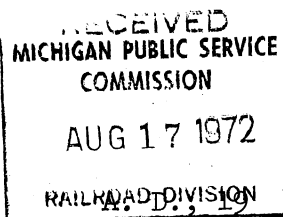


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THIS AGREEMENT, made this 16th day of August,

72 by and between the MICHIGAN STATE HIGHWAY COMMISSION, hereinafter referred to as the COMMISSION, the BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF WAYNE, MICHIGAN, a public body corporate, hereinafter referred to as the BOARD, the CITY OF DETROIT, a municipal corporation organized and existing under the laws of the State of Michigan, hereinafter referred to as the CITY; the COMMISSION, the BOARD, and the CITY being hereinafter referred to collectively as the PUBLIC AUTHORITIES, and THE CONNECTING RAILWAY COMPANY, a Pennsylvania corporation, and George P. Baker, Richard C. Bond, Jervis Langdon, Jr. and Willard Wirtz, Trustees of the Property of Penn Central Transportation Company, DEBTOR, in reorganization under Section 77 of the Bankruptcy Act and Lessee of THE CONNECTING RAILWAY COMPANY, said two Railroad Companies being hereinafter referred to collectively as the RAILROAD;

W I T N E S S E T H:

WHEREAS, pursuant to an agreement between the COMMISSION, the BOARD and the CITY, dated February 3, 1959, amended, supplemented and mutually agreed to by a Supplemental Contract No. 2, dated March 16, 1965, and in conformity with existing laws, the PUBLIC AUTHORITIES have agreed to the construction by the COMMISSION of a limited access freeway in the City of Detroit, County of Wayne, and State of Michigan, being known as Detroit-Muskegon Expressway (I-96 Jeffries Freeway), hereinafter referred to as the Freeway, which will extend from the Fisher Freeway near Michigan Avenue and Twenty-first Street northerly to the vicinity of Grand River Avenue, thence northwesterly generally along and near Grand River Avenue to the vicinity of Davison Avenue, thence westerly to the west city limits of Detroit at Schoolcraft Avenue; and

WHEREAS, the proposed Freeway will cross the right of way and

below the tracks of the RAILROAD at a point near and south of the intersection of Buena Vista and Shirley Streets; and

WHEREAS, the separation of railroad and Freeway grades at said proposed crossing of the Freeway with the right of way and tracks of the RAILROAD by means of highway underpass structures and approaches to carry railroad traffic, as a matter of public safety and convenience, has been approved by the Federal Highway Administration, United States Department of Transportation, hereinafter referred to as the FHWA, as a PROJECT for construction through the use of funds provided by the United States Government for the Post War construction of highways and bridges and to eliminate hazards at railroad grade crossings, as provided in the Federal Aid Highway Act of 1956, as amended; and

WHEREAS, the parties hereto have reached an understanding with each other respecting said crossing, the preparation and approval of plans and specifications, the construction of said highway underpass structures and approaches, the construction of highway and railroad drainage facilities where required, the removal and replacement of the permanent tracks and facilities of the RAILROAD during phase construction of the PROJECT, and the incidental work made necessary by such highway underpass construction, all herein from time to time referred to as the PROJECT, the maintenance, repair, replacement and renewal thereof, and the payment of the cost thereof, and desire to set forth their understanding in the form of a written agreement.

NOW, THEREFORE, in consideration of the premises and the performance of the mutual undertakings of the parties hereto, it is hereby agreed:

SECTION 1: Any and all financial obligations assumed by the COMMISSION,

the BOARD, or the CITY, individually or collectively, (except as to future maintenance, repair, replacement and renewal provided for in SECTION 20 hereof) under this Agreement are to be shared by the PUBLIC AUTHORITIES in the manner set forth in said Agreement, dated February 3, 1959, as amended March 16, 1965, between the PUBLIC AUTHORITIES covering the construction of the Freeway (Control Section 82123) within the limits of the CITY, said construction to include the PROJECT.

SECTION 2: In accordance with the Plans, the Standard Specifications of the COMMISSION, and the Supplemental Specifications and other specifications hereinafter mentioned, the PUBLIC AUTHORITIES will construct two highway underpass structures on the right of way and below the tracks of the RAILROAD at the location aforesaid, pursuant to all of the terms and conditions of this Agreement, and, for the purposes of said construction work, said PUBLIC AUTHORITIES and their Contractors may enter upon and occupy the property of the RAILROAD, subject to the conditions hereinafter stated; provided that, immediately upon completion of the PROJECT, such railroad property shall be restored to a condition deemed by the Chief Engineer of the RAILROAD to be suitable for railroad purposes.

SECTION 3: Each of the PUBLIC AUTHORITIES, by proper action in a manner provided by law, shall adopt the lines shown on the General Plans for the PROJECT, hereto attached as Exhibits, as the profile fixing the level to which the proposed Freeway shall be depressed. The RAILROAD hereby approves the horizontal clearances of the structures required to carry its tracks over the Freeway as shown on the Plans.

SECTION 4: The General Plans for the PROJECT and the cost of the work to be performed by the RAILROAD on a force account basis are shown on the following Exhibits which are attached to and made a part of this Agreement:

- Exhibit A - General Plan of site (X07 of 82123E), showing present topography adjacent to and including the tracks of the RAILROAD, location of proposed highway underpass structure, present ground profile and proposed crown of roadway profile on center line of Freeway and proposed profile of the RAILROAD.
- Exhibit B - 2 sheets - General Plan of structure (X07 of 82123E) showing general plan, elevation and sections of the proposed highway underpass structure and Freeway and railroad clearances.
- Exhibit C - General Plan of site (X08 of 82123E), showing present topography adjacent to and including the tracks of the RAILROAD, location of proposed highway underpass structure, present ground profile and proposed crown of roadway profile on center line of Freeway and proposed profile of the RAILROAD.
- Exhibit D - 2 sheets - General Plan of structure (X08 of 82123E) showing general plan, elevation and sections of the proposed highway underpass structure and Freeway and Railroad clearances.
- Exhibit E - Right of way sheet, showing proposed right of way limits of the Freeway, (Parcel A) over which an easement for underpass highway purposes will be granted by the RAILROAD to the COMMISSION, and (Parcel B) a parcel, upon being secured by the COMMISSION, over which an easement for railroad operating purposes will be granted to the RAILROAD by the COMMISSION.
- Exhibit F - 4 sheets - 1 Permanent Track Alignment sheet, and 3 Construction staging sheets.
- Exhibit G - Estimated cost of the work to be performed by the RAILROAD in conjunction with said PROJECT on a force account basis.

SECTION 5: The COMMISSION will prepare, at no expense to the RAILROAD, all

designs, detailed plans and specifications for the highway underpass structures, and for the approaches and facilities providing for railroad and Freeway traffic, including drainage structures where required. Said designs, detailed plans and specifications shall be subject to the approval of the RAILROAD insofar as they affect the facilities of the RAILROAD and shall receive the approval of the COUNTY, the CITY, and of the FHWA before the awarding of construction contracts for such work. All of said work shall be designed, detailed and constructed in accordance with the current specifications and standards of the COMMISSION, except that the current American Railway Engineering Association specifications shall govern the design of the bridge superstructures that carry railroad loading.

SECTION 6: The RAILROAD will prepare and furnish to the COMMISSION an estimate of the cost and plan of the work to be performed by it on a force account basis as specified in SECTION 10 hereof, including the cost of the insurance specified in SECTION 13 hereof, and a separate schedule of the rates for the flagging services and other protective services and devices required for and performed or furnished by the RAILROAD to the Contractor during the construction of the PROJECT. The COMMISSION, as agent for the PUBLIC AUTHORITIES, will reimburse the RAILROAD for the cost of the preparation of said estimate, plan and schedule, and for the expense incurred in reviewing the project agreement, plans and proposal.

SECTION 7: The COMMISSION will advertise the PUBLIC AUTHORITIES' portion of the work of construction of the PROJECT in accordance with its regulations, considering bids therefor only from Contractors prequalified by it for such work and will award the contracts therefor, and will exercise complete supervision and control over such construction. While work is being performed adjacent to, under or over its tracks, the RAILROAD may place a competent engineer on the work, together with necessary assistants, at PROJECT expense to protect its interests.

Said engineer of the RAILROAD, acting through the COMMISSION'S engineer, shall have the right to reject any or all work affecting the RAILROAD'S interests which is not executed pursuant to, and in conformity with, the aforesaid plans and specifications.

SECTION 8: The COMMISSION will require its Contractor to comply with the Supplemental Specifications (Special Provisions), approved by the RAILROAD and the PUBLIC AUTHORITIES, attached hereto and made a part hereof, and to bear all costs of protecting railroad traffic made necessary or occasioned by his operations, as set forth in said Supplemental Specifications (Special Provisions). The RAILROAD agrees to furnish to the Contractor, at the sole expense of the Contractor, such switchtenders, flagmen, telegraph operators, conductors, pilots, watchmen or other protective services or devices as, in the opinion of the Chief Engineer of the RAILROAD, are required to insure safety and continuity of railroad traffic during the Contractor's operations. The COMMISSION, by appropriate contract provisions, will require its Contractor to reimburse the RAILROAD for such services and devices promptly on receipt of bills, and agrees to withhold final payment to its Contractor until the RAILROAD has notified the COMMISSION that all such bills have been settled. It is further expressly understood that no provisions of this section nor approval by the RAILROAD as to construction operations shall relieve the Contractor of any responsibility or liability whatsoever.

SECTION 9: The COMMISSION, on behalf of the PUBLIC AUTHORITIES will undertake and perform, through Contractors:

- (a) The construction of the highway underpass structures and approaches.
- (b) The construction of highway and railroad drainage facilities where required.
- (c) The construction, maintenance and removal of the temporary embankment

and subballast for the run-around tracks to be used for the diversion of the RAILROAD'S trains during the construction period.

- (d) The construction, maintenance and removal of the temporary embankment and subballast for the temporary storage track.
- (e) The removal of ballast placed by the RAILROAD for the temporary run-around tracks and the temporary storage track.
- (f) The grading and subballast for the reconstruction of the permanent tracks of the RAILROAD.
- (g) The grading and subballast for the construction of the permanent storage track.
- (h) The shop and mill inspection incident to the fabrication of steel work for the highway underpass structures.
- (i) All work incidental thereto, excepting the work agreed to in SECTION 10 hereof to be performed by the RAILROAD.

SECTION 10: The RAILROAD will, at project expense, on a force account basis, using its own forces and equipment.

- (a) Furnish all materials required therefor and make all temporary and permanent changes to its communication and signal lines, that may be necessitated by the PROJECT.
- (b) Furnish all materials, including the furnishing and placing of ballast, ties, rail and fastenings, and perform all work involved in the construction, maintenance and removal of the temporary run-around tracks and the temporary storage track.
- (c) Furnish all materials, including ballast, ties, rail and fastenings, and perform all work involved in the removal and reconstruction of the permanent tracks necessary for the construction of the PROJECT, and the construction of the permanent storage track.

- (d) Perform the checking of shop plans incident to the fabrication of steel work for said highway underpass structures.

The RAILROAD will credit the COMMISSION with an amount equivalent to its normal maintenance expenditure for its main line tracks between the extremities of the temporary run-around tracks, but not to exceed the actual cost of maintaining the temporary run-around tracks, and with the salvage value of all track and all communication and signal material used on a temporary basis during the construction of the PROJECT and accepted by the RAILROAD for return to its stock. Such salvage value is to be computed in accordance with the provisions of Policy and Procedure Memorandum No. 30-3 and amendments thereto of the FHWA.

SECTION 11: Any work necessitated by the PROJECT but not specifically provided for in this Agreement which shall involve temporary or permanent changes to any facilities of the RAILROAD shall be performed, at PROJECT expense by one of the parties hereto as may be mutually agreed upon from time to time during the progress of the work and in conformity with the rules and regulations of the FHWA as then in effect. The RAILROAD will be permitted to work outside of its regular working hours, at premium rates, to perform its force account work when such working hours have been approved by the COMMISSION'S District Construction Engineer, provided the arrangement for such work is required to maintain construction schedules and is in the public interest.

SECTION 12: The RAILROAD will keep an accurate and detailed account of the costs and expenses incurred by it in the performance of the work which it herein agrees to undertake and perform. Said account shall be accessible for review and auditing by the COMMISSION and by the FHWA. All bills submitted to the COMMISSION by the RAILROAD for any items of work performed, or materials or equipment furnished by it under the terms of this Agreement shall be prepared in accordance with the provisions of Policy and Procedure Memorandum No. 30-3,

dated October 15, 1966, and amendments thereto of the FHWA. The COMMISSION will pay from PROJECT funds such amounts as are approved for payment by the FHWA in accordance with its regulations. The COMMISSION will pay from PROJECT funds those costs and expenses which conform to the provisions of said Policy and Procedure Memorandum No. 30-3 and in which the FHWA will not participate because such costs and expenses were incurred by the RAILROAD prior to the date on which the FHWA approved the program which includes the PROJECT. The COMMISSION, as agent for the PUBLIC AUTHORITIES, will reimburse the RAILROAD monthly, ninety-five percent (95%) of the costs and expenses so incurred by it. Final payment will be made to the RAILROAD after the FHWA has made its final audit.

SECTION 13: The RAILROAD shall furnish to the COMMISSION copies of the policy or policies evidencing that the RAILROAD as named insured carries insurance, including Employer's Liability Insurance, protecting itself with respect to:

- (a) All loss of and damage to any property whatsoever (including property of the parties hereto and of all other persons whomsoever, and the loss of or interference with any use or service thereof), and
- (b) All loss and damage on account of injury to or death of any persons whomsoever (including employees and patrons of the parties hereto and all other persons whomsoever), and
- (c) All claims and liability for such loss and damage and cost and expense thereof,

caused by, growing out of, or in any way related to or connected with the force account work of the RAILROAD in connection with the PROJECT. The limits of insurance under said policy or policies with respect to items (a), (b), and (c) referred to above shall be in the amount of One Million Dollars (\$1,000,000.00) for any one occurrence.

Also, in connection with the force account work to be performed by it on the PROJECT, the RAILROAD shall furnish evidence that it carries

Owner's Protective Public Liability and Protective Property Damage Liability Insurance in favor of the Michigan State Highway Commission, the County of Wayne, Michigan, the Board of County Road Commissioners of the County of Wayne, and the City of Detroit, Michigan.

The Owner's Protective Public Liability and Protective Property Damage Liability Insurance shall provide for public liability limits of not less than Two Hundred Thousand Dollars (\$200,000.00) for all damages arising out of bodily injuries to or death of one person and, subject to that limit for each person, a total of Five Hundred Thousand Dollars (\$500,000.00) for all damages arising out of bodily injuries to or death of two or more persons in any one occurrence, and property damage liability limits of not less than One Hundred Thousand Dollars (\$100,000.00) for all damages arising out of injury to, or destruction of, property in any one occurrence and, subject to that limit per occurrence, an aggregate limit of Two Hundred Thousand Dollars (\$200,000.00) for all damages arising out of injury to, or destruction of, property during the policy period.

The RAILROAD shall furnish four (4) copies of the policy or policies of the above insurance to the COMMISSION. After approval by the PUBLIC AUTHORITIES, one copy of each policy furnished shall be returned to the RAILROAD. Each policy shall be provided with the following endorsement:

"It is hereby agreed that 30 days prior written notice of cancellation, expiration, termination, or reduction of coverage provided by this policy will be given to the Michigan Department of State Highways, to the Board of County Road Commissioners of the County of Wayne, Michigan, and to the City of Detroit, Michigan."

The cost of such policy or policies shall be considered as a part of the cost of the PROJECT for which the RAILROAD shall be entitled to

reimbursement by the PUBLIC AUTHORITIES. The aggregate cost of such policy or policies is estimated to be \$6,121.00. Final payment of insurance premiums will not be made until a certified statement as to final costs of insurance is furnished to the COMMISSION.

SECTION 14: The COMMISSION shall require its Contractor to take out a Railroad's Protective Liability Insurance policy in the name of THE CONNECTING RAILWAY COMPANY, a Pennsylvania Corporation and George P. Baker, Richard C. Bond, Jervis Langdon, Jr. and Willard Wirtz, Trustees of the Property of PENN CENTRAL TRANSPORTATION COMPANY, DEBTOR, in reorganization under Section 77 of the Bankruptcy Act and Lessee of THE CONNECTING RAILWAY COMPANY before work is commenced and to keep same in effect until work is completed and accepted, said policy to be in the form as specified in the regulations of Policy and Procedure Memorandum No. 20-12 of the FHWA, dated June 30, 1967, and amendments thereto of the FHWA. The policy shall have limits of liability of not less than Five Hundred Thousand Dollars (\$500,000.00) for each individual and One Million Dollars (\$1,000,000.00) for each occurrence with respect to bodily injury or death; and Five Hundred Thousand Dollars (\$500,000.00) for each occurrence with an aggregate of One Million Dollars (\$1,000,000.00) for the term of the policy with respect to property damage. The policy of insurance specified in this section shall be with a company authorized to do business in the State of Michigan.

SECTION 15: The COMMISSION, at PROJECT expense, will acquire the necessary right of way for the relocation of certain tracks of the RAILROAD, except that now owned by the RAILROAD, as shown on Exhibit E.

The RAILROAD will grant and convey to the COMMISSION, by a separate instrument in recordable form, a properly described easement for highway underpass purposes over Parcel A as shown in Exhibit E, for so long as may be required in connection with said Freeway. The COMMISSION will reimburse the RAILROAD in

the amount of Two Hundred and Fifty Dollars (\$250.00) to cover the cost and expense incurred by the RAILROAD in preparing and processing said easement.

The COMMISSION, upon securing its necessary right of way for Freeway purposes, will grant and convey to the RAILROAD, by a separate instrument in recordable form, a properly described easement for railroad purposes over Parcel B as shown in Exhibit E.

It is expressly understood that the RAILROAD will not have vehicular access from its abutting property to said Freeway except by the use of Public Highways.

SECTION 16: The PUBLIC AUTHORITIES, at their own expense, will secure the necessary right of way, except that now owned by the RAILROAD as covered in SECTION 15 hereof, and do hereby assume the payment of all abuttal damages, if any there be, to property, business or persons, other than to the property of the RAILROAD, arising in any manner from said PROJECT.

In the event any claim or demand is made or any suit is instituted against the RAILROAD, arising out of this PROJECT, wherein the PUBLIC AUTHORITIES are liable under the terms hereof, the PUBLIC AUTHORITIES, on written notice from the RAILROAD, will settle, compromise, or defend the said claim, demand, or suit, at their own option and cost, and will fully pay and satisfy any judgment arising by reason thereof, together with taxable court costs. Nothing in this section or this Agreement shall be construed to render the PUBLIC AUTHORITIES liable for acts of negligence of the RAILROAD, the Contractor, or any of their employees, agents, contractors or subcontractors.

The RAILROAD hereby waives any and all claims for damages to itself or to any abutting property owned or controlled by it within the extent of the PROJECT by reason of the construction of the PROJECT or the limiting of access to the Freeway.

SECTION 17: The classification of the PROJECT is in accordance with the

FHWA'S Policy and Procedure Memorandum No. 21-10, Section 5, b, (4), as amended, Existing Railroad Crossed by New Highway. Inasmuch as Interstate Route I-96 is established as a new highway and is not essentially a relocation of an existing street or highway, the construction of the PROJECT shall be considered as not resulting in ascertainable benefits to the RAILROAD and, consequently, the RAILROAD shall not be assigned liability as to the cost thereof.

SECTION 18: If, at any time, without fault of the parties hereto, the work which is hereunder agreed to be done by the COMMISSION shall cease and not be resumed within sixty (60) days, or such extended period as is mutually agreed upon, the parties hereto, if not then agreed, will agree upon and will perform such work as is reasonably necessary to place the highway and the right of way, tracks, and other facilities of the RAILROAD in a satisfactory, permanent operating condition, and the PUBLIC AUTHORITIES will assume and pay the cost thereof; provided that the aforesaid sixty (60) day limitation shall not apply to the temporary suspension of work under Order of any governmental agency or court, in which event the work shall be resumed and completed as soon as possible in accordance with the terms of this Agreement.

SECTION 19: In the event delays or difficulties occur before the commencement of physical operations hereunder which, in the opinion of the COMMISSION, render it impracticable to proceed with the construction of the PROJECT, the COMMISSION may serve written notice thereof on the RAILROAD, and this Agreement shall thereupon terminate forthwith.

SECTION 20: When the work of construction of the PROJECT has been completed, the RAILROAD, at its sole cost and expense, will maintain, repair, replace and renew its tracks, ties, ballast and approach embankments, however, any adjustment of the grade of the tracks within the limits of the PROJECT, that is required within one (1) year from the time rail traffic is resumed on the reconstructed tracks, shall be performed by the RAILROAD at PROJECT expense. The RAILROAD,

also at its sole cost and expense, will repair or replace, or cause to be repaired or replaced, any portion of the highway underpass structures, the roadway surfacing, the roadway slopes, and the drainage facilities, which may be damaged or destroyed by accident or otherwise resulting solely from railroad traffic. The COMMISSION, without cost to the RAILROAD and in accordance with this Agreement, will maintain, repair, replace and renew, or cause same to be done, as and when the circumstances may require, said highway underpass structures, the roadway surfacing, the roadway slopes, and the highway drainage facilities, and also, at its sole cost and expense, will repair or replace, or cause to be repaired or replaced, any portion of said highway underpass structures, the roadway surfacing, the roadway slopes, and the drainage facilities, which may be damaged or destroyed by accident or otherwise resulting from highway traffic. The COMMISSION and the RAILROAD have agreed by a separate and prior agreement, dated September 30, 1969, to the construction of a 72" storm sewer by the COMMISSION, and placed beneath the Freeway and tracks of the RAILROAD to carry surface water from the Freeway. The construction of the storm sewer, though a part of this PROJECT, had to be commenced prior to the execution of this Agreement. This Agreement, by this paragraph, denotes the responsibility for the maintenance of the storm sewer to be that of the COMMISSION'S, and the cost thereof will be borne by the COMMISSION at no cost to the RAILROAD.

MAINT.

SECTION 21: Either the COMMISSION, the BOARD, the CITY or the RAILROAD may now, or at any time hereafter, and from time to time, at its own option, and at its sole cost and expense, construct or provide additional facilities and betterments to this PROJECT, together with the necessary construction and expenditures to adapt the same to the new physical conditions occasioned by such additional facilities and betterments. It is agreed that such construction shall not be undertaken by either the COMMISSION, the BOARD, the CITY or the RAILROAD without full approval by and consent of the other parties insofar as their respective interests are involved.

SECTION 22: It is anticipated that the PROJECT is to be financed in part from

main sewer
X07 & X08 of 82123E

funds appropriated by the Federal Government and expended under Federal laws and regulations, which laws and regulations are hereby incorporated in and made a part of this Agreement.

SECTION 23: (a) In connection with the performance of work under this Agreement, the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the provisions of the State of Michigan "Non-Discrimination Clause for All State Contracts", as set forth in Appendix "A", attached hereto and made a part hereof.

(b) During the performance of this Agreement, the parties hereto, for themselves, their assignees, and successors in interest (hereinafter in Appendix "B" referred to as the "contractor") agree to comply with the Civil Rights Act of 1964 (78 Stat. 252) and the Regulations of the Department of Transportation (49 C.F.R. Part 21) issued pursuant to said Act, including Appendix "B" attached hereto and made a part hereof.

SECTION 24: The resolution of the State Administrative Board, dated October 17, 1967, entitled "Highway Department Construction and Maintenance Contracts", as set forth in Appendix "C", is hereby made a part hereof.

SECTION 25: It is specifically understood and agreed that this Agreement shall become and be binding on the parties hereto, their successors and assigns, when, but not until, the Michigan Public Service Commission has entered an Order authorizing, permitting and approving the foregoing PROJECT, the Administrative Board of the State of Michigan has approved this PROJECT and this Agreement and has authorized the COMMISSION to proceed therewith, the BOARD has, by resolution, approved this PROJECT and this Agreement and authorized the execution thereof, and the Common Council of the CITY has, by resolution, approved the PROJECT and this Agreement and has authorized the Commissioner of Public Works to execute this Agreement on behalf of the CITY, and a certified copy of each resolution

is attached hereto and made a part hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their proper and duly authorized officers as of the day and year first above written.

Approved for the MICHIGAN STATE HIGHWAY COMMISSION, the BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF WAYNE, MICHIGAN, the CITY OF DETROIT, THE CONNECTING RAILWAY COMPANY, and the PENN CENTRAL TRANSPORTATION COMPANY as to substance and engineering:

MICHIGAN STATE HIGHWAY COMMISSION

By [Signature]
Assistant Chief
Bureau of Engineering

MICHIGAN STATE HIGHWAY COMMISSION

By [Signature]
DEPUTY DIRECTOR-CHIEF ENGINEER

FORM APPROVED
5-10-71
[Signature]
ASSISTANT
ATTORNEY
GENERAL

BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF WAYNE, MICHIGAN

By [Signature]
Asst. County Highway Engineer

BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF WAYNE, MICHIGAN

By [Signature]
Chairman
By [Signature]
Commissioner
By [Signature]
Commissioner

APPROVED
AUG 15 1972
MICH. STATE ADM. BOARD

CITY OF DETROIT

CITY OF DETROIT

By [Signature]
Asst City Engineer

By [Signature]
Commissioner of Public Works

THE CONNECTING RAILWAY COMPANY and the PENN CENTRAL TRANSPORTATION COMPANY

THE CONNECTING RAILWAY COMPANY

By [Signature]
Chief Engineer

By [Signature]
President
By [Signature]
Assistant Secretary

GEORGE P. BAKER, RICHARD C. BOND, JERVIS LANGDON, JR., WILLARD WIRTZ, Trustees of the Property of the PENN CENTRAL TRANSPORTATION COMPANY, DEBTOR, in reorganization under Section 77 of the Bankruptcy Act, and Lessee of THE CONNECTING RAILWAY COMPANY.

By [Signature]
Chief Engineer

Witness [Signature]

APPROVED
5/1/71
BUREAU OF FINANCE

APPROVED
MICHIGAN PUBLIC SERVICE COMMISSION

SEP 11 1972
[Signature]
DIRECTOR RAILROAD DIVISION

Board of County Road Com'rs.,
Wayne County, Michigan
APPROVED
[Signatures]
Asst. Form - Attorney
Engineer
Director of Finance
Secretary
Managing Director

APPENDIX A

NON-DISCRIMINATION CLAUSE FOR ALL STATE CONTRACTS

(With the exception of:

1. contracts for goods or services in an amount of less than \$5,000;
2. contracts entered into with parties employing less than three employees.)

In connection with the performance of work under this contract, the contractor agrees as follows:

1. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, national origin, age* or sex*. The contractor will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, color, national origin, age* or sex*. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
2. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age* or sex*.
3. The contractor or his collective bargaining representative will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers' representative of the contractor's commitments under this section.
4. The contractor will comply with all published rules, regulations, directives, and orders of the Michigan Civil Rights Commission relevant to Section 4, Act No. 251, Public Acts of 1955, as amended, which may be in effect prior to the taking of bids for any individual state project.
5. The contractor will furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor as well as the contractor himself, and said contractor will permit access to his books, records, and accounts by the Michigan Civil Rights Commission, and/or its agent, for purposes of investigation to ascertain compliance with this contract and with rules, regulations, and orders of the Michigan Civil Rights Commission relevant to Section 4, Act No. 251, Public Acts of 1955, as amended.
6. In the event that the Civil Rights Commission *** finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this agreement, the Civil Rights Commission may, as part of its order based upon such findings, certify said findings to the Administrative Board of the State of Michigan, which Administrative Board may order the cancellation of the contract found to have been violated, and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, and including the governing boards of institutions of higher education, until the contractor complies with said order of the Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Civil Rights Commission to participate in such proceedings.
7. The contractor will include, or incorporate by reference, the provisions of the foregoing paragraphs (1) through (6) in every subcontract or purchase order unless exempted by the rules, regulations or orders of the Michigan Civil Rights Commission,** and will provide in every subcontract or purchase order that said provisions will be binding upon each subcontractor or seller.

* Section 3a (a), Act No. 344, Public Acts of 1965, as amended by Act No. 349, Public Acts of 1966, reads:

"It is an unfair employment practice: "(a) For any employer, because any individual is between the ages of 35 and 60, or because of the sex of any individual, to refuse to hire or otherwise to discriminate against him with respect to hire, tenure, terms, conditions of privileges of employment. Any such refusal to hire or discrimination shall not be an unfair employment practice if based on law, regulation, the requirements of any federal or state training or employment program or on a bona fide occupational qualification and except in selecting individuals for an apprentice program or an on-the-job training program intended to have a duration of more than 4 months."

** Except for those:

1. subcontracts for goods or services in any amount of less than \$5,000;
2. subcontracts entered into with parties employing less than three employees.

*** 3. The Civil Rights Commission referred to is the Michigan Civil Rights Commission.

APPENDIX B

SPL-72

EQUAL OPPORTUNITY: Employment Practices and Selection of Subcontractors, Suppliers of Materials, and Lessors of Equipment

During the performance of this agreement, the contractor, for himself, his assignees, and successors in interest (hereinafter referred to as the "contractor"), agrees as follows:

1. Compliance with Regulations: The contractor will comply with the Regulations of the Department of Transportation relative to nondiscrimination in Federally-assisted programs of the Department of Transportation (Title 49 Code of Federal Regulations, Part 21, hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
2. Employment Practices:
 - a. The contractor will not discriminate against any employee or applicant for employment because of race, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, or national origin. Such action shall include, but not be limited to the following: recruitment or recruitment advertising, hiring, firing, upgrading, promotion, demotion, transfer, layoff, termination, rates of pay or other forms of compensation or benefits, selection for training or apprenticeship, use of facilities and treatment of employees. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this employment practices clause.
 - b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, or national origin.
 - c. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers representative of the contractor's commitments under this employment practices provision, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
3. Selection of Subcontractors, Procurement of Materials and Leasing of Equipment:
 - a. The contractor, with regard to the work performed by him 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.
 - b. 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 leases of equipment, each potential subcontractor, supplier, or lessor shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination 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 State Highways 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 to the Department of State Highways, or the Federal Highway Administration, as appropriate, and shall set forth what efforts it has made to obtain the information.
5. Incorporation of Provisions: The contractor will include these additional required contract provisions in every subcontract, including procurements of materials and leases of equipment unless exempt by the Regulations or orders, or instructions issued pursuant thereto. The contractor will take such action with respect to any subcontract, procurement, or lease as the Department of State Highways 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, supplier, or lessor as a result of such directed action, the contractor may request the State to enter into such litigation to protect the interest of the State, and, in addition, the contractor may request the United States to enter into such litigation to protect the interest of the United States.
6. Sanctions for Noncompliance: In the event of the contractor's noncompliance with the non-discrimination provisions of this contract, the Department of State Highways 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.

12/70

STATE OF MICHIGAN
ADMINISTRATIVE BOARD
RESOLUTION OF OCTOBER 17, 1967
HIGHWAY DEPARTMENT CONSTRUCTION AND MAINTENANCE CONTRACTS

WHEREAS, pursuant to the provisions of Section 2, Act 17, Public Acts of 1925, all contracts entered into by the Michigan Department of State Highways require approval of the State Administrative Board;

WHEREAS, modification of highway construction and maintenance contracts is sometimes necessary;

WHEREAS, it is sometimes necessary for the Michigan Department of State Highways to authorize changes or extra work by contractors without obtaining specific prior approval of the State Administrative Board, in order to avoid delays and increased costs resulting from delay;

THEREFORE, BE IT RESOLVED by the State Administrative Board of the State of Michigan as follows:

1. All agreements by the Department to pay for extra or changed work on either a negotiated price or force account basis must be approved by the Administrative Board.
2. Extra or changed work calling for a different price than that specified in the contract, which may have the effect of increasing the contract price, but which cannot increase the contract price by more than \$50,000, may be authorized by the Department in advance of obtaining Board approval if and only if absolutely necessary to avoid construction delays or increased costs that would result from awaiting prior Board approval.
3. Department authorizations for extra work given prior to Board approval shall be presented to the Board for subsequent approval or disapproval as quickly as possible, but in no case more than 45 days after the extra or changed work has been authorized by the Department.
4. No payments for extra or changed work requiring Board approval shall be made until such Board approval has been obtained.
5. No extra or changed work which may cause an increase in the contract price shall be authorized by the Department prior to Administrative Board approval, unless and until the Attorney General or duly authorized Assistant Attorney General has approved the authorization as being in compliance with all legal requirements. Provided, however, that extra or changed work costing not more than \$5,000 may be authorized by the Department without prior approval of the Attorney General, if necessary to avoid construction delays or increased costs.
6. The Department shall not pay nor agree to pay any disputed claim for extra compensation for work already commenced or completed without approval of the Board.
7. No payments for overruns in contract quantities shall be made by the Department unless and until the Board has given prior approval for such payments, except that payments for overruns may be made without Administrative Board approval if such payments do not exceed the following percent of the original contract price: 5% on contracts of \$100,000 or more; 10% on contracts of \$50,000 to \$99,999; 15% on contracts of \$25,000 to \$49,999; 25% on contracts of less than \$25,000.
8. The Department shall not pay more than 90% of any amounts up to \$50,000 earned by a contractor, nor more than 95% of any amounts in excess of \$50,000 earned by a contractor on any construction or maintenance contract unless and until the project is complete, and the road has been fully and finally accepted by the Department. This paragraph shall apply to all construction and maintenance contracts for which bids were received after the effective date of this Resolution. In respect of Department-Railroad contracts, the forgoing provision of this section will require a retainage of only 5% until after final audit.

9. The Department shall assess damages against any contractor who fails to have the job open to traffic or completed by the dates specified in the contract unless the contractor has been excused for such failure by the Department. The Department may, without approval of the Administrative Board, extend the time for opening to traffic or completion of the contract because of delays due to unforeseen causes beyond the control and without the fault or negligence of the contractor, including and restricted to: acts of God, acts of the public enemy, acts of Government, acts of the State or any political subdivision thereof, fires, floods, epidemics, strikes, or extraordinary delays in delivery of materials.

No excusal or waiver of damages, except as above provided, shall be final and binding upon the State unless and until approved by the Administrative Board, except excusals and waivers granted by the Department prior to the effective date of this Resolution pursuant to applicable specifications and other contract provisions.

10. The foregoing requirements established by the Board shall be made an express part of all contracts entered into by the Department, and the Department's standard and supplemental specifications shall be amended to reflect such requirements.

11. Policy Resolution A, approved by the Administrative Board on July 17, 1956, is hereby repealed, except that all rights, causes of action, claims, proceedings and suits existing on the effective date of this Policy Resolution shall continue unaffected.

12. This Policy Resolution shall be immediately effective, both as to contracts to be entered into and contracts previously entered into by the Michigan Department of State Highways, subject to paragraph 11 of this Resolution.

13. Notwithstanding any other provision of this resolution, the Department of State Highways may, without obtaining the approval of this Board, in connection with any construction or maintenance contract, authorize one or more items of extra work on a negotiated price or force account basis, which item or items in connection with any one contract shall not exceed \$10,000 in cost with a private agency and for an amount not exceeding \$250,000.00 under any such contract with Boards of County Road Commissions, Township Boards and Municipalities of this State.

14. The Department of Highways is authorized to balance budgets for extra work recommendations or authorizations previously approved by the Board, by decreasing, in any amount, or increasing, not in excess of 15 percent, the original estimated amount without additional approval by this Board.

Fullerton Avenue, Box 82123E.

Gentlemen — We are forwarding herewith, for your consideration, copy of a formal agreement between the Michigan State Highway Commission, Board of Wayne County Road Commissioners, City of Detroit and the Penn Central Railway Company. This agreement provides for the construction of a grade separation structure to carry the Penn Central Railway Company over the Jeffries Freeway north of Fullerton.

This is part of the construction involved in building the Jeffries Freeway, which construction is authorized by the terms of an agreement entered into on February 3, 1959, between the City of Detroit, the Board of Wayne County Road Commissioners and the Department of State Highways, known as the Detroit Expressways Agreement. Funds for the construction of this structure are available by virtue of provisions of the referenced Detroit Expressways Agreement.

The Corporation Counsel has indicated his approval of this agreement as to form as indicated by the accompanying letter. The various interested City Departments have indicated that they have no objections to this agreement insofar as their interests are concerned.

In view of the foregoing, we recommend that your Honorable Body approve this agreement and adopt the following resolution authorizing the Commissioner of Public Works to execute this agreement in behalf of the City of Detroit.

Respectfully submitted,
CLARENCE C. RUSSELL,
Commissioner.

Approved:
W. I. STECHER
Deputy Controller

By Councilman Levin:
Resolved, That the formal agreement between the Michigan State Highway Commission the Board of Wayne County Road Commissioners, the City of Detroit and the Penn Central Railway Company, which provides for the construction of a grade separation structure to carry the Penn Central Railway Company over the Jeffries Freeway north of Fullerton, be and the same is hereby approved; and
Be It Further Resolved, That the Commissioner of Public Works is hereby authorized and directed to execute the agreement for and in behalf of the City of Detroit.

Adopted as follows:

Yeas — Councilmen Browne, Eberhard, Hood, Levin, Rogell, Wierzbicki, and President Ravitz—7.
Nays—None.

TRUE COPY CERTIFICATE

CITY OF DETROIT PRINTING DIVISION

GAN, } ss.

CITY CLERK'S OFFICE, DETROIT

George C. Edwards

, City Clerk of the City of Detroit, in said

that the annexed paper is a TRUE COPY OF Communication & Resolution

of the Common Council at session of

July 5, 1972

July 11, 1972

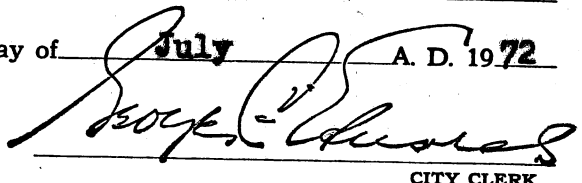
held at said Common Council in the office of the City Clerk of Detroit, aforesaid;

and the same is a correct transcript therefrom, and of the

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City, at

Detroit, this 18th

day of July A. D. 1972



CITY CLERK

SUPPLEMENTAL SPECIFICATIONS

SPECIAL PROVISIONS

The Bidder, if awarded the contract for this Project, agrees:

1. To cooperate with public utility, railroad and other organizations having occasion to carry on their usual work within the limits of the Project, or doing work on and in connection with the Project.
2. To conduct his work in such a manner that the construction of said grade separation structures shall be executed without damage to the property of and, insofar as is possible, without delay to the trains of The Connecting Railway Company and the Penn Central Transportation Company, said two Railroad Companies hereinafter referred to collectively as the Railroad Company. The Contractor will observe such reasonable restrictions as the Chief Engineer of the Railroad Company, or his representative on the ground, acting through the engineer of the Highway Commission, may impose for the safety and dispatch of persons and property of, or in care of, the Railroad Company, and for the safe and expeditious operation of its trains.
3. To avoid unnecessary use of Railroad property without written permission of the Railroad Company and to leave railroad roadbed and property in a condition acceptable to the Chief Engineer of the Railroad Company.
4. To carry the following insurance, in a form, and with an insurer or insurers, acceptable to the Highway Commission, the Board of County Road Commissioners of the County of Wayne, Michigan, the City of Detroit, to The Connecting Railway Company, a Pennsylvania Corporation and George P. Baker, Richard C. Bond, Jervis Langdon, Jr. and Willard Wirtz, Trustees of the Property of the Penn Central Transportation Company, DEBTOR, in reorganization under Section 77 of the Bankruptcy Act and Lessee of the Connecting Railway Company, Room 600, Six Penn Center Plaza, Philadelphia,

Pennsylvania - 19104:

- a. Workmen's Compensation Insurance.
- b. Contractor's Public Liability and Property Damage Liability Insurance.

The Contractor shall furnish to the Highway Commission and to the Railroad Company copies of policies as evidence that, with respect to the operations he performs, he carries standard Contractor's Public Liability Insurance providing for a limit of not less than Two Hundred Thousand Dollars (\$200,000.00) for all damages arising out of bodily injuries to, or death of, one person, and subject to that limit for each person, a total limit of Five Hundred Thousand Dollars (\$500,000.00) for all damages arising out of bodily injuries to, or death of, two or more persons in any one occurrence, and standard Contractor's Property Damage Liability Insurance providing for a limit of not less than One Hundred Thousand Dollars (\$100,000.00) for all damages arising out of injury to, or destruction of, property in any one occurrence, and subject to that limit per occurrence, an aggregate limit of Two Hundred Thousand Dollars (\$200,000.00) for all damages arising out of injury to, or destruction of, property during the policy period.

The Contractor's Property Damage Liability Insurance shall include coverage for the following items:

- (1) Underground damage to facilities due to drilling and excavating with mechanical equipment in streets and highways.
- (2) Collapse or structural injury to structures due to blasting or explosions, excavating, grading, tunneling, pile driving or cofferdam work.

If any part of the work is sublet, similar insurance with

like amounts of coverage shall be provided by or in behalf of the subcontractors to cover their operations.

Contractual Insurance in accordance with the Standard Specifications of the Highway Commission, dated July 1, 1970, shall be provided as a part of this policy.

- c. Contractor's Protective Public Liability and Protective Property Damage Liability Insurance.

The Contractor shall furnish to the Highway Commission and to the Railroad Company copies of policies as evidence that, with respect to the operations performed for him by subcontractors, he carries in his own behalf standard Contractor's Protective Public Liability Insurance and standard Contractor's Protective Property Damage Liability Insurance providing for coverage and limits of liability which are identical with the coverage and limits of liability of insurance required under the Contractor's Public Liability and Property Damage Liability Insurance as set forth in subparagraph b. above.

- d. Owner's Protective Public Liability and Protective Property Damage Liability Insurance in behalf of the County of Wayne, Michigan, the Board of County Road Commissioners of the County of Wayne, Michigan and the City of Detroit, Michigan.

The Contractor shall furnish to the Highway Commission, to the Board of County Road Commissioners of the County of Wayne, Michigan, and to the City of Detroit, Michigan, copies of policies as evidence that with respect to the operations he or any of his subcontractors perform, he has provided for and in behalf of the County of Wayne, Michigan, the Board of County Road Commissioners of the County of Wayne, Michigan, and the City of Detroit, Michigan, standard Owner's Protective Public Liability Insurance and standard Owner's Protective Property

Damage Liability Insurance providing for coverage and limits of liability which are identical with the coverage and limits of liability of insurance required under the Contractor's Public Liability and Property Damage Liability Insurance as set forth in subparagraph b. above.

- e. Railroad's Protective Public Liability and Protective Property Damage Liability Insurance in behalf of The Connecting Railway Company, a Pennsylvania Corporation and George P. Baker, Richard C. Bond, Jervis Langdon, Jr. and Willard Wirtz, Trustees of the Property of Penn Central Transportation Company, DEBTOR, in reorganization under Section 77 of the Bankruptcy Act and Lessee of the Connecting Railway Company, as named insureds.

The Contractor shall furnish to the Highway Commission and to the Railroad Company copies of policies as evidence that, with respect to the operations he or any of his subcontractors perform, he has provided for and in behalf of The Connecting Railway Company, a Pennsylvania Corporation and George P. Baker, Richard C. Bond, Jervis Langdon, Jr. and Willard Wirtz, Trustees of the Property of Penn Central Transportation Company, DEBTOR, in reorganization under Section 77 of the Bankruptcy Act and Lessee of the Connecting Railway Company standard Railroad's Protective Public Liability Insurance providing for limits of liability of not less than Five Hundred Thousand Dollars (\$500,000.00) for each individual and One Million Dollars (\$1,000,000.00) for each occurrence with respect to bodily injury or death; and standard Railroad's Protective Property Damage Liability Insurance providing for limits of liability of not less than Five Hundred Thousand Dollars (\$500,000.00) for each occurrence with an aggregate of One Million Dollars (\$1,000,000.00) for the term

of the policy with respect to property damage and physical damage to property. Said Railroad Protective Insurance shall conform to the Form prescribed therefor in Policy and Procedure Memorandum No. 20-12 of the FHWA, effective June 30, 1967, and amendments thereto of the FHWA. Copies of said Form may be obtained from the Contracts Section, Michigan Department of State Highways, State Highways Building Drawer K, Lansing, Michigan - 48904.

f. General.

The insurance hereinbefore specified shall be with an acceptable insurance company authorized to do business in the State of Michigan and shall be taken out before work is commenced and kept in effect until all work required to be performed under the terms of the contract is satisfactorily completed as evidenced by the formal acceptance by the Highway Commission. Each policy shall be provided with the following endorsement:

"It is hereby agreed that 30 days prior written notice of cancellation, expiration, termination, or reduction of coverage provided by this policy will be given to the Michigan State Highway Commission, to the Board of County Road Commissioners of the County of Wayne, Michigan, to the City of Detroit, Michigan, to the Connecting Railway Company and to the Penn Central Transportation Company, Room 600, Six Penn Center Plaza, Philadelphia, Pennsylvania - 19104".

If any of the insurance is cancelled, the Contractor and all subcontractors shall cease operations on the date of cancellation and shall not resume operations until new insurance is in force. The cost of the insurance hereinbefore specified will not be a specific bid item, but it

is agreed that the cost of such insurance will be covered by the various unit prices bid.

5. To pay to the Railroad Company the cost of switchtenders, flagmen, telegraph operators, conductors, pilots, watchmen and other protective services and devices furnished by the Railroad Company and made necessary, in the judgment of the Chief Engineer of the Railroad Company, because of any of the Contractor's operations over, under or adjacent to tracks within clearance limits of vertical planes on each side of tracks eight (8) feet, six (6) inches horizontally distant from the nearest rail over which trains are operated, all as more particularly set forth in the following paragraphs:

- a. Such protection will be required when men or equipment are working within the above limits or when work is being performed adjacent to, under or over tracks in use which may present hazards to tracks or to train operations, or when equipment is used which does or may infringe on such limits. The Contractor will not be permitted to operate any of his own equipment on railroad tracks, except under proper arrangement with the Railroad Company. Such equipment and the operation of such equipment, or equipment rented from the Railroad Company, shall be arranged for by the Contractor with the Railroad Company and the cost for its use, including protection of railroad traffic, shall be borne by the Contractor.

- b. The Contractor shall notify the Superintendent of the Union Belt Railroad Company and the Superintendent of the Penn Central Transportation Company at Detroit, Michigan, in writing, 72 hours (excluding Saturdays, Sundays and holidays) in advance of start-

ing any work which might require protection by the Railroad Company. If this requirement is not complied with, the Railroad Company may have the work stopped until arrangements for protection are made. No additional payment will be allowed the Contractor for damages or as other compensation by reason of such stoppage of work.

- c. All such protection costs shall be included by the Contractor in his unit price bid for affected items. Railroad Company bills for such protection costs accruing to the Contractor shall be paid promptly. Before final payment is made by the Highway Commission to the Contractor, he shall submit satisfactory evidence that he has paid the Railroad Company for protection services and devices furnished. The Railroad Company's current rates and charges that would enter into the flagging costs are as follows:

Classification of Railroad Employee:	Yard Conductor
Headquarters of Railroad Employee:	Detroit, Michigan

One Day Basis

Straight Time	1 - 8 hour day @ \$31.50	\$31.50
* Plus 52.5%		16.54
	Total 1 - 8 hour day	\$48.04

Five Day Basis

\$48.04 x 5 days	\$240.20
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NOTE: On duty more than eight (8) hours continuous time per day, overtime rate is \$5.9062 plus 52.5%

<u>*ADDITIVES:</u>	<u>%</u>
Fringe Benefits	25.5
Administration	7.3
Supervision & Staff	13.7
Workman's Compensation & Insurance	6.0
Composite overhead on labor	52.5%

- d. Protection costs will be charged by the Railroad Company in accordance with the working agreements between the Railroad Company and its employees. Such costs shall include the actual costs of wages paid, including unemployment, retirement, vacation allowance and other payroll taxes, surcharges, overhead, insurance, and other standard and legal costs incidental thereto.
- e. The Contractor shall consult with the proper operating and engineering representatives of the Railroad Company to determine the type and costs of protection required to insure safety and continuity of railroad traffic incidental to the particular methods and equipment to be used for the work, and shall satisfy himself as to the provisions of the several working agreements between the Railroad Company and its employees, insofar as these agreements may affect the cost of protection chargeable to him.
- f. Protection of railroad traffic might include, but not be limited to, the following:
- (1) Flagman service to protect men and equipment while work is being performed within prescribed clearances or above tracks, while construction plant, equipment or materials are being moved across tracks, and while workmen are required to cross continuously back and forth over tracks in the performance of their work.
 - (2) Providing shanty for flagman's use, including the installation of dispatcher's telephone.
 - (3) Installation and maintenance of slow boards and lamps.
 - (4) Switchtenders and/or operators as required for temporary railroad operation.
- g. No provision of these Supplemental Specifications, nor approval by the Railroad Company as to construction operations, shall relieve the Contractor of any responsibility or liability whatsoever.

To pay the Railroad Company or owning company for any changes to railroad property, facilities, or to wire and pipe lines, required for the Contractor's convenience, other than as shown on the Plans for the Project. In the event that the Contractor shall require a temporary crossing of railroad tracks, he shall give at least six weeks advance notice to the Railroad Company of such need. It shall be the responsibility of the Contractor to determine and comply with the requirements of the Railroad Company covering the location, installation, protection, maintenance, use and removal of such temporary crossing. The Contractor shall bear all costs and expenses incidental thereto, including, but not limited to, the costs of installation, protection, maintenance and removal of such temporary crossing, contractual liability insurance thereon, and incidental work such as drainage facilities and removal, alteration and replacement of railroad fences.

7. To conduct his operations both on and off Railroad Company right of way so that no earth, mud, silt or other foreign matter will be allowed to foul railroad track ballast. In order to accomplish this, it may be necessary for the Contractor to construct temporary earth dikes, sheeting or tie cribbing or other precaution taken by him to prevent the fouling of railroad track ballast.

Where, in the opinion of the Railroad Company, demolition work, concreting or hauling along, over or across tracks will result in ballast becoming fouled, the Contractor shall take preventive measures to protect the entire ballast section by nailing canvas, plywood or similar material to the ties in the entire area likely to be affected, the protective material remaining in place until there is no further possibility of fouling the ballast and then removed by the Contractor.

These protective measures shall be performed by, and at the expense of, the Contractor and under the supervision of, and to the satisfaction

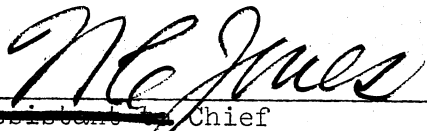
of, the Chief Engineer of the Railroad Company or his authorized representative, but the Railroad Company assumes no responsibility for the adequacy thereof.

However, in addition to the aforementioned protective measures, if railroad track ballast does become fouled, the Railroad Company, with its own forces, will remove the fouled ballast and replace same with clean ballast. The charges for this work will be billed by the Railroad Company against the Contractor.

Approved for the MICHIGAN STATE HIGHWAY COMMISSION, the BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF WAYNE, MICHIGAN, the CITY OF DETROIT, THE CONNECTING RAILWAY COMPANY, and the PENN CENTRAL TRANSPORTATION COMPANY as to substance and engineering:

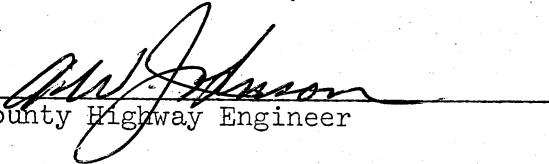
MICHIGAN STATE HIGHWAY COMMISSION

By


Assistant Chief
Bureau of Engineering


BOARD OF COUNTY ROAD COMMISSIONERS
OF THE COUNTY OF WAYNE, MICHIGAN

By


County Highway Engineer

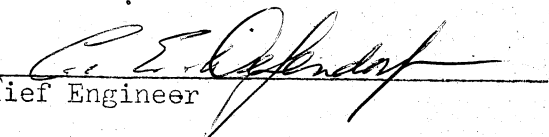
CITY OF DETROIT

By


Asst City Engineer

THE CONNECTING RAILWAY COMPANY and the
PENN CENTRAL TRANSPORTATION COMPANY

By


Chief Engineer

PENN CENTRAL TRANSPORTATION COMPANY

NORTHERN REGION - DETROIT DIVISION

RAILROAD FOECE ACCOUNT WORK

ESTIMATE OF COST

UNDERPASS I-96

and

THE WEST BELT BRANCH

DETROIT, MICHIGAN

Preliminary Engineering

Lump Sum \$ 6,000

Reimbursement of costs covered in letter agreement between the State and Railroad dated October 10, 1966.

Construction Engineering & Inspection

Labor	\$15,000	
Personal & Misc. Expenses	<u>3,000</u>	
		\$ 18,000

Track Work - Stage I

Labor:

Construct 1,940' of track @ \$4.50 -	\$8,730
" 4 - #8 turnouts @ \$1,000.00 -	4,000
Line 300' of track @ \$2.00 -	600
Take up 3,000' of track @ \$1.00 -	3,000
" " 5 turnouts @ \$450.00 -	<u>2,250</u>

Total Labor - Stage I \$ 18,580

Material:

3,880' of 119# Rail - 68.7 G.T. @ \$145.72 -	\$10,011
4 - #8 Frogs 119# S.G. @ \$875.00 -	3,500
4 - 16'6" Switches Comp. 119# @ \$953.78 -	3,815
14.5 M.F.B.M. Creo. Switch Timbers @ \$183.80 -	2,665
1,000 Creo. Cross Ties @ \$5.25 - 6" -	5,250
100 pr. 119# Splice Bars @ \$9.53 -	953
12 pr. 119#/100# offset Bars @ \$31.45 -	377
2,384 - 119# Tie Plates @ \$1.87 -	4,458
1,600 - 119# Rail Anchors @ 44¢ -	704
4 - Switch Stands @ \$64.45 -	258
35 Kegs Track Spikes @ \$28.80 -	1,008
600 Track Bolts W/Washers @ 52¢ -	312
1,440 N.T. of Stone Ballast @ \$1.75 -	<u>2,520</u>

Total Material - Stage I \$ 35,831

Salvage Credit - State I

6,000' of Rail @ 45¢ -	\$2,700
10 - Switch Points @ \$70.60 -	706
10 - #8 Frogs @ \$120.00 -	1,200
10 Ton Misc. Scrap @ \$24.00 -	<u>240</u>

\$ 4,846 Cr.

Salvage Credit - Stage III

1,800' of Rail @ 45¢ -	\$ 810
2 Switch Points @ \$70.60 -	141
2 - #8 Frogs @ \$120 -	240
25 Ton Misc. Scrap @ \$24 ..	<u>600</u>

\$1,791 Cr

Accounting

Labor

2,000

Labor Additives

Labor - Construction Engineering	\$ 15,000
Stage I	18,580
" II	13,300
" III	13,575
Accounting	<u>2,000</u>

Total Labor \$ 62,455

Vacation Allowance 6.5% of \$62,455 - 4,060
 Paid Holiday 2.8% of \$47,455 - 1,329

Payroll Tax 13.3% of \$67,844 - \$ 9,023
 Supp. Pension .6% of \$67,844 - 407
 Health & Welfare 5.0% of \$62,455 - 3,123
 Insurance 9.8% of \$62,455 - 6,121

Total Labor Additives \$24,063

Material Additives

Material: Stage I	\$ 35,831
" II	31,943
" III	<u>16,498</u>
	84,272
Less Stone Ballast	<u>6,090</u>
	\$ 78,182

5% Handling on \$78,182 - 3,909
 4% Use Tax on \$84,272 - 3,371
 Transportation of Material - 9,800

Total Additives on Material \$17,080

Equipment Rental & Work Train Service

Equip. Rental & W.T. Service	\$ 15,000
Transportation of Equipment	<u>2,250</u>

\$17,250

Miscellaneous

Signs, Oval, Railroad Name
 2 @ \$50

\$ 100

Note: Signs and bolt assemblies will be furnished f.o.b. job site: State's Contractor to install.

Total Estimated Cost \$200,863

Office of Chief Regional Engineer
 Detroit, Michigan
 July 28, 1970