for the best available rate. If you decide; however, that acquiring this coverage from the Railroad is of benefit to you, simply complete contact Ms. Judi Scott at 402-271-2215.

If you have any questions concerning the agreement, please contact me at (402) 271-3620. Have a safe day!

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# **CONTRACTOR'S RIGHT OF ENTRY AGREEMENT**

THIS AGREEMENT is made and entered into as of the \_\_\_\_\_\_ day of \_\_\_\_\_\_, 200\_\_\_, by and between UNION PACIFIC RAILROAD COMPANY, a Delaware corporation to be addressed at 1416 Dodge Street, WP001, Omaha, Nebraska 68179 (hereinafter the "Railroad"), and

(hereinafter the "Political Body's Contractor").

#### RECITALS:

a(n)

By agreement dated \_\_\_\_\_\_, the Railroad granted (the) *City of Addison* (hereinafter "Licensee") the right to construct two new at-grade public road crossings for Arapahoe Road on the property of the Railroad at Milepost 598.3, on the Dal-Nor Branch, at or near Addison, Dallas County, Texas.

The Political Body's Contractor has been employed by the Licensee to construct two new at-grade public road crossings for Arapahoe Road (hereinafter referred to as the "work") and has requested the Railroad to permit it to perform the work on Railroad property, to which the Railroad is agreeable, subject to the following terms and conditions.

#### AGREEMENT:

#### IT IS MUTUALLY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

# ARTICLE 1 - DEFINITION OF CONTRACTOR

For purposes of this agreement, all references in this agreement to the Political Body's Contractor shall include the Political Body's Contractor's contractors, subcontractors, officers, agents and employees, and others acting under its or their authority.

#### ARTICLE 2 - RIGHT GRANTED; PURPOSE

The Railroad hereby grants to the Political Body's Contractor the right, during the term hereinafter stated and upon and subject to each and all of the terms, provisions and conditions herein contained, to enter upon and have ingress to and egress from the portion of the Railroad's property at Mile Post 598.3 on the Railroad's Dal-Nor Branch at or near Addison, TX, for the purpose of constructing two new at-grade public road crossings hereinabove described. The right herein granted to Political Body's Contractor is limited to those portions of the Railroad's property specifically described herein, or designated by the Railroad representative named in Article 4.

#### ARTICLE 3 - TERMS AND CONDITIONS CONTAINED IN EXHIBITS B AND B-1

The terms and conditions contained in Exhibits B and B-1, hereto attached, are hereby made a part of this agreement.

#### ARTICLE 4 - ALL EXPENSES TO BE BORNE BY CONTRACTOR; RAILROAD REPRESENTATIVE

The Political Body's Contractor shall bear any and all costs and expenses associated with any work performed by the Political Body's Contractor, or any costs or expenses incurred by the Railroad relating to this agreement. All work performed by Political Body's Contractor on Railroad's property shall be performed in a manner satisfactory to the respective local Superintendent of Transportation Services of the Railroad or his authorized representative (hereinafter the Railroad Representative). 2

## ARTICLE 5 - TERM; TERMINATION

a). The grant of right herein made to Political Body's Contractor shall commence on \_\_\_\_\_

and continue until \_\_\_\_\_\_, unless sooner terminated as herein provided, or at such time as Political Body's Contractor has completed its work on Railroad's property, whichever is earlier. Political Body's Contractor agrees to notify the Railroad Representative in writing when it has completed its work on Railroad property.

b). This agreement may be terminated by either party on ten (10) days written notice to the other party.

## ARTICLE 6 - CERTIFICATE OF INSURANCE

a). Before commencing any work, the Political Body's Contractor will provide the Railroad with a Certificate issued by its insurance carrier providing the insurance coverage required pursuant to Exhibit B-1 of this agreement in a policy which contains the following type of endorsement:

Union Pacific Railroad Company is named as additional insured with respect to all liabilities arising out of Insured's, as Political Body's Contractor, performance of any work on the property of the Railroad.

b). Political Body's Contractor warrants that this agreement has been thoroughly reviewed by its insurance agent(s)/broker(s) and that said agent(s)/broker(s) has been instructed to procure insurance coverage and an endorsement as required herein.

c). All insurance correspondence shall be directed to:

Union Pacific Railroad Company Real Estate Department 1416 Dodge Street, WP001 Omaha, Nebraska 68179-1100 Folder No. 1976-54

#### ARTICLE 7 - PROTECTION OF FIBER OPTIC CABLE SYSTEMS

Fiber optic cable systems may be buried on Railroad's property. Protection of the fiber optic cable systems is of extreme importance since any break could disrupt service to users resulting in business interruption and loss of revenue and profits. Prior to beginning any work, the Political Body's Contractor shall telephone the Railroad at 1-800-336-9193 (a 24-hour number) to determine if fiber optic cable is buried anywhere on the property set forth herein. If it is, the Political Body's Contractor shall also comply with and be subject to the provisions contained in Section 6 of Exhibit A.

## ARTICLE 8 - ENFORCEABILITY; CHOICE OF LAW; CHOICE OF FORUM

Litigation arising out of or connected with this agreement may be instituted and maintained in the courts of the states of Nebraska and Texas, and the parties consent to jurisdiction over their person and over the subject matter of any such litigation, in those courts, and consent to service of process issued by such courts.

## ARTICLE 9 - ADMINISTRATIVE FEE

Applicant shall pay to the Railroad FIVE HUNDRED DOLLARS (\$500.00) as reimbursement for clerical, administrative and handling expense in connection with the processing of this Agreement.

## ARTICLE 10 - SPECIAL PROVISIONS

None.

IN WITNESS WHEREOF, the parties hereto have executed this agreement in duplicate as the date first herein written.

# UNION PACIFIC RAILROAD COMPANY

By\_\_\_\_\_\_ MANAGER-CONTRACTS

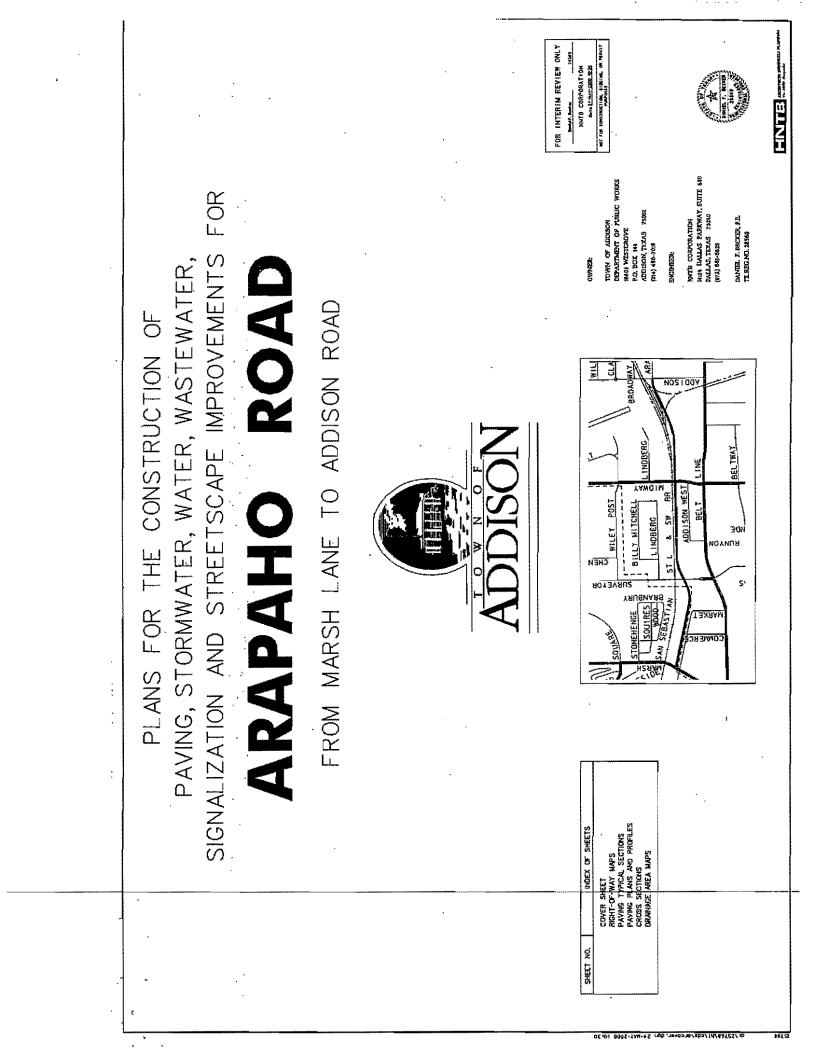
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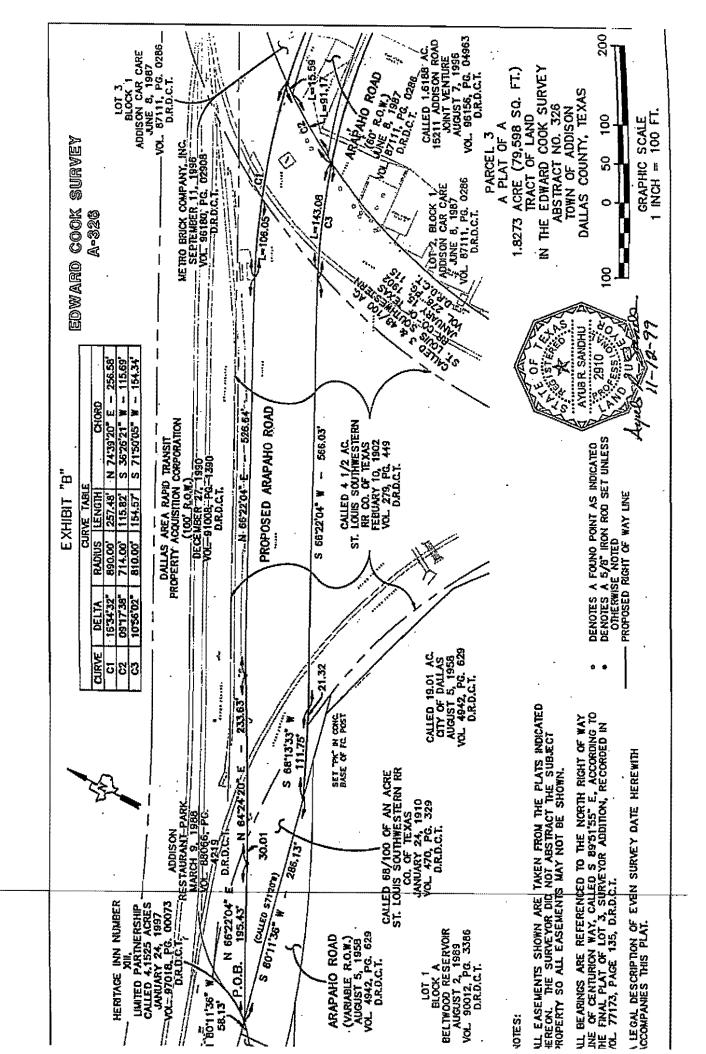
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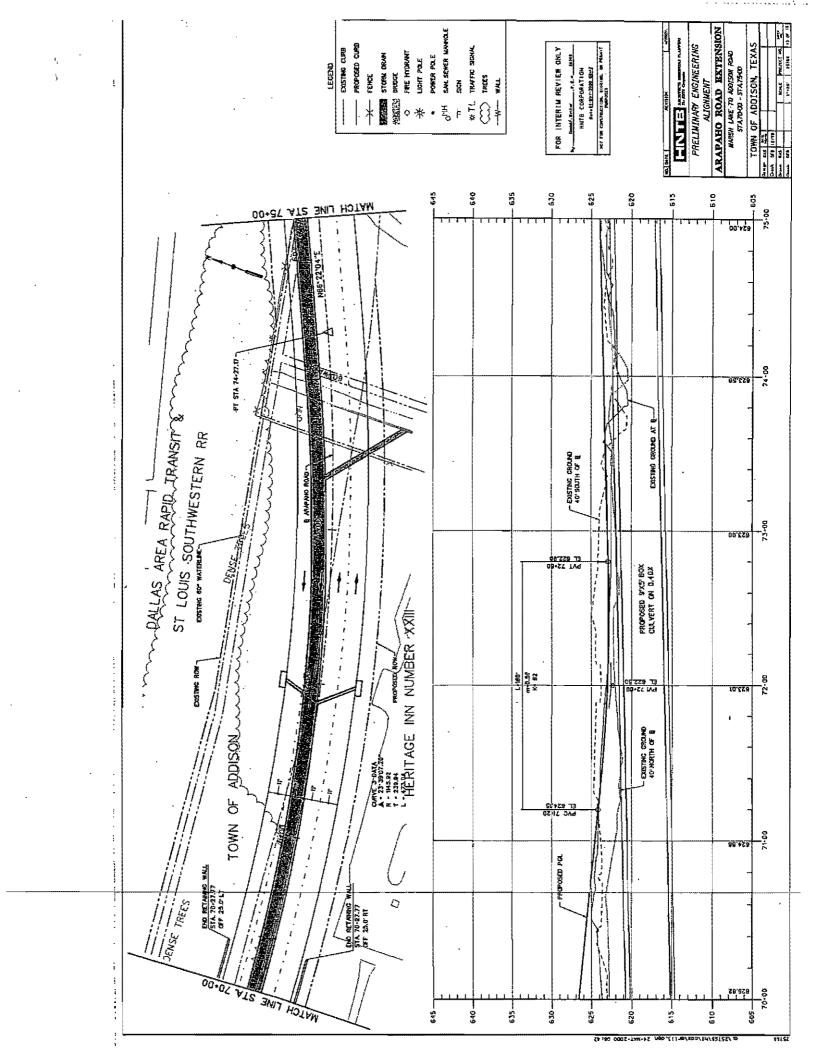
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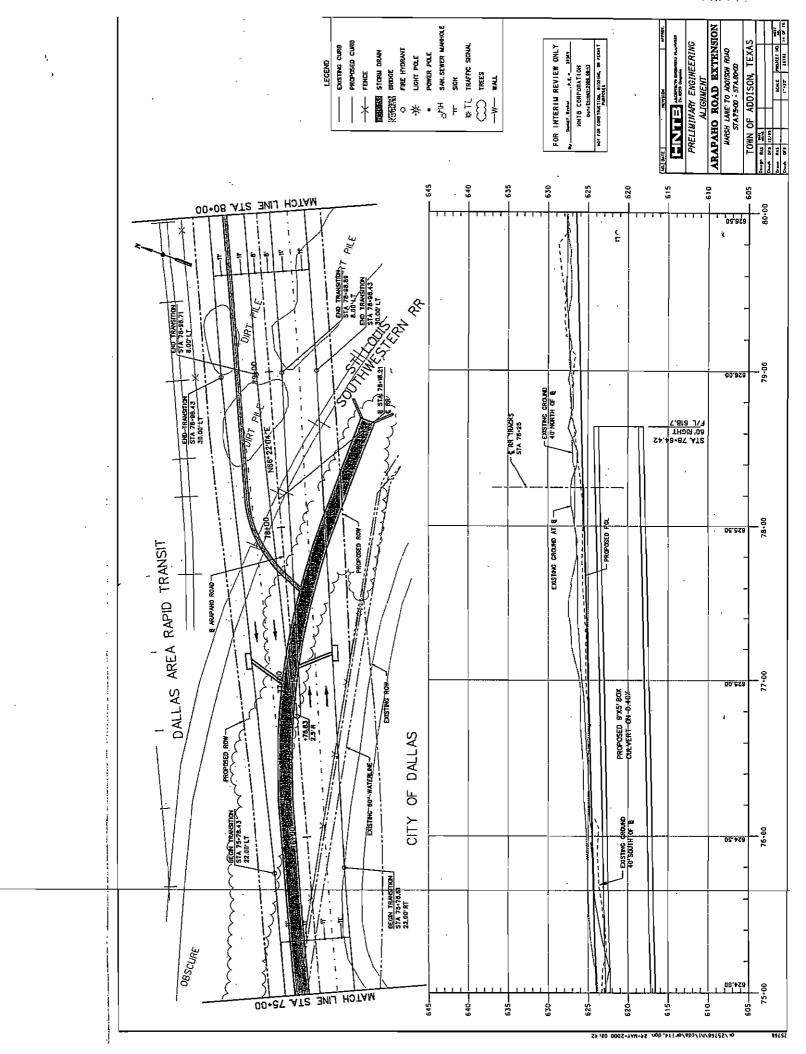
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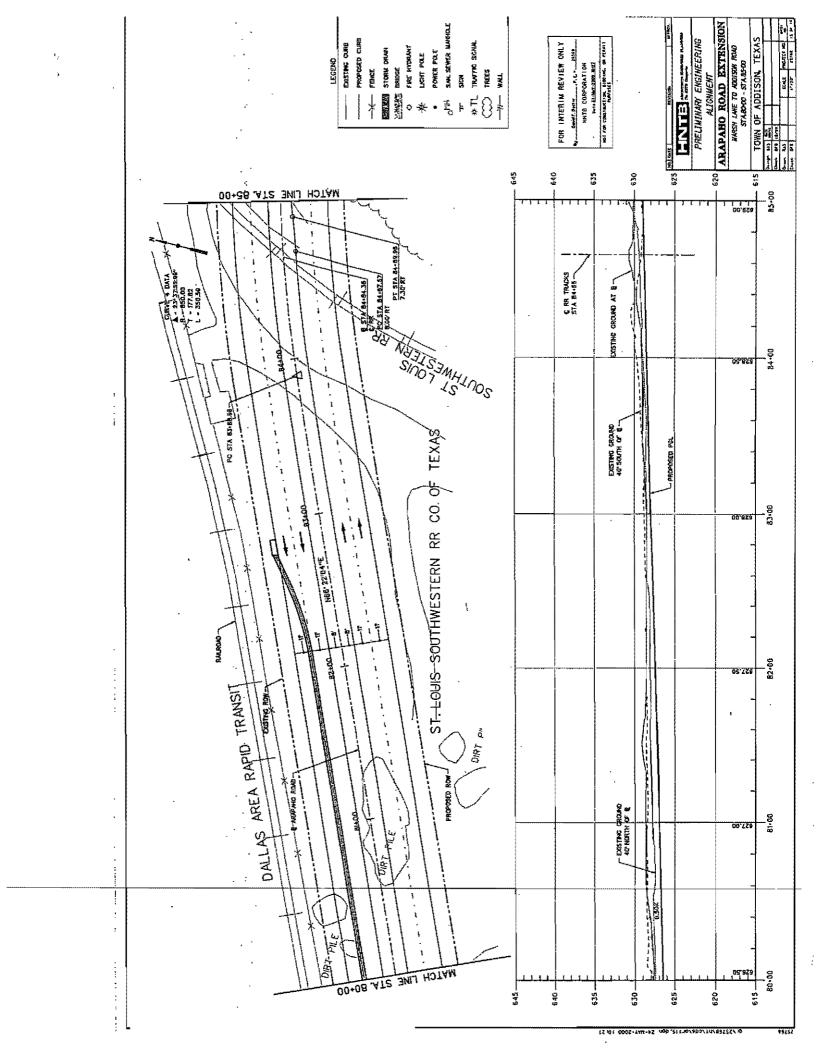
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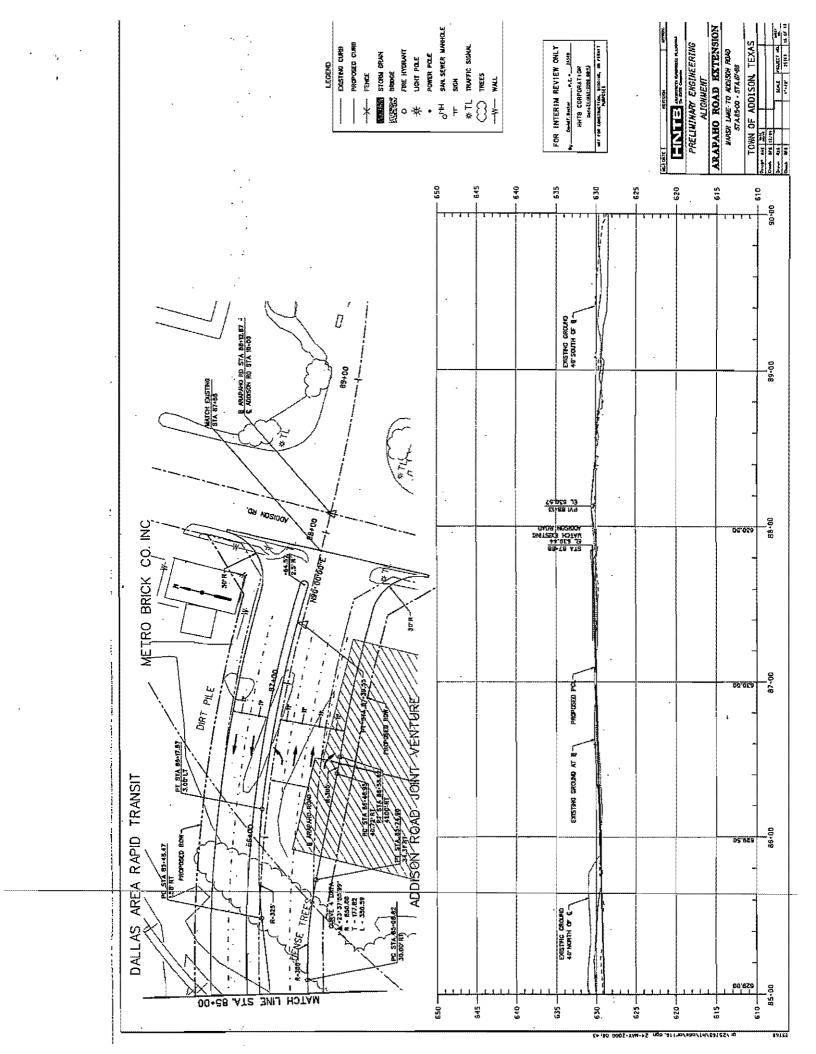












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# EXHIBIT B

# SECTION 1 - NOTICE OF COMMENCEMENT OF WORK - FLAGGING

The Political Body's Contractor(s) agrees to notify the Railroad Representative at least 48 hours in advance of Political Body's Contractor(s) commencing its work and at least 24 hours in advance of proposed performance of any work by the Political Body's Contractor(s) in which any person or equipment will be within 25 feet of any track, or will be near enough to any track that any equipment extension (such as, but not limited to, a crane boom) will reach to within 25 feet of any track. Upon receipt of such notice, the Railroad Representative will determine and inform the Political Body's Contractor(s) whether a flagman need be present and whether the Political Body's Contractor(s) need implement any special protective or safety measures. If any flagmen or other special protective or safety measures are performed by the Railroad, such services will be provided at Political Body's Contractor(s)'s expense with the understanding that if the Railroad provides any flagging or other services the Political Body's Contractor(s) shall not be relieved of any of its responsibilities or liabilities set forth herein.

# SECTION 2 - LIMITATION AND SUBORDINATION OF RIGHTS GRANTED

a). The foregoing grant of right is subject and subordinate to the prior and continuing right and obligation of the Railroad to use and maintain its entire property including the right and power of the Railroad to construct, maintain, repair, renew, use, operate, change, modify or relocate railroad tracks, roadways, signal, communication, fiber optics, or other wirelines, pipelines and other facilities upon, along or across any or all parts of its property, all or any of which may be freely done at any time or times by the Railroad without liability to the Political Body's Contractor(s) or to any other party for compensation or damages.

b). The foregoing grant is also subject to all outstanding superior rights (including those in favor of licensees and lessees of the Railroad's property, and others) and the right of the Railroad to renew and extend the same, and is made without covenant of title or for quiet enjoyment.

# SECTION 3 - NO INTERFERENCE WITH RAILROAD'S OPERATION

No work performed by Political Body's Contractor(s) shall cause any interference with the constant, continuous and uninterrupted use of the tracks, properly and facilities of the Railroad its lessees, licensees or others, unless specifically permitted under this agreement, or specifically authorized in advance by the Railroad Representative. Nothing shall be done or suffered to be done by the Political Body's Contractor(s) at any time that would in any manner impair the safety thereof. When not in use, Political Body's Contractor(s)'s machinery and materials shall be kept at least 50 feet from the centerline of Railroad's nearest track, and there shall be no crossings of Railroad's tracks except at existing open public crossings.

# SECTION 4 - PERMITS

Prior to beginning any work, the Political Body's Contractor(s), at its sole expense, shall obtain all necessary permits to perform any work contemplated by this agreement.

# SECTION 5 - MECHANIC'S LIENS

The Political Body's Contractor(s) shall pay in full all persons who perform labor or provide materials for the work to be performed by Political Body's Contractor(s). The Political Body's Contractor(s) shall not permit or suffer any mechanic's or materialmen's liens of any kind or nature to be enforced against any property of the Railroad for any such work performed. The Political Body's Contractor(s) shall indemnify and hold harmless the Railroad from and against any and all liens, claims, demands, costs or expenses of whatsoever nature in any way connected with or growing out of such work done, labor performed, or materials furnished.

# SECTION 6 - FIBER OPTIC CABLE SYSTEMS

In addition to the liability terms elsewhere in this Agreement, the Political Body's Contractor(s) shall indemnify and hold the Railroad hamiless against and from all cost, liability and expense whatsoever (including, without limitation, attorney's fees and court costs and expenses) arising out of or in any way contributed to by any act or omission of the Political Body's Contractor(s), its subcontractor, agents and/or employees, that causes or contributes to (l) any damage to or destruction of any telecommunications system on Railroad's property, and (2) any injury to or death of any person employed by or on behalf of any telecommunications company, and/or its contractor, agents and/or employees, on Railroad's property. Political Body's Contractor(s) shall not have or seek recourse against Railroad for any claim or cause of action for alleged loss of profits or revenue or loss of service or other consequential damage to a telecommunication company using Railroad's property or a customer or user 0703n Page 1 Rev. 5/23/94 ٤,

of s trvices of the fiber optic cable on Railroad's property.

# SECTION 7 - COMPLIANCE WITH LAWS

In the prosecution of the work covered by this agreement, the Political Body's Contractor(s) shall comply with all applicable federal, state and local laws, regulations and enactments affecting the work. The Political Body's Contractor(s) shall use only such methods as are consistent with safety, both as concerns the Political Body's Contractor(s), the Political Body's Contractor(s)'s agents and employees, the officers, agents, employees and property of the Railroad and the public in general. The Political Body's Contractor(s) (without limiting the generality of the foregoing) shall comply with all applicable state and federal occupational safety and health acts and regulations. All Federal Railroad Administration regulations shall be followed when work is performed on the Railroad's property. If any failure by the Political Body's Contractor(s) to comply with any such laws, regulations, and enactments, shall result in any fine, penalty, cost or charge being assessed, imposed or charged against the Railroad, the Political Body's Contractor(s) shall reimburse and indemnify the Railroad for any such fine, penalty, cost, or charge, including without limitation attorney's fees, court costs and expenses. The Political Body's Contractor(s) further agrees in the event of any such action, upon notice thereof being provided by the Railroad, to defend such action free of cost, charge, or expense to the Railroad.

# SECTION 8 - SAFETY INSTRUCTIONS

Safety of personnel, property, rail operations and the public is of paramount importance in the prosecution of the work pursuant to this agreement. As reinforcement and in furtherance of overall safety measures to be observed by the Political Body's Contractor(s) (and not by way of limitation), the following special safety rules shall be followed:

a). The Political Body's Contractor(s) shall keep the job site free from safety and health hazards and ensure that its employees are competent and adequately trained in all safety and health aspects of the job. The Political Body's Contractor(s) shall have proper first aid supplies available on the job site so that prompt first aid services can be provided to any person that may be injured on the job site. The Political Body's Contractor(s) shall promptly notify the Railroad of any U.S. Occupational Safety and Health Administration reportable injuries occurring to any person that may arise during the work performed on the job site. The Political Body's Contractor(s) shall promptly notify the Railroad of any U.S. Occupational Safety and Health Administration reportable injuries occurring to any person that may arise during the work performed on the job site. The Political Body's Contractor(s) shall have a non-delegable duty to control its employees, while they are on the job site or any other property of the Railroad to be certain they do not use, be under the influence of, or have in their possession any alcoholic beverage or illegally obtained drug, narcotic or other substance that may inhibit the safe performance of work by an employee.

b). The employees of the Political Body's Contractor(s) shall be suitably dressed to perform their duties safely and in a manner that will not interfere with their vision, hearing or free use of their hands or feet. Only waist length shirts with sleeves and trousers that cover the entire leg are to be worn. If flare-legged trousers are worn, the trouser bottoms must be tied to prevent catching. The employees should wear sturdy and protective footwear. Employees shall not wear boots (other than work boots), sandals, canvas-type shoes or other shoes that have thin soles or heels that are higher than normal. In addition, the Political Body's Contractor(s) shall require its employees to wear personal protective equipment as specified by Railroad rules, regulations or Railroad officials overlooking the work at the job site. In particular, the protective equipment to be worn shall be:

(1) Protective head gear that meets American National Standard-Z89.1-latest revision. It is suggested that all hard hats be affixed with Political Body's Contractor(s)'s or subcontractor's company logo or name.

(2) Eye protection that meets American National Standard for occupational and educational eye and face protection, Z87.1-latest revision. Additional eye protection must be provided to meet specific job situations such as welding, grinding, burning, etc.; and

(3) Hearing protection which affords enough attenuation to give protection from noise levels that will be occurring on the job site.

c). All heavy equipment provided or leased by the Political Body's Contractor(s) shall be equipped with audible back-up warning devices. If in the opinion of the Railroad Representative any of Political Body's Contractor(s)'s or any of its subcontractor's equipment is unsafe for use on the Railroad's right-of-way, the Political Body's Contractor(s), at the request of the Railroad Representative, shall remove such equipment from the Railroad's right-of-way.

# SECTION 9 - INDEMNITY

a). As used in this Section, "Railroad" includes other railroad companies using the Railroad's property at or near the location of the Political Body's Contractor(s)'s installation and their officers, agents, and employees; "Loss" includes loss, damage, claims, demands, actions, causes of action, penalties, costs, and expenses of whatsoever nature, including court costs and attorneys' fees, which may result from: (a) injury to or death of persons whomsoever (including the Railroad's officers, agents, and employees, the

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Pol. 'cal Body's Contractor(s)'s officers, agents, and employees, as well as any other person); and (b) damage to or loss or destruction of property whatsoever (including Political Body's Contractor(s)'s property, damage to the roadbed, tracks, equipment, or other property of the Railroad, or property in its care or custody).

b). As a major inducement and in consideration of the license and permission herein granted, the Political Body's Contractor(s) agrees to indemnify and hold harmless the Railroad from any Loss which is due to or arises from any cause and is associated in whole or in part with the work performed under this agreement, a breach of the agreement or the failure to observe the health and safety provisions herein, or any activity or omission arising out of performance or nonperformance of this agreement; regardless of whether caused solely or contributed to in part by the negligence or fault of the Railroad.

c). Any liability of either party hereunder to one of its employees under any Workers' Compensation Act or the Federal Employers' Liability Act shall not be questioned or in any way challenged by the other party, nor shall any jury or court findings, resulting from any employee's suit against either party pursuant to any such Act(s), be relied upon or used by either party in any attempt to assert common law liability against the other.

# SECTION 10 - RESTORATION OF PROPERTY

In the event the Railroad authorizes the Political Body's Contractor(s) to take down any fence of the Railroad or in any manner move or disturb any of the other property of the Railroad in connection with the work to be performed by Political Body's Contractor(s), then in that event the Political Body's Contractor(s) shall, as soon as possible and at Political Body's Contractor(s)'s sole expense, restore such fence and other property to the same condition as the same were in before such fence was taken down or such other property was moved or disturbed, and the Political Body's Contractor(s) shall indemnify and hold harmless the Railroad, its officers, agents and employees, against and from any and all liability, loss, damages, claims, demands, costs and expenses of whatsoever nature, arising from the taking down of any fence or the moving or disturbance of any other property of the Railroad.

# SECTION 11 - WAIVER OF BREACH

The waiver by the Railroad of the breach of any condition, covenant or agreement herein contained to be kept, observed and performed by the Political Body's Contractor(s) shall in no way impair the right of the Railroad to avail itself of any subsequent breach thereof.

## SECTION 12 - ASSIGNMENT - SUBCONTRACTING

The Political Body's Contractor(s) shall not assign, sublet or subcontract this agreement, or any interest therein, without the written consent of the Railroad and any attempt to so assign, sublet or subcontract without the written consent of the Railroad shall be void. If the Railroad gives the Political Body's Contractor(s) permission to subcontract all or any portion of the work herein described, the Political Body's Contractor(s) is and shall remain responsible for all work of subcontractors and all work of subcontractors shall be governed by the terms of this agreement.

# EXHIBIT B-1

# To Contractor's Right of Entry Agreement Railroad Protective Liability Insurance Requirements

Licensee shall, at its own sole cost and expense, procure the following kinds of insurance and promptly pay when due all premiums for that insurance. The following insurance shall be kept in force during the life of this Agreement:

1. <u>General Public Liability</u> insurance providing bodily injury, including death, personal injury and property damage coverage with a combined single limit of at least \$2,000,000 each occurrence or claim and a general aggregate limit of at least \$4,000,000. This insurance shall provide Broad Form Contractual Liability covering the indemnity provisions contained in this Agreement, Underground hazard, Products-Completed Operations with products-completed operation aggregate of at least \$2,000,000, a separate general aggregate for the project (ISO Form CG 25 03 or equivalent), Broad Form Property Damage, severability of interests and name Railroad as an additional insured with respect to all liabilities arising out of Licensee's obligation to Railroad in the Agreement. If coverage is purchased on a "claims made" basis it shall provide for at least a three (3) year extended reporting or discovery period, which shall be invoked should insurance covering the time period of this Agreement be cancelled.

2. <u>Automobile Public Liability</u> insurance providing bodily Injury and property damage with a combined single limit of at least \$2,000,000 each occurrence or claim. This insurance shall provide contractual liability by endorsement ISO Form CA 00 25 or equivalent covering all motor vehicles including hired and non-owned, mobile equipment to the extent it may be excluded from general liability insurance, severability of interests and name Railroad as an additional insured with respect to all liabilities arising out of Licensee's obligation to Railroad in the Agreement.

3. <u>Worker's Compensation</u> insurance covering the statutory liability as determined by the compensation laws of the state(s) affected by this Agreement and Employers' Liability. Also compliance with all laws of states which require participation in their state workers' compensation fund.

4. <u>Railroad Protective Liability</u> insurance naming Railroad and any railroad operating over its tracks as insured with a combined single limit of \$2,000,000 per occurrence with a \$6,000,000 aggregate. The policy form shall be AAR-AASHTO with broad form coverage for "Physical Damage to Property" (ISO Form GL 00 30) or as revised ISO-RIMA (Form CG 00 35) and include pollution arising out of fuels and lubricants brought to the job site (ISO Form CG 28 31 or equivalent). If the Lloyd's, London policy form is used, limits shall be \$3,000,000 per occurrence with a \$9,000,000 aggregate and the Extended Claims Made Date shall be determined by adding the length of the original policy period plus one year to the policy expiration date.

The Licensee hereby waives its right to subrogation, as respects the above insurance policy(ies), against Railroad for payments made to or on behalf of employees of Licensee or its agents and for loss of its owned or leased property or property under its care, custody and control while on or near Railroad's right-of-way or other real property. Licensee's insurance shall be primary with respect to any insurance carried by Railroad.

Licensee shall furnish to Railroad certificate(s) of insurance evidencing the required coverage and endorsement(s) and upon request a certified duplicate original of any of those policies. The insurance company(ies) issuing such policy(ies) shall notify Railroad in writing of any material alteration including any change in the retroactive date in any "claims-made" policies or substantial reduction of aggregate limits, if such limits apply, or cancellation thereof at least thirty (30) days prior thereto.

The insurance policy(ies) shall be written by a reputable insurance company or companies acceptable to Railroad or with a current Best's Insurance Guide Rating of B and Class VII or better. Such insurance company shall be authorized to transact business in the state(s) affected by this Agreement.

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