

MEMORANDUM AGREEMENT

AMONG THE NORTHERN INDIANA

COMMUTER TRANSPORTATION DISTRICT,

THE CITY OF HAMMOND,

AND

THE TOWN OF MUNSTER

2-1-93

January 11, 1993

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PREAMBLE

This MEMORANDUM AGREEMENT, ("Agreement") made and entered into this 1st day of February, 1993, by the Northern Indiana Commuter Transportation District ("District"), an Indiana political subdivision and municipal corporation, the City of Hammond ("Hammond"), a municipal corporation, and the Town of Munster, ("Munster") a municipal corporation, witnesseth:

WHEREAS, the District, Hammond, and Munster have determined that the acquisition of the CSX Transportation Track Structure and Right of Way within and between Hammond and Munster, collectively referred to as the "Rail Line," is necessary, appropriate, and in the best interests of their respective customers and constituencies;

WHEREAS, the removal of the Rail Line Track Structure and destruction of the continuity of the Rail Line Right of Way are likely unless same are purchased from CSX Transportation, Inc.;

WHEREAS, Congress has made funding conditionally available for an eligible grantee to purchase the Track Structure and Right of Way;

WHEREAS, the District has been determined by the Indiana Department of Transportation to be an eligible grantee for the purpose of purchasing the Rail Line;

WHEREAS, all parties are interested in possession of certain interests in said Rail Line, and all parties are willing to provide good and valuable consideration in return for ownership or control of said interests;

WHEREAS, all parties agree that a coordinated and unified interlocal approach to the funding, acquisition, and management of the Rail Line is in the best interest of all parties;

WHEREAS, all parties agree that the formation of a Westlake Corridor Interlocal Cooperative, as same is more fully developed within this Agreement, is an appropriate method for accomplishing the goals and interests of all parties;

NOW, THEREFORE, the parties, intending to be duly bound, hereinafter set forth their mutual rights and responsibilities with respect to the Westlake Corridor Interlocal Cooperative and the coordinated and unified approach to the funding, acquisition, and management of the Rail Line:

1. **DEFINITIONS**

Agreement - This Memorandum Agreement among the Northern Indiana Commuter Transportation District, The City of Hammond, and the Town of Munster.

Community - The City of Hammond or the Town of Munster, as the context may dictate.

Communities - The City of Hammond and the Town of Munster.

CSX Transportation - The current owner of the Rail Line.

District - Northern Indiana Commuter Transportation District.

Hammond - City of Hammond.

IDOT - Indiana Department of Transportation.

Munster - Town of Munster.

NIPSCO - The Northern Indiana Public Service Company or one of its subsidiaries.

NIRPC - The Northwest Indiana Regional Planning Commission.

Post Acquisition - Pre-Transit Rail Line Management Phase -

The period of time commencing on or about the date when the Rail Line is conveyed to the District and until such time as the District initiates construction or operation of railroad or other mass transit services above, along, upon, or under the Rail Line, including, but not limited to, commuter railroad passenger train service.

Post Acquisition - Transit Rail Line Management Phase - The

period of time commencing with construction or operation of railroad or other mass transit services over or along the Rail Line, including, but not limited to, commuter railroad passenger train service.

Pre-Acquisition Phase - The period of time commencing on or about February 1, 1992 and extending to and including the date of closing on the sale of the Rail Line from Hammond, Munster, CSX Transportation and others to the District.

Rail Line - The Track Structure and Right of Way of CSX Transportation and others extending within and between Hammond and Munster, Indiana, commencing at approximately Sibley Street, Hammond, and extending to

a point within Munster commonly identified as Air Line Junction.

Right of Way - The real property portion of the Rail Line, including, but not limited to, all fee interests within, above, below, and along the Track Structure, and irrespective to whether same is owned by CSX Transportation or others.

Track Structure - The ties, rail fastening devices, ballast, turnouts, bridges, viaducts, culverts, rail, signal devices, and all other improvements and track material, located upon the Right of Way of the Rail Line.

Westlake Corridor Interlocal Cooperative ("WCIC") - An interlocal cooperative entity created in accordance with Indiana Code Sections 36-1-7-1 et seq.

2. WESTLAKE CORRIDOR INTERLOCAL COOPERATIVE

2.01 **Composition.** The Mayor of the City of Hammond, The Town Council President for the Town of Munster, and the President of the Board of Trustees for the Northern Indiana Commuter Transportation District or their designees shall constitute the officers and governing body of the WCIC.

2.02 Powers. The WCIC shall be responsible for the administration of the terms of this Agreement, including determinations concerning non-railroad or non-mass transit service interim usage by third parties, and those matters associated with the Rail Line not otherwise covered by this Agreement. The District shall be responsible for the day to day management of the Rail Line for and on behalf of the WCIC. Decisions of the WCIC shall be by majority vote. The District, the City of Hammond, and the Town of Munster shall each have one vote.

2.03 Financing. Each party shall bear its own expenses with respect to the participation of its respective member in and on the WCIC. Other expenses of the WCIC and Rail Line, including, but not limited to, the funding of maintenance, operation, and the financial administration of the WCIC and Rail Line shall be allocated or assigned to each party consistent with the allocation methodologies contained within Sections Two through Four inclusive. To the extent that an expense of the WCIC or Rail Line cannot be allocated or apportioned pursuant to Sections Two through Four, the expense shall be split equally between Hammond and Munster during the Pre-Acquisition and Post Acquisition -- Pre-Transit Rail Line Management Phases, and split equally among Hammond, Munster, and the District during the Post Acquisition Transit -- Rail Line Management Phase. The

District's Treasurer, or his designee, shall oversee the financial obligations of the WCIC. The District's Treasurer, or his designee, shall receive, disburse, and account for all monies of the WCIC and Rail Line.

2.04 Termination of the WCIC and Disposal of Assets.

a. The parties may terminate the WCIC under any of the following conditions:

(1) When the District initiates commuter rail service or other mass transit service over a parallel corridor.

(2) When the District determines that the feasibility of implementing commuter rail or other mass transit service over the Rail Line is no longer financially or operationally practicable.

(3) When (A) Hammond, Munster, and the District have met their obligations to NIPSCO, if any, under this agreement and (B) the District, Hammond, and Munster determine that the interests of their constituents are served by dissolution of the WCIC.

(4) Subsequent to December 31, 2018, and upon provision of advance written notice by one party of this Agreement to all other parties not earlier than three hundred sixty-five (365) days prior to the date of the proposed dissolution, calling for termination of the WCIC.

b. With respect to the above-referenced termination reasons, a majority vote of the WCIC in favor of termination shall result in dissolution of the WCIC. Upon dissolution, the Communities shall purchase those assets, including the rights and obligations associated with any longitudinal or transverse easements located within, above, below, and along, the Rail Line, within their respective municipal limits held by the District at values consistent with Federal property disposal regulations, and only to the extent that such payments are required by the federal government from the District. If a community does not purchase assets within its municipal limits within one year from the date that the WCIC is dissolved, the District may take whatever action it elects with respect to the sale or retention of said assets including, but not limited to, involuntary transfer to the community of non purchased assets and obligations wherein same are located. Any funds received by the District, which are not otherwise

required to be reimbursed to the Federal government and not otherwise appropriate for retention by the District, as reimbursement for assets placed on said Rail Line at District's expense, shall be distributed to Hammond and Munster in proportion to the amount of each Community's respective contribution toward the purchase price of the Rail Line. Any and all obligations previously assumed or incurred by the District, except for those actions which are the District's own obligation as set forth at Sections 4.04 and 5.03 with respect to said assets conveyed by the District to the Community(ies) shall become the exclusive responsibility of the Community(ies) and said Community(ies) shall fully indemnify and defend the District from and concerning said obligations. With respect to those assets not conveyed by the District to the Communities, the indemnification obligation of the Communities, as same are set forth at Sections 4.04 and 5.03, of this Agreement shall remain in effect until such time as the District disposes of said assets or otherwise expressly agrees to assume the Communities' obligations.

3. PRE-ACQUISITION PHASE

3.01 Obligations of Hammond and Munster. Hammond and Munster shall, with respect to the portions of Rail Line within their corporate or municipal limits:

- a. Participate and cooperate in the condemnation process against CSX to the extent necessary to obtain CSX's interest in said Rail Line.
- b. Participate and cooperate in any other action necessary to quiet title in and along the Right of Way.
- c. Acquire said Rail Line from CSX and other owners, if any, of the Rail Line, under terms deemed acceptable by the District and as otherwise required by the Federal Government for purposes of grantee eligibility, which terms shall be disclosed to the extent same are known to the District, in advance by District, prior to the Communities commitment to acquire the Rail Line, and whose acceptance shall not be unreasonably withheld.
- d. Convey all interests obtained in said Rail Line from CSX and other parties to the District -- with the understanding that the District shall permit the

Communities those exclusive and non-exclusive non-railroad and non-mass transit uses as:

(1) set forth below,

(2) as approved by the WCIC, and

(3) as further subject to the terms and conditions set forth within this Agreement.

- e. Provide the District with the local funds necessary to purchase the Rail Line from CSX, Hammond, Munster, and third parties, at no cost to the District, in the event that the District determines in its sole discretion that it does not have local funds available from its own sources, pursuant to one of the arrangements set forth at Section 3.04 below or as subsequently agreed by the parties.
- f. Assist and cooperate with the District in all issues and activities associated with reimbursement or refund of local funds expended and eligible for reimbursement by the Federal Government or payments to third parties.
- g. Take no action, except such interim uses and alterations as are permitted by the WCIC and as further

restricted by Section 3 below, to destroy the continuity of the Right of Way, Track Structure or otherwise increase the cost of restoration of railroad or other mass transit operations over the Rail Line.

h. Cooperate with and agree to the District's participation in the acquisition process, including, but not limited to, the District's entry into the condemnation proceedings. Said cooperation shall also include, but is not limited to, ensuring that their respective portions of funds for the purchase of the Rail Line are on hand to ensure compliance with the closing conditions contained within any sales contracts or related documents requiring any of the parties' timely performances.

i. Accept full responsibility for the costs of the condemnation and acquisition process, including, but not necessarily limited to, environmental surveys, title analysis, and transaction fees, where same are readily identifiable as attributable to Rail Line within their municipal limits, with the understanding that the District will cooperate as set forth in Section 3.02 below, in attempting to obtain reimbursement for same from the Federal Government.

- j. Accept full responsibility for half of the costs of the condemnation process, including, but not necessarily limited to, environmental surveys, title analysis, and transaction fees, where same are readily identifiable as attributable to the Rail Line but unable to be specifically attributable to Rail Line within their municipal limits, with the understanding that the District will cooperate as set forth in Section 3.02 below, in attempting to obtain reimbursement for same from the Federal Government.

- k. Agree to the transfer by the District of certain exclusive electricity and gas easements to NIPSCO, with the understanding that the Communities' use of the Right of Way may be subject to assets installed by NIPSCO or its designee. This approval is limited to the Right of Way within said Community and is granted only to the extent that a community elects the purchase option set forth at Section 3.04a below.

- 1. Concur with the District's designation as the exclusive operator of the Rail Line for railroad or other mass transit services.

3.02 Obligations of the District. The District shall, with respect to the acquisition of the Rail Line:

- a. Provide, at no cost to Hammond or Munster, and to the extent that the District determines in its sole judgement same are reasonably available, the services of its legal and engineering staff to assist in the condemnation process against CSX.
- b. Provide, at no cost to Hammond or Munster, and to the extent that the District determines in its sole judgement same are reasonably available, the services of its legal and engineering staff to assist with any other action necessary to quiet title in and along the Rail Line.
- c. Acquire said Rail Line or interest therein, from Hammond, Munster, CSX, other owners, or any combination of the foregoing parties, under terms deemed acceptable by the District, whose acceptance shall not be unreasonably withheld.
- d. The District is recognized as the exclusive operator of the Rail Line for railroad or other mass transit services. The District shall have exclusive control over the use and disposition of all real property interests which the District believes are reasonably necessary for the operation of railroad or other mass

transit services above, along, upon or under the Rail Line, including, but not limited to, those interests:

(1) Necessary to qualify for reimbursement of the purchase price by the Federal Government.

(2) Transverse utility easements as set forth at Section 4.01 below.

(3) Longitudinal utility easements, or other property interests used to secure funding from third parties except as otherwise reserved to the Communities or NIPSCO pursuant to the terms of this Agreement.

e. The District shall, upon conveyance of the Rail Line to the District, provide the Communities with an exclusive longitudinal easement within each respective community's municipal boundaries for the transmission of water and sewage. Said easements shall be subservient and subject to the non-interference of same with either the construction or operation of railroad or other mass transit service above, along, or under said Rail Line, consistent with Section 3.02d above.

- f. As same may be directed from time to time by the respective Community, the District shall grant licenses or similar authority, to Hammond and Munster for non-railroad or non-mass transit service uses, excluding water or sewage uses which are expressly reserved by easement to each community or other uses reserved by easement of the Rail Line where such uses are not inconsistent with and fully subservient to intended or actual railroad or mass transit service above, along, upon or under said Rail Line, consistent with Section 3.02d above. Disputes concerning same shall be promptly and expeditiously resolved in accordance with the dispute resolution procedures set forth at Section 6.03.
- g. Utilize funds provided to the District by Hammond or Munster solely for the purchase or maintenance of the Rail Line or related expenses, including the direct administrative expenses of the WCIC.
- h. Assist and cooperate with Hammond and Munster to maximize the amount of funding eligible for reimbursement by the Federal Government where same have been expended by Hammond and Munster on the District's behalf.

- i. Timely submit expenses to the Federal Government incurred by Hammond or Munster on the District's behalf, including such administrative or managerial expenses as may be appropriate for submission under the terms of the District's agreement with the Federal Government.
- j. Timely remit to Hammond and Munster those amounts reimbursed by the Federal Government to the District for expenses incurred by Hammond and Munster on the District's behalf, less such amounts received as partial reimbursement of the managerial and administrative expenses incurred by the District pursuant to Section 2.02(g) above.
- k. Participate in the condemnation and acquisition processes, to the extent that the District elects to do so.
- l. Administer and coordinate, the grant application process for purchase of the Rail Line with respect to the Federal Government, IDOT, and NIRPC, including the allocation of expenses as and between the Communities for environmental surveys, title inspection, and similar acquisition expenses pursuant to or consistent with Section 3.01 (i) and (j) of this Agreement.

m. In those circumstances where the "Third Party" scenario is exercised by a Community, the District shall convey to NIPSCO an exclusive easement within said community's municipal limits for the transmission of electricity and natural gas in longitudinal and lateral fashion, over, along, across, within, and under said Rail Line, as and when same is received from CSX and other owners, if any, of the Rail Line, under usage terms and conditions deemed consistent with this Agreement, and subject to those assets which the Communities have installed over, along, across, within, or under the Rail Line.

n. In those circumstances where the "Community Option" scenario is exercised by the Community, the District shall also convey to the Community an exclusive longitudinal utility easement within said community's municipal limits, over, along, within and under said Rail Line, as and when same is received from CSX and other owners, if any, of the Rail Line, under usage terms and conditions deemed consistent with this Agreement, and subject to those assets which are currently in place over, along, across, within, or under the Rail Line.

3.03 Obligations of NIPSCO. In the event NIPSCO, or such other party elects to provide funding under the "Third Party Option," NIPSCO, or such other party, shall with respect to those portions of the Rail Line within Hammond, Munster, or both Communities, as same is applicable:

- a. Accept from the District an exclusive easement for the transmission of electricity and natural gas in longitudinal and lateral fashion, over, along, across, within, and under all or an agreed portion of said Rail Line from the District and other owners, if any, of the Rail Line, under usage terms and conditions consistent with this Agreement.
- b. Provide the District with all or an agreed portion of the local funds necessary to purchase the Rail Line from CSX, Hammond, Munster, and third parties, at no cost to the District, in the event that the District does not have local funds available from its own sources, pursuant to one of the arrangements set forth within this Agreement or as subsequently agreed by the parties, with the understanding that NIPSCO will receive timely reimbursement of funds provided as and when same are received by the District from the Federal Government.

- c. Assist and cooperate with the District in all issues and activities associated with reimbursement or refund of local funds expended and eligible for reimbursement by the Federal Government or payments to third parties.

- d. Cooperate with and agree to the District's participation in the acquisition process, including, and not necessarily limited to, the District's entry into the condemnation proceedings. Said cooperation shall also include, in those circumstances where the District serves as closing agent, ensuring that their respective portions of funds for the purchase of the Rail Line are on hand to ensure compliance with the closing conditions contained within any sales contracts or judicial proceeding wherein any of the parties' timely performances are essential for successful consummation of the purchase.

- e. Accept that NIPSCO's exercise of its easements may be subject to pre-existing assets installed by Hammond, District or Munster, and as otherwise restricted within this Agreement for commuter rail or other mass transit purposes.

3.04 **Purchase Options.** The District, Hammond, and Munster agree in principle to implementation of the following acquisition scenarios or blend of same:

a. The "Third Party" Scenario

- (1) District buys Rail Line from owning party (CSX, Hammond, Munster and others) at the value determined through condemnation processes or settlements, if funds are timely provided by a third party (hereinafter designated as "Third Party").
- (2) District applies for reimbursement of eighty percent (80%) of the purchase price(s) from the Federal Government. Federal Government reimburses District up to one million dollars (\$1,000,000) for the purchase price(s) over five (5) years.
- (3) At time of District's purchase and if the Community elects this scenario, the Community pays District the local share funds based upon the court ascribed, or otherwise mutually agreed value of the Rail Line within its municipal limits. The District pays same to Third Party. Alternatively, the Community may also arrange for

payment of the local share of the Rail Line purchase price, in accordance with terms deemed acceptable by the Community and Third Party, provided such payments are consistent with the funding procedures associated with the District's grant.

(4) District pays the balance to Third Party, without interest, at a rate consistent with the flow of reimbursement funds from the Federal Government.

(5) Third Party is granted certain default interests in the property pending complete reimbursement. Upon sale to District, Third Party also receives the right to an exclusive longitudinal electricity and natural gas easement along all or an agreed portion of the Rail Line - subservient only to the use of the Rail Line for railroad and mass transit purposes, including the transmission of electricity for railroad or mass transit purposes, and assets installed by the Communities.

b. The "Community Option" Scenario

(1) District buys Rail Line from owning party (CSX, Hammond, or Munster) at the value determined

through the condemnation process (purchase price plus costs) using funds made available by the Community in an amount equal to the purchase price for those assets within their particular Community.

- (2) District applies for reimbursement of eighty percent (80%) of the purchase price from the Federal Government. Federal Government reimburses District up to one million dollars (\$1,000,000) over five (5) years.
- (3) District pays the Community eighty percent (80%) of the purchase price, without interest, at a rate consistent with the flow of reimbursement funds from the Federal Government.
- (4) The Community is granted a default interest in the property within its municipal limits pending complete reimbursement. Upon sale to District, the Community also receives the right to an exclusive longitudinal utility easement along the Rail Line within its municipal limits - subservient only to the use of the Rail Line for railroad and other mass transit purposes,

including the transmission of electricity for railroad or mass transit purposes.

3.05 **Time to Exercise Option.** Not later than fourteen (14) days subsequent to the Court's final determination of the value of the Rail Line, Hammond and Munster shall provide written notification to the District and the other Community of the purchase option which they elect to follow. In the event that a Community does not timely elect a purchase option, the District, the other Community, or a third party, may exercise the non-electing Community's purchase interest.

With respect to Hammond, the Mayor's election of a particular purchase option will require approval of the Hammond City Council -- with the understanding that Hammond remains committed either through the Community Option, Third Party Option, or other funding option, to provide the District with timely funding for the purchase price of the Rail Line as well as full responsibility for any damages assessed against the District for failure to timely provide said funding.

In the event that a Community elects the "Third Party" option, the Community may do so only with the prior approval of the District.

3.06 **Default Conditions.** The parties understand that Federal funding during the reimbursement period is subject to the congressional allocation, authorization, and appropriation process. The parties also understand that the District serves only as a grantee and takes no responsibility for diminishment of Federal funds due to actions beyond the District's control. In the event that all anticipated Federal funding does not materialize or is diminished, the party providing the funding shall receive a pro-rata share of the Rail Line's assets at such locations and in such amounts as to compensate solely for the loss of principal.

Example: NIPSCO loans District three hundred thousand dollars (\$300,000) to purchase Rail Line within Hammond. District and Hammond pay back all loaned funds except sixty thousand dollars (\$60,000). District may compensate NIPSCO for the balance with a twenty percent (20%) interest in the Rail Line within Hammond, sell Track Structure within Hammond equivalent to sixty thousand dollars (\$60,000) in value (if permitted by Federal guidelines) or convey a portion of the Rail Line within Hammond appraised at a value of sixty thousand dollars (\$60,000) to NIPSCO, or offer a combination of the foregoing options. However, in no event shall the District or Hammond

be required to pay NIPSCO any of the sixty thousand dollars (\$60,000) except pursuant to the foregoing alternatives.

3.07 **Environmental Matters.** It is agreed and understood by all parties that the exact status of the environmental condition of the Rail Line is unknown. It is further agreed and understood by all parties that their funding obligations as contained within this agreement are subject to each parties' acceptance of the risks associated within their areas of responsibility under the terms of this Agreement as same are set forth at Sections 4.04(b) and 5.04(b). In the event that a party elects to not proceed under this Agreement due to receipt of knowledge of a known or potential environmental risk, the other parties shall have the right, but not the duty, to assume the defaulting party's interests and obligations under the terms and conditions of this Agreement. In the event that such a default occurs and none of the remaining parties elect to assume the defaulting party's interests, the remaining parties agree that their remaining obligations under this Agreement shall be null and void or, at their mutual election, valid only to the extent that such parties elect.

4. POST ACQUISITION - PRE-TRANSIT RAIL LINE MANAGEMENT PHASE

4.01 Rail Line Usage. The parties recognize that the acquisition of the Rail Line is intended to serve long term and short term interests of Hammond, Munster, NIPSCO, and the District. In general, the parties shall cooperate within their respective areas of jurisdiction to maximize the opportunities to derive mutual benefits from the Rail Line. Subsequent to acquisition of the Rail Line by the District and consistent with any conveyance or operational limitations associated with the use of Federal funds:

- a. Each Community shall have an exclusive easement to transport water and sewage along the Right of Way within their respective Community, and receive the revenue therefrom, provided, however, that such uses must not interfere, impede, or otherwise prevent, as same is reasonably determined by the District, with the restoration or operation of railroad or other mass transit service above, along, upon, or under the Rail Line, or with existing assets installed by NIPSCO, but in no way shall this paragraph be deemed to modify or effect any other agreements concerning water, sewerage, or the revenue therefrom between the Communities.

b. To the extent that either Community elects the "Third Party" scenario defined at Section 3.04a, the District shall have the exclusive right to market non-water longitudinal and transverse utility easements and utility licenses within said Community's municipal limits, for a flat fee or a time based rental, solely within and along the Rail Line corridor until December 31, 1999. Subsequent to December 31, 1999, and until such time as the District commences construction or operation of railroad or other mass transit service above, along, upon or under said Rail Line, the Community shall have the exclusive right to market non-water longitudinal utility easements and licenses along the Right of Way, and to receive the revenue therefrom, subject to the prior rights, terms and conditions associated with any easements or licenses granted by the District, including retention of revenue by the District. The District shall grant said interests marketed by the Community subject to terms of then current easements and existing assets, with such restrictions as are necessary to ensure the non-interference of such interests with the restoration or operation of railroad or other mass transit service over, upon, or along the Rail Line. Except with respect to any interest granted by the District to a Third Party participant as same is described at Section

3.04a, interests granted by the District shall require the timely approval of the Community wherein said interest is granted and shall also be subservient to then existing interim uses and adjustments installed over, along, across, within, or under the Rail Line by Hammond or Munster, and said interests granted by the District shall be further subject to those reasonable terms and conditions necessary for the safe integration and operation of each parties' activities. Said approval shall be timely and not unreasonably delayed or withheld. Disputes concerning same shall be resolved in accordance with Section 6.03. Revenues received by the District as a result of said grants to third parties shall be restricted to uses associated with the operation or maintenance of the Rail Line, to include, and not limited to, the purchase of mass transit equipment, supplies, and services.

Example: With WCIC approval, and having elected the purchase option set forth at Section 3.04a, Munster installs a bike path along the Rail Line in 1995. In 1996, NIPSCO decides to install an underground natural gas pipeline along the Rail Line. NIPSCO must install the pipeline in such a manner as to avoid undue interference with, and safe operation of, the bike trail, and in a manner

which will not impede the construction or operation of railroad or mass transit service above, along, upon, or under the Rail Line.

c. To the extent that either Community elects the "Community Option" as set forth at Section 3.04(b), the Community shall have the exclusive right to market, and receive the revenue therefrom, until such time as the District commences construction or rehabilitation of the Rail Line for railroad or other mass transit purposes, longitudinal utility easements within said Community's municipal limits over, along, within or under the Rail Line, with the understanding that such easements may be conditioned or restricted by the District to the extent necessary to ensure the non-interference of said easement(s) with the restoration or operation of railroad or other mass transit service above, along, upon, or under said Rail Line.

d. The District shall have the exclusive right to possession of existing transverse utility easements and licenses across the Rail Line, the revenues therefrom, and the exclusive authority for subsequent grants of same, provided, however, that any revenues received from current or subsequent easements or licenses shall be applied solely against the expenses associated with

the operation or maintenance of the Rail Line to include, and not limited to, the purchase of mass transit equipment, supplies, and services. Notwithstanding the foregoing, the District shall waive any fees due from or associated with transverse utility easements held by NIPSCO (if a participant), Hammond and Munster in existence as of June 1, 1992. NIPSCO (if a participant), Hammond and Munster shall also have the right, subject to approval by the WCIC without charge by the District or other parties and subject only to their non-interference with the restoration or operation of railroad or other mass transit services above, along, upon, or under the Rail Line and then existing assets or utility installations, to additional transverse easements for municipal or utility purposes.

- e. Subject to WCIC approval, Hammond and Munster shall be permitted licenses to use the Rail Line for recreational purposes, and to make other non-railroad or non-mass transit interim uses and adjustments to the Rail Line within their respective Communities, consistent with the following constraints:

- (1) All interim uses or adjustments shall be made subject to and with the understanding that such interim uses and adjustments are subservient to

the initiation, construction, and operation of the Rail Line as a railroad or mass transit corridor. All interim uses or adjustments shall also be made subject to and with the understanding that such interim uses and adjustments are subservient to those assets installed over, along, upon, or under the Rail Line by NIPSCO, and any reasonable terms and conditions required in the operation of same, where said assets have been installed on or before the time when the Community initiates construction of its interim use or adjustment.

Example: NIPSCO installs an overhead power line along the Rail Line in 1995. With WCIC approval, Hammond decides in 1996 to install a bike path along the Rail Line. Hammond may do so, subject to NIPSCO's reasonable terms and conditions concerning integration and operation of the overhead power line, and the bike path and as further modified for the accommodation of commuter rail or other mass transit service above, along, upon or under the Rail Line.

- (2) For those interim uses initiated prior to December 31, 2018, the party implementing the interim use must also agree that it will pay to

restore the Rail Line to the condition that it existed prior to the interim use, unless other funding is available at no cost to the District for restoration purposes. Notwithstanding the foregoing, it is understood that the restoration costs shall be considered as fully funded by the party responsible for same for purposes of any rail or mass transit corridor alternatives analysis. In the event that funds are available and require a "local match" component, the party responsible for the interim use shall be solely responsible for funding the local match if the District determines, in its sole discretion, that it is unable to generate the local match from any other source identified and intended for restoration of the Rail Line.

Example: Hammond installs a bike trail the Rail Line in 1996. At Hammond's request and with WCIC approval, the District removes track assets with a net salvage value of two hundred thousand dollars (\$200,000) and redeploys same consistent with Federal property disposal regulations -- including return of an appropriate amount of the local funding share

to Hammond. The bike trail has a useful life of 10 years.

In 1997, the District is authorized to construct a commuter rail system between Chicago and Lowell -- subject to a route determination based upon a cost analysis of the varying routes. The District determines that restoration of the Rail Line to the condition existing prior to track removal is three hundred thousand dollars (\$300,000) (including a credit for the value of the remaining life in the removed track, if any, and the net cost of removal of the bike trail) and five hundred thousand dollars (\$500,000) for actual commuter rail service. As part of the alternative analysis, the District will assess the cost of this particular portion of the service restoration at two hundred thousand dollars (\$200,000).

Alternatively, the District initiates line restoration activities in 1998. The funds for the line's restoration come from a grant by the Federal Government which requires a twenty (20) percent local contribution. Since 1998 is

prior to 2018, Hammond must pay sixty thousand dollars (\$60,000) to the District as the local match necessary to obtain three hundred thousand dollars (\$300,000). Alternatively, if a part of the Indiana/Illinois Airport Agreement, the Airport Commission funds the restoration of commuter railroad service over the Rail Line, including all relocation costs, Hammond would pay nothing to the District as the costs of its removed bike path would be reimbursed by the Airport Commission.

- (3) For those interim uses initiated subsequent to December 31, 2018, the party implementing the interim use must agree that the District may restore the Rail Line to a condition suitable for railroad or mass transit purposes, provided that the District compensates the party for then current net value of the assets which must be removed or destroyed, i.e. - the original cost of the assets less accumulated depreciation. Where depreciation is not assessed, the cost shall be based on a methodology which accurately determines the remaining value of the assets intended for removal or destruction.

Example: Hammond completes a bike trail along the Rail Line on January 1, 2035. At Hammond's request, the District removes track assets with a net salvage value of two hundred thousand dollars (\$200,000) and redeploys same consistent with Federal property disposal regulations including return of an appropriate amount of the local funding share to Hammond. The bike trail has a useful life spread equally over 10 years and a value of one hundred thousand dollars (\$100,000).

On January 1, 2038, the District initiates removal of the bike trail as part of its monorail construction activities. Since 2038 is subsequent to 2018, the District must pay Hammond seventy thousand dollars (\$70,000) -- one hundred thousand dollars (\$100,000) less thirty thousand dollars (\$30,000) in accumulated depreciation.

4.02 **Rail Line Maintenance.** For the duration of time that the Rail Line remains dormant, the parties agree that the appropriate level of maintenance shall include only those expenditures reasonably believed by the District and the

Communities, the latter as respects only to those assets within their respective area of indemnification responsibility as set forth at Sections 4.04 and 5.03, as necessary to minimize their respective exposures to personal injury and property damage claims. Repairs to assets shall be conducted as and when necessary to stabilize a condition which renders a particular asset unsafe or hazardous to the general public. To the extent that labor is not employed on other District projects, the District will provide labor to assist the Communities in fencing off the access to the bridge over the Little Calumet River. Hammond and Munster will also pave over crossings within their respective Communities without disturbing the underlying Track Structure, unless otherwise agreed pursuant to Section 4.01(e) above.

4.03 Rail Line Maintenance Agreement. NIPSCO and the Communities shall be responsible for maintenance of their respective assets or improvements installed by NIPSCO and the Communities upon or along the Rail Line. With respect to all other assets along, upon, or constituting a part of the Rail Line, the District shall oversee maintenance of same pursuant to a separate maintenance agreement with each Community concerning the portion of the Rail Line within each Community or within said Community's indemnification

obligations. Said maintenance agreement shall be implemented in the following fashion:

- a. Consistent with Section 4.02(a), the District shall request information from each Community as to the types of routine maintenance desired and advise as to the types of routine maintenance which it would recommend. However, the District shall not be held liable for its failure to make any specific recommendations or any failure to meet with a particular Community.
- b. The District shall consult with each Community as to the most economical methodology for performing the rail asset maintenance tasks agreed upon by the parties within their respective communities. Non-rail asset maintenance tasks (e.g., maintenance of trails, drainage ditches, or other non-railroad interim uses of the property) shall be coordinated with the District. Such tasks may, at the mutual election of the District and the community, be performed by either the District or the community.
- c. For those tasks agreed as the responsibility of the District, the District shall provide the Community with a proposed budget based on the types of maintenance desired and the methodology proposed. The Community

shall approve the budget or confer with the District on areas of disagreement. Disagreements which are unable to be resolved informally shall be resolved in accordance with the dispute resolution process set forth at Section 6.03 below.

- d. The District shall perform the routine maintenance and bill the Community on a monthly basis for services performed -- less any credit for monthly income received by the District from third parties with transverse utility easements traversing the rail line within said Community. The Communities shall timely pay said invoices. In the event of a dispute, the Communities shall timely pay the undisputed portions.
- e. Non-routine maintenance shall be handled on a case-by-case basis consistent with the terms of this Agreement and as determined by the mutual agreement of the District and the respective Community.
- f. Notwithstanding the foregoing, the level of maintenance of the bridge over the Little Calumet River shall be determined by mutual agreement of all three parties -- with emphasis on the safety of the structure, preservation of the integrity of the corridor, protection of individuals from injury on or about the

bridge, and maintenance of an environmental status quo. Expenses with respect to the bridge shall be allocated between Hammond and Munster -- with the understanding that all parties shall make best efforts to secure Federal funding for such expenses where such Federal funds have been specifically identified as available for expenses associated with the bridge.

- g. The parties also agree that certain portions of the Rail Line may not be necessary or appropriate for the construction or operation of railroad or other mass transit service. To that extent, and where same is determined by the District, in consultation with the respective Community, the District shall cooperate with the Community in the transfer of said property to adjacent landowners or other appropriate parties, as same is determined by the Community. Conveyance shall be completed pursuant to applicable federal and state property disposal regulations.

4.04 Indemnification.

- a. With respect to all claims arising out of situations not involving the seepage or dispersal of liquids, solids or gasses, or any other environmental condition above, along, upon, or under the Rail Line which

triggers or could result in liability under various Federal, state, and local environmental laws, the parties agree to the allocation of liability and responsibility among themselves as follows:

- (1) Each party shall indemnify all other parties from claims or suits by their own employees occurring on or attributable to the Rail Line.

- (2) Whenever a claim arises involving assets other than the bridge over the Little Calumet River, Hammond and Munster shall indemnify the District and NIPSCO, the latter only, to the extent that NIPSCO has a land interest associated with the situs of the claim, or suit, from any such claim or suit by or resulting from the actions of third parties occurring on or attributable to the Rail Line within their respective municipal boundaries, except consistent with Section (1) above, from any claim or suit against the District by the District's employees arising out of the performance of their duties associated with the Rail Line or claim or suit against NIPSCO arising out of NIPSCO's activities over, along, across, within, or under the Rail Line. With respect to all other claims arising from injuries or damage

caused by, resulting from, or occurring upon the bridge over the Little Calumet River, Munster and Hammond shall take joint responsibility for and indemnify the District from claims asserted by all persons other than employees of the District.

- (3) In the event that a claim arises which is the responsibility of Hammond, Munster, the District, or combination thereof, the appropriate party will take responsibility for processing and defending claims arising from incidents or injuries the Rail Line within their respective areas of responsibility. In circumstances where joint liability appears likely, the party receiving notice of the claim shall promptly notify other potential parties by written notice.
- (4) Notwithstanding any of the foregoing Section 4.04(1)(2) and (3), NIPSCO shall indemnify the District, Hammond, and Munster from any and all claims arising out of its activities over, along, across, within, upon and under the Rail Line.
- (5) The exact terms and methodology for administration of the foregoing concepts as well as addressing situations where liability is unclear or joint,

shall be defined prior to or contemporaneously with the District's purchase of the Rail Line.

b. With respect to any and all claims involving the seepage or disposal of liquids, solids, or gases above, along, upon, or under the Rail Line, or any other condition or activity which triggers or could result in liability under various federal, state, and local environmental laws, the parties agree to the allocation of liability and responsibility among themselves as follows:

(1) The parties agree that "Old Conditions" shall be those environmental situations or circumstances existing on or before the date that the property is conveyed to the District. The parties agree that "New Conditions" shall be those environmental situations or circumstances not existing on or before the date that the property is conveyed to the District.

(2) To the extent that responsibility for liability and remediation can be ascertained as the responsibility of a party not a signatory to this Agreement, the signatory parties agree to cooperate in their efforts to secure the costs of

liability and remediation from the non-signatory party.

(3) Each party shall be solely responsible for those New or Old Conditions which result from or arise solely out of their activities above, upon, along, or under the Rail Line.

(4) Hammond and Munster shall be solely responsible for those New or Old Conditions arising from activities by parties not signatory to this Agreement which exist within their respective corporate limits, including the remediation of same in a timely fashion. Notwithstanding the foregoing, the District shall supervise the remediation of said New or Old Conditions. The cost of said supervision, as well as the cost of the remediation, shall be handled in accordance with Section 4.02 and 4.03 of this Agreement.

4.05 **Insurance.** Until the District initiates railroad or other mass transit activities necessitating implementation of standard railroad operational liability coverages, the parties shall provide each other with evidence of self insurance or a certificate of insurance identifying the other parties as additional insureds for the first two

million dollars (\$2,000,000) per occurrence of general liability and defense costs and six million dollars (\$6,000,000) annual aggregate with respect to incidents occurring above, along, upon, or under the Rail Line within their respective corporate boundaries, with respect to their portion of indemnification responsibilities associated with the bridge over the Little Calumet River, and as otherwise assumed within this Agreement.

5. POST ACQUISITION - TRANSIT RAIL LINE MANAGEMENT PHASE

5.01 Rail Line Usage. Upon commencement of construction or rehabilitation of the Rail Line for railroad or other mass transit purposes, the parties will continue to attempt to accommodate the interests of Hammond, Munster, and the District -- with the understanding that the interests of the parties shall be subservient to the operational and safety requirements associated with operation of a mass transit corridor -- as same are reasonably determined by the District in consultation with the WCIC. Subsequent to commencement of construction and rehabilitation of the Rail Line for railroad or other mass transit purposes, the parties shall have the following usage rights:

- a. The Communities shall have the exclusive right to offer longitudinal licenses or easements for the transport of water and sewage along the Rail Line within their respective Communities, and receive the revenue therefrom, provided, however that such uses do not interfere, impede, or prevent, as same is reasonably determined by the District, with the restoration or operation of railroad or other mass transit service over the Rail Line, or then existing assets installed by appropriate third parties.

- b. Transverse and longitudinal easements shall be managed pursuant to the Standards set forth at Section 4.01a through and including Section 4.01d.

- c. Hammond and Munster shall be permitted licenses to use the Rail Line for recreational purposes, and to make other non-railroad or non-mass transit uses and adjustments to the Rail Line within their respective Communities, consistent with the understanding that such uses are subservient to existing easements, installed assets, and where not in conflict with the construction, safety, and operation of the Rail Line as a railroad or mass transit corridor.

5.02 **Rail Line Maintenance.** The District, at its own expense, will maintain all portions of the Rail Line necessary for the safe operation of railroad or mass transit services. NIPSCO and the Communities will maintain their assets installed upon or along the Rail Line.

5.03 **Indemnification.**

a. With respect to all claims arising out of situations not involving the seepage or dispersal of liquids, solids or gasses, or any other environmental condition above, along, upon, or under the Rail Line which triggers or could result in liability under various Federal, state, and local environmental laws, the parties agree to the allocation of liability and responsibility among themselves as follows:

(1) NIPSCO shall continue to indemnify the District, Hammond, and Munster from any and all claims arising out of its activities over, along, upon, within, across, and under the Rail Line.

(2) The District will indemnify NIPSCO, Hammond and Munster and accept responsibility for the defense of claims arising out of the construction and operation of railroad or mass transit services,

including claims arising from injuries or damage caused by, resulting from or occurring upon the Little Calumet River Bridge where such claims or suits are predicated solely upon the activities of the District. Hammond and Munster will indemnify NIPSCO and the District and accept responsibility for the defense of claims or suits predicated solely upon the activities of the respective Community arising out of their use of the Rail Line or arising from assets installed or used by the Community above, along, across, within, upon, or under the Rail Line. In those circumstances where such claims or suits are predicated upon the activities of more than one party to this Agreement, the liability and defense costs shall be allocated as and between the parties by separate agreement, or, if the parties cannot agree, as determined in accordance with the dispute resolution process set forth at Section 6.03.

- (3) In the event that a claim arises which is the responsibility of NIPSCO, Hammond, Munster, or the District, the appropriate party will take responsibility for processing and defending claims

arising from incidents or injuries the Rail Line within their respective areas of responsibility.

(4) The exact terms and methodology for administration of the foregoing concepts, as well as addressing situations where liability is unclear or joint, shall be defined prior to or contemporaneously with the District's purchase of the Rail Line.

b. With respect to any and all claims involving the seepage or disposal of liquids, solids, or gases above, along, upon, or under the Rail Line, or any other condition or activity which triggers or could result in liability under various federal, state, and local environmental laws, the parties agree to the allocation of liability and responsibility among themselves as follows:

(1) The parties agree that "Old Conditions" shall be those environmental situations or circumstances existing on or before the date that the property is conveyed to the District. The parties agree that "New Conditions" shall be those environmental situations or circumstances not existing on or before the date that the property is conveyed to the District.

- (2) To the extent that responsibility for liability and remediation can be ascertained as the responsibility of a party not a signatory to this Agreement, the signatory parties agree to cooperate in their efforts to secure the costs of liability and remediation from the non-signatory party.

- (3) Each party shall be solely responsible for those New or Old Conditions which solely result from or arise out of their activities above, along, upon, or under the Rail Line.

- (4) Hammond and Munster shall be solely responsible for those New or Old Conditions arising from activities by parties not signatory to this Agreement which existed within their respective corporate limits prior to commencement of construction or rehabilitation of the Rail Corridor for railroad or mass transit purposes, including the remediation of same in a timely fashion. The District shall be solely responsible for those New Conditions arising from parties not signatory to this Agreement, which occur subsequent to commencement of construction or rehabilitation of the Rail Corridor for railroad

or mass transit purposes, including the remediation of same in a timely fashion. Notwithstanding the foregoing, the District shall supervise the remediation of all New or Old Conditions. The cost of said supervision, as well as the cost of the remediation, shall be handled in accordance with Section 4.02 and 4.03 of this Agreement.

5.04 **Insurance.** The District will maintain standard third party railroad liability insurance in the same amounts as are maintained elsewhere commuter rail lines operated by the District or as otherwise directed by its Board of Trustees. NIPSCO, Hammond, and Munster shall maintain railroad protective liability coverage for their activities within the Rail Line naming the District as insured. Said coverage shall be at the same amounts assessed by the District from other users of District Right of Way.

6. **GENERAL PROVISIONS**

6.01 **Assignment of Agreement.** No party to this Agreement shall assign its rights hereunder, in whole or in part, to any person, firm partnership, corporation, or governmental

entity without obtaining the prior written consents of the other parties hereto, which consents shall not be unreasonably withheld.

6.02 **Authority.** Each party warrants that it has the requisite authority to execute this Agreement and to carry out all obligations under this Agreement.

6.03 **Arbitration.** The parties agree to negotiate in good faith to resolve any controversies which may arise hereunder. However, if any dispute remains unresolved thirty (30) days after notice of the existence of a dispute is delivered by written notice from one party to the other parties, any party to the dispute may, thereafter, submit the matter to arbitration in accordance with the provisions of this paragraph. In the event a dispute is submitted to arbitration under the terms of this Agreement, the parties in dispute shall each appoint one arbitrator. If the parties in dispute are less than three (3), then the arbitrators appointed by each party shall select a third arbitrator. The decision of the arbitrators shall be binding and conclusive between the parties, except that if any party claims that the arbitrators' decision is based upon an error of law it may, within thirty (30) days after receipt of such decision, institute an action at law within the State of Indiana to determine such legal issue. In any

such action at law, the parties shall stipulate the facts to be as set forth by the arbitrators.

If the party fails to appoint an arbitrator within fifteen (15) days of the date a matter is submitted to arbitration, then the arbitrator(s) appointed by the party(ies) not in default shall appoint a like competent and disinterested arbitrator for the defaulting party. In the event that the dispute is only between two parties, then the party not in dispute shall appoint an arbitrator for the defaulting party. In either case, the two arbitrators shall then select a third arbitrator and proceed with the process of reaching a decision.

In the event that two arbitrators fail to agree on a third arbitrator within fifteen (15) days of their mutual appointment, then such third arbitrator may be appointed, upon application of either party with reasonable notice to the other party, by a Judge or any Court located in the Counties of Porter or Lake in the State of Indiana. Any application for such judicial appointment shall be made and heard in the manner provided by law for the making and hearing of motions in said Court.

If any arbitrator shall decline or fail to act, the party by whom he was appointed shall appoint another to act in his place.

Each party shall bear the costs and expenses incurred by it in connection with arbitration under this Agreement, and both parties shall share equally in the costs and expenses attributable to the services of a disinterested arbitrator.

All arbitration proceedings shall take place within the Counties of Porter or Lake in the State of Indiana and shall be governed by the Rules of the American Arbitration Association.

- 6.04 **Binding Effect.** This Agreement, when effective, shall be binding upon the parties and their legal representatives, successors, and assigns.
- 6.05 **Entire Agreement.** This Agreement supersedes any agreements previously made or represented to or between the parties. There are no other understandings or agreements between them regarding the matters discussed hereunder.
- 6.06 **Notices.** All notices, requests, demands, and other communications required or permitted hereunder shall be in writing and shall be deemed to have been given if delivered

by hand, deposited with a same day or overnight courier service or mailed by first class certified or registered mail, with postage prepaid:

If to District:

Northern Indiana Commuter Transportation District
Attention: District Counsel
33 East U.S. Highway 12
Chesterton, IN 46304

with a copy to:

Harris, Welsh & Lukmann
Attention: Michael C. Harris, Esq.
107 Broadway
Chesterton, IN 46304

If to Hammond:

Hammond Board of Works
Attention: President, Board of Works
5925 Calumet Avenue
Hammond, IN 46320

with a copies to:

Hammond City Attorney
City of Hammond
5925 Calumet Avenue
Hammond, IN 46320

President, Hammond City Council
City of Hammond
5925 Calumet Avenue
Hammond, IN 46320

Hammond City Council Attorney
City of Hammond
5925 Calumet Avenue
Hammond, IN 46320

If to Munster:

Town Council President
Town of Munster
Town Hall
1005 Ridge Road
Munster, IN 46321

with a copy to:

Clerk - Treasurer
Town of Munster
Town Hall
1005 Ridge Road
Munster, IN 46321

Any party may from time to time change its address for the purpose of notices to that party by a similar notice specifying a new address, but no change shall be deemed to have been given until it is actually received by the party sought to be charged with its contents.

All notices and other communications required or permitted under this Agreement which are addressed as provided in this section shall be effective upon delivery if delivered personally and, if delivered by mail or courier, shall be effective when deposited in the United States mail, postage prepaid, or with the courier service.

6.07 **Non-Waiver.** Except as otherwise provided herein, no delay or failure by a party to exercise any right under this Agreement, and no partial or single exercise of that right,

shall constitute a waiver of that or any other right, unless expressly provided herein.

6.08 **Headings.** Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

6.09 **Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Indiana.

6.10 **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

6.11 **Severability.** If any provision of this Agreement is declared or found to be illegal, unenforceable or void, then all parties shall be relieved of all obligations arising under such provision, but only to the extent that such provision is illegal, unenforceable, or void, it being the intent and agreement of the Parties that this Agreement shall be deemed amended by modifying such provision to the extent necessary to make it legal or enforceable while preserving its intent or, if that is not possible, by substituting therefore another provision that is legal and

enforceable and achieves the same objective. If the remainder of this Agreement is not affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law.

6.12 **Interpretation.** The language used in this Agreement is language developed and chosen by all parties to express their mutual intent and no rule of strict construction shall be applied against either party.

6.13 **Term.** This Agreement shall be effective as of March 1, 1992, with respect to those expenses associated with the condemnation action initiated by the City of Hammond and Town of Munster against CSX Transportation. All other terms and conditions shall be effective as of the date that this Agreement is fully executed and shall continue until December 31, 2099, unless otherwise mutually agreed by all parties.

IN WITNESS WHEREOF, the parties have executed this Agreement, or have caused their duly authorized officers to have executed this Agreement, as of this 1ST day of FEBRUARY, 1993.

Northern Indiana Commuter
Transportation District

Attest: Bjarne R. Henderson

By: Gerald R. Hanas
Gerald R. Hanas
General Manager

Town of Munster

Attest: Phyllis G. Hayden
Clerk/Treasurer
Town of Munster

By: Don P. Johnson
President-Town Council
Town of Munster

City of Hammond

Attest: Janet C. Moran
Hammond City Council
City of Hammond

By: Donald W. Kelly
Mayor
City of Hammond

This document prepared by Bjarne R. Henderson, District Counsel,
Northern Indiana Commuter Transportation District, 33 East U.S.
Highway 12, Chesterton, Indiana, 46304.

CSX COPY

RE-94202-1
CSX 19179

ASSIGNMENT OF AGREEMENTS

FOR VALUE RECEIVED, CSX TRANSPORTATION, INC., a Virginia corporation, hereinafter referred to as "Assignor", whose mailing address is 500 Water Street, Jacksonville, Florida, 32202, hereby assigns, transfers and sets over unto the NORTHERN INDIANA COMMUTER TRANSPORTATION DISTRICT, a State of Indiana political subdivision, hereinafter referred to as "Assignee", whose mailing address is 33 East U. S. Highway 12, Chesterton, Indiana 46304, all of Assignor's right, title and interest in and to the agreements listed and described on Exhibit "A" attached hereto (the "Listed Agreements").

Assignor represents that the Listed Agreements are all of the agreements Assignor has been able to identify that affect those portions of the land and/or line of railroad in Lake County, IN., which Assignor sold to Assignee and conveyed by deed dated Dec. 7, 1995.

If Assignor subsequently discovers or otherwise learns of any agreement(s) omitted from this Assignment, Assignor will assign and forward said agreement(s) to Assignee and Assignee will accept such agreements(s) subject to the terms and conditions of this Assignment of Agreements.

All annual rentals \$500.00 or more, per agreement, due and payable pursuant to the Listed Agreements, or any subsequently assigned agreement(s), shall be prorated between Assignor and the Assignee, as of the Effective Date. Assignor shall remit to Assignee as promptly as possible the prorated portion of any prepaid rentals received for any period subsequent to said Effective Date.

Assignee hereby acknowledges receipt from Assignor of each of the Listed Agreements, accepts the foregoing assignment, and in consideration therefor assumes and agrees to be bound by, carry out, perform, observe and abide by all the terms, conditions and obligations of said Listed Agreements. However, Assignee shall have no obligation or liability for any claim or cause of action involving the Listed Agreements arising from events which occurred prior to the Effective Date; and Assignor shall have no obligation or liability for any claim or cause of action involving the Listed Agreements arising from events occurring on or after said Effective Date.

Assignee hereby agrees to extend notice of this Assignment to the Lessee/Licensee, etc., named in each Listed Agreement within thirty (30) days of this Assignment of Agreements.

The obligations imposed upon the parties to this Assignment shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assigns.

The parties hereto further agree that this Assignment of Agreements is not to be recorded.

IN WITNESS WHEREOF the parties hereto have executed this Assignment of Agreements this 20th day of December, 1995.

Witnesses for Assignor:

J. Smith
R. F. Worley

CSX TRANSPORTATION, INC.:

By Richard C. Worley
Assistant Vice President
CSX Real Property, Inc.
Under the Authority of
Property Management Agreement
and Limited Power of Attorney
dated as of March 1, 1990

Witnesses for Assignee:

By R. Harris

NORTHERN INDIANA COMMUTER
TRANSPORTATION DISTRICT

By Joseph R. Harris

EXHIBIT "A"

<u>CONTRACT NO.</u>	<u>FILE NO.</u>	<u>DATE</u>	<u>LESSEE</u>	<u>LOCATION</u>	<u>PURPOSE</u>
LN 64712		08-21-78	AT&T Communications of IN	Hammond, IN WNB7001	Wire Line
LN 65143		04-20-79	AT&T Communications of IN	Munster, IN WNB7002	Wire Line
MNN 55		03-25-02	Chicago & Lake Erie RR	Hammond, IN WCN4M003	Water Line
MNN 3786		03-25-49	Hammond, City of	Hammond, IN WCN4M004	Road Crossing
MNN 6411		12-24-57	Hammond, City of	Hammond, IN WCN4M005	Road Crossing
SBD 5518		07-06-84	Hammond, City of	Munster, IN WCN4M006	Sewer Line
SBD 5519	49175	07-05-84	Hammond, City of	Munster, IN WCN4M007	Storm Sewer
MNN 6546		03-15-65	Hammond Publishers	Hammond, IN WNB7001 X	Side Track (Cancelled)
CSX 3982		01-29-88	Indiana DOT	Hammond, IN WNB7001	Signals
LN 67820		06-18-82	Indiana DOT	Hammond, IN WNB7002	Bridge
MNN 3807		06-15-49	Indiana DOT	Hammond, IN WNB7002	Overpass
CSX 15939	99089	03-01-92	Knights of Columbus	Hammond, IN WNB7002	Land Lease \$350.00
MNN 8416		07-01-71	Knights of Columbus	Hammond, IN WNB7001	Sewer Line
MNN 6563		07-01-59	Lake County Trust Co	Lake County, IN WNB7001	Storm Sewer
MNN 5619		09-15-55	Munster Lumber Co	Munster, IN WNB7001	Road Crossing
LN 63835		04-19-77	Munster, Town of	Munster, IN WNB7001	Signals
LN 63957		11-18-77	Munster, Town of	Munster, IN WNB7002	Power Line
MNN 8216		05-02-68	Munster, Town of	Munster, IN WNB7003	Overpass
CSX 8052	89621	11-11-88	Northern Indiana Public Svc	Hammond, IN WNB7001	Guy Wires
CSX 8053	89461	11-11-88	Northern Indiana Public Svc	Hammond, IN WNB7002	Power Line
LN 66816		06-11-81	Northern Indiana Public Svc	Maynard, IN WNB7003	Power Line
MNN 3976		01-15-51	Northern Indiana Public Svc	Maynard, IN WNB7004	Gas Line
MNN 4086		05-19-52	Northern Indiana Public Svc	Hammond, IN WNB7005	Power Line
MNN 4300		03-10-54	Northern Indiana Public Svc	Hammond, IN WNB7006	Gas Line
MNN 6477		09-01-58	Northern Indiana Public Svc	Munster, IN WNB7007	Power Line \$20

Hammond, Ill.

December 7, 1995

<u>CONTRACT NO.</u>	<u>FILE NO.</u>	<u>DATE</u>	<u>TESSEE</u>	<u>LOCATION</u>	<u>PURPOSE</u>
MNN 7046		11-15-64	Northern Indiana Public Svc	Hammond, IN	Gas Line
MNN 2482		09-23-29	Texas-Empire Pipeline Co	Manyard, IN	Oil Line
CSX 19495	103992	07-03-93	United Cable TV of N Ind	Hammond, IN	Wire Line
LN 65857		05-31-80	United Cable TV of N Ind	Hammond, IN	Wire Line
LN 65866		06-10-80	United Cable TV of N Ind	Hammond, IN	Wire Line
LN 65895		06-10-80	United Cable TV of N Ind	Hammond, IN	Wire Line
SBD 2730	47300	10-31-83	US Cable of Northern Indiana	Munster, IN	Wire Line

Hammond, ALA

December 7, 1995