

**FREIGHT RAIL IMPROVEMENT AGREEMENT
CHESTER BRANCH RAILROAD REHABILITATION
COUNTY OF MORRIS**

^{20th} THIS FREIGHT RAIL IMPROVEMENT AGREEMENT ("Agreement"), is made this day of November, 2009, (the "Effective Date"), by and between **THE STATE OF NEW JERSEY**, acting by and through the New Jersey Department of Transportation ("State"), and **THE COUNTY OF MORRIS** ("Morris County"), a body corporate and politic of the State of New Jersey, with principal offices located at 10 Court Street, Morristown, New Jersey 07963.

WITNESSETH:

WHEREAS, in accordance with N.J.S.A. 27:1A-5(i) and N.J.S.A. 27:1A-5.1, the Commissioner of NJDOT is authorized and empowered to develop and promote programs for the preservation, improvement and expansion of freight railroads; and

WHEREAS, the State, in support of the movement of freight and goods by rail, recognizes the importance of the Chester Branch Railroad Rehabilitation project ("Project") to the regional and local economies; and

WHEREAS, the United States of America has provided funding for capital improvements to stimulate the economy through the American Recovery and Reinvestment Act of 2009 ("ARRA"); and

WHEREAS, the Chester Branch Railroad alignment ("Chester Branch"), owned by the County of Morris, New Jersey, is an approximately four (4) mile long "short line" railroad situated within the Township of Roxbury, County of Morris and serves various businesses in Morris County; and

WHEREAS, Morris County has applied to, and been awarded by the Federal Government, funding from ARRA in the amount of \$5,800,000 for the Project; and

WHEREAS, the State is required under federal law to administer ARRA funding conveyed to county governmental entities for transportation improvements; and

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, the parties hereto agree as follows:

1. CONSTRUCTION

(a) Pursuant to the terms and conditions herein, Morris County shall perform or arrange to have performed all work associated with construction of the Project, (as more fully described in Exhibit A, which is attached to and incorporated by reference in this Agreement), including without limitation design, engineering, and construction, along with any Modifications (the "Work"); provided, however, that Morris County's obligation to perform or arrange to have the Work performed shall be contingent upon the negotiation and completion, on commercially reasonable terms, of all transactions with third parties necessary to effectuate any and all aspects of the Work (each a "Constituent Transaction"). In the event that, in the sole commercial judgment of Morris County, any Constituent Transaction(s) cannot be completed on commercially reasonable terms and such failure constitutes a material adverse effect on Morris County's ability to progress the Work, then Morris County shall have no further obligation hereunder to perform or arrange to have performed the Work. If any of Morris County's third-party contractors fails to perform in accordance with the terms of its contract with Morris County, Morris County shall complete, or cause to be completed, the Work that the third party contractor failed to complete. Notwithstanding any of the foregoing, if Morris County commences any portion of the Work it shall be obligated to complete or have completed all of the Work.

(b) Morris County shall not contract or subcontract any work to an entity that is debarred by the State of New Jersey, its agencies, or any of its political subdivisions.

(c) In the event that Morris County shall utilize one or more third-party contractors to perform all or part of the Work, Morris County shall cause each such contractor to provide to Morris County a performance bond, and said performance bond shall be in an amount equal to that of the contract between Morris County and the contractor.

(d) Morris County shall have the exclusive right to determine if any modifications of the scope of the Work are necessary or desirable ("Modifications"). In such event, Morris County shall provide notice to State of the proposed Modifications and the basis thereof, and such Modifications shall be eligible for funding from State pursuant to Section 2 only after (i) State has determined, in its reasonable discretion, that such Modifications are reasonably related to the Project and (ii) State determines that it has sufficient funds available and authorizes such Modifications for funding in a Department of Transportation Change Order. The parties shall work in good faith to resolve any dispute related to any proposed Modification, and if any such dispute cannot be resolved within sixty (60) days of State's receipt of notice of the proposed Modification, then such dispute shall be resolved pursuant to Section 19.

2. FUNDING

(a) Subject to federal authorization of Federal Project No. FS-B00S(914) and the availability of federal funds for the Project, State shall provide \$5,800,000 in funding, on a reimbursement basis, for the Work, and Morris County shall provide any remaining funding.

(b) At the end of each calendar month after the Effective Date, Morris County shall submit to State invoices (in form acceptable to State) and supporting documentation for Work completed during such calendar month (the "Documentation"). State shall then pay to Morris County an amount equal to the costs identified in the Documentation and approved by the State, such approval not to be unreasonably withheld. The parties shall work in good faith to resolve any dispute related to Costs, and if any such dispute cannot be resolved within ninety (90) days of State's receipt of the Documentation, then such dispute shall be resolved pursuant to Section 19.

3. COMMENCEMENT OF WORK

Morris County shall not proceed with construction advertisement until it receives written approval to proceed from the State. Any work commenced prior to the receipt of approval from the State shall be at the risk of Morris County, including the risk of non-payment of Federal funds for unapproved work.

4. PROJECT COMPLETION

Subject to those limitations on Morris County's obligations otherwise set forth in the Agreement, Morris County shall make commercially reasonable efforts to complete the Project within four (4) years of the Effective Date.

5. INSPECTION OF RECORDS

Morris County shall make available to State for inspection during normal business hours and at Morris County's regular place of business those records related to the Project as maintained by Morris County in the ordinary course of business. Morris County shall retain such records for a period of three (3) years from the date that the final Approved Costs are paid to Morris County by State; provided, however, that any records that are the subject of dispute shall be retained until such dispute is resolved.

6. CONTINUED MAINTENANCE

Morris County shall maintain or have maintained the improvements constituting the Project, to whatever extent completed, at Federal Railway Administration ("FRA") Class 2 standards within railroad yard limits and at FRA Class 3 standards on main trackage for a period of no less than five (5) years from the date of Certification of a Professional Engineer licensed by the State of New Jersey that the Project has been completed in accordance with the Scope of Work contained in Exhibit A and the above mentioned industry standards or for as long as such improvements are used for railroad operations, whichever is less.

7. REGULATORY STANDARDS

Plans shall conform to all applicable Federal and State regulatory standards. The plans may be amended by Morris County upon request to and written approval from the State.

8. LICENSES AND PERMITS

(a) Morris County shall obtain from the appropriate governmental agencies all necessary clearances, permits, licenses, and other approvals necessary to proceed with the construction phase of the Project prior to the commencement of the Project construction, except for any approvals that State agrees to obtain pursuant to this agreement.

(b) Morris County shall comply or ensure compliance with all federal, state and municipal laws, codes and regulations in connection with the Work.

9. ENVIRONMENTAL PROTECTION

(a) All aspects of the Work shall be in accordance with all applicable state and federal environmental laws and regulations.

(b) Morris County shall provide an executed Categorical Exclusion Document (CED) to the State; and obtain approval thereof by the New Jersey Department of Environmental Protection prior to performing or having performed any portions of the Work upon which such CED bears. The State shall cooperate with Morris County in that process as may be necessary or expedient.

10. STATE REQUIREMENTS

Morris County hereby agrees to comply with New Jersey Department of Transportation Code of Ethics for Vendors (Exhibit C, which is attached to and incorporated by reference in this Agreement); applicable provisions of L. 1975, C. 127 and N.J.A.C. 17:27 as amended and supplemented, pertaining to Affirmative Action Rules on public contracts; applicable provisions of Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.); and applicable provisions of federal and state laws and regulations pertaining to non-discrimination in the workplace. Morris County shall follow the State's guidance and directives to ensure that construction contracts contain disadvantaged business and small business sub-contracting provisions in compliance with the requirement of applicable Federal Regulations. Prevailing wage rates, as determined by the New Jersey Department of Labor, will apply on this project.

11. STATE PRESENCE ON MORRIS COUNTY PROPERTY

(a) The provisions of this Section shall govern the presence of inspectors and other authorized representatives of State, including any employees thereof, ("Inspectors") on Morris County property as contemplated in Section 11(c) and at such other times as reasonably deemed necessary by State.

(b) Inspectors shall give Morris County at least twenty-four (24) hours' notice prior to arrival on Morris County property. Morris County shall ensure that Inspectors are provided a safety briefing prior to entering Morris County property and, whenever deemed necessary in the sole discretion of Morris County. A Morris County representative shall accompany inspectors onto Morris County property.

(c) Inspectors shall perform all inspections with such care, diligence and cooperation with Morris County or its designated representatives as will avoid accident, damage or harm to persons or property and delays to or interference with Morris County's operations.

(d) Any other provision herein to the contrary notwithstanding, Morris County shall not be liable for any loss, damage, injury, destruction or death with respect to Inspectors or their property to the extent such loss, damage, injury, destruction or death is caused by or results from failure of Inspectors to comply with this Section.

12. INSURANCE

(a) Morris County shall furnish and maintain during the term of this Agreement insurance coverage as follows:

(i) Workmen's Compensation (including occupational diseases) covering Morris County employees engaged in the Work in accordance with the statutory requirements of the laws of State. The Workmen's Compensation insurance policy shall contain an Employer's Liability endorsement providing limit of not less than statutory requirements. (Morris County employees are covered under the Federal Employers Liability Act.)

(ii) General Public Liability (including loss or damage resulting from the performance of this Agreement) with a limit of not less than \$ 2,000,000 single limit bodily injury and/or property damage combined for damages arising out of bodily injuries to or death of all persons in any one occurrence and for damage to or destruction of property, including the loss of use thereof, in any one occurrence.

(iii) Automobile Liability with a limit of not less than \$1,000,000 single limit bodily injury and/or property damage combined for damages arising out of bodily injuries to or death of all persons in any one occurrence and for damage to or destruction of property, including the loss of use thereof, in any one occurrence.

(iv) In lieu of subsections (i), (ii) and (iii) above, Morris County may supply a letter of self-insurance covering the liabilities specified therein.

(b) Morris County shall require any and all third-party contractors to take out and carry insurance in the amount set forth in Section 12(a), or the third party contractor shall be named an insured on Morris County's policy.

(c) Prior to commencement of the Work, Morris County shall furnish to State a copy of a certificate of insurance evidencing the coverage set forth in Section 12(a) and naming State as an additional insured party. Any such certificate shall provide that the insurance company, authorized to do business in the State, shall give State thirty (30) days' notice prior to any changes in or cancellation of the policies during the periods of coverage. In lieu of a certificate of insurance, Morris County may provide a letter of self-insurance.

(d) Compliance with this Section 12 shall not limit Morris County's liabilities to State as set forth in Section 13.

13. INDEMNIFICATION

(a) Morris County shall defend, indemnify, protect, and save harmless the State, its agents, servants, and employees (collectively, the "State Parties") from and against any and all suits, claims, losses, demands or damages of whatever kind or nature (collectively, a "Loss") arising out of or claimed to arise out of any negligent act, error, or omission of Morris County, its agents, servants, employees and subcontractors in the performance of this Agreement. Morris County shall, at its own expense, appear, defend and pay all charges for attorneys and all costs and other expenses arising from a given Loss for which indemnification is provided under this paragraph. If any judgment shall be rendered against the State for which indemnification is provided under this paragraph, Morris County shall at its own expense satisfy and discharge the same.

(b) The State shall, as soon as practicable after a claim has been made against it, give written notice thereof to Morris County along with full and complete particulars of the claim. If suit is brought against any State Parties, the State shall expeditiously forward or have forwarded to Morris County every demand, complaint, notice, summons, pleading, or other process received by the State or its representatives.

(c) It is expressly agreed and understood that any approval by the State of the services performed and/or reports, plans or specifications provided by Morris County shall not operate to limit the obligations of Morris County assumed in this Section 13 or in the other provisions of this Agreement. It is further understood and agreed that the State assumes no obligation to indemnify or save harmless Morris County, its agents, servants, employees and subcontractors from and against any claim that may arise out of their performance of this Agreement. Furthermore, Morris County expressly understands and agrees that the provisions of this indemnification clause shall in no way limit Morris County's obligations assumed in this Agreement, nor shall they be construed to relieve Morris County from any liability, nor preclude

the State from taking any other actions available to it under any other provisions of this Agreement or otherwise in law.

14. PROHIBITED INTERESTS

Morris County hereby agrees to the statement set forth below and shall ensure that all contracts with third-party contractors, if any, and all subcontracts, if any, contain an equivalent statement:

No member, officer or employee of Morris County during his or her tenure with Morris County or for one (1) year thereafter shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

15. SUBCONTRACTING AWARDED

For the design, construction, and/or contract administration of those portions of the Project that Morris County does not perform with its own forces:

- (a) Contracting shall be competitive in accordance with the Federal/State regulations.
- (b) Any such contracts shall contain no restrictions on local hiring.
- (c) Any bid package shall be sent to the State and any such solicitations will be posted on any relevant State websites.
- (d) Sub-contractors shall meet State licensing requirements to the extent such requirements can be met after bid opening but prior to award of the contract.
- (e) The total cost of contracts awarded will not exceed the sum of Morris County's total capital improvement budget authorization for the Project, plus any reimbursement pursuant to this Agreement.

16. UTILITY RELOCATION COSTS

As between Morris County and State, Morris County shall be solely responsible for any identified utility relocation costs. State recognizes that Morris County may require utilities to relocate facilities at their expense, or to reimburse Morris County for the cost of relocating these facilities, as required by law or as set forth in whatever agreements may exist between Morris County and the utilities.

17. ACQUISITION OF RIGHT OF WAY

Morris County shall certify that it has obtained, prior to the commencement of construction, any and all rights-of-way necessary for construction of the Project. Morris County will be responsible to record any conveyance of right-of-way in the appropriate government office and be responsible for any recording fees and transfer taxes. Rights-of-way shall be acquired in accordance with all applicable Federal and State laws, policies and procedures.

18. BUY AMERICA ACT

To the extent practicable, materials furnished will be provided in accordance with the requirements of the Buy America Act.

19. DISPUTE RESOLUTION

(a) Any disputes between the parties hereunder shall be resolved pursuant to this Section 19.

(b) For any given dispute, within ten (10) days of the invocation of this Section 19 the party raising the issue ("Complainant") shall provide the other party ("Respondent") and the Escalation Committee with a detailed written summary of Complainant's position, including without limitation proposed resolution(s) of the dispute. Within ten (10) days of receipt of Complainant's summary, Respondent shall provide Complainant and the Escalation Committee with a detailed written summary of Respondent's position, including without limitation proposed resolution(s) of the dispute.

(c) Within thirty (30) days of receipt of Respondent's summary, the Escalation Committee, consisting of those individuals identified in Exhibit B, shall issue a decision resolving the dispute, unless the Escalation Committee approves a longer schedule. The decision of the Escalation Committee must be unanimous and shall be binding on the parties.

(d) Neither party shall have the right to commence any legal proceeding with respect to a dispute that is a subject of this Section 19, whether under the New Jersey Contractual Liability Act or otherwise, unless and until they have complied with the procedure of this Section 19 and the schedule established by the Escalation Committee has expired without a unanimous decision by the Escalation Committee.

20. FORCE MAJEURE

Morris County's obligations under this Agreement shall be suspended for the duration of a Force Majeure Event. A "Force Majeure Event" shall mean any event or circumstance beyond Morris County's control, including without limitation, mechanical breakdowns, Acts of God, floods, storms, earthquakes, hurricanes, tornadoes, lightning or other severe weather or climatic conditions; acts of public enemy, war, terrorism, blockade, insurrection, vandalism or sabotage; fire, accident, wreck, derailment, washout or explosion; strike, lockout or labor disputes

experienced by the parties hereto or any contractor or subcontractor; embargoes or Association of American Railroads service orders; FRA orders; or governmental laws, ordinances, orders or regulations.

21. APPLICABLE LAW

This Agreement shall be governed by the laws of the State of New Jersey without regard to its choice of law rules.

22. NOTICE

Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted by this Agreement to be made upon, given or furnished to, or filed with, one party by another party shall be in writing and shall be delivered by hand or by deposit in the first class mails of the United States, postage prepaid, addressed as follows:

If to State:

John F. Fuller
Assistant Commissioner of Legislation, Regulation and Multimodal Services
New Jersey Department of Transportation
P.O. Box 600
Trenton, New Jersey 08625-0600

If to Morris County:

Gene F. Feyl
Director
Morris County Board of Chosen Freeholders
P.O. Box 900
10 Church Street
Morristown, New Jersey 07963-0900

With copy to:

Stephen Hammond, P.E.
Director of Public Works / County Engineer
Morris County Department of Public Works
P.O. Box 900
10 Church Street
Morristown, New Jersey 07963-0900

or to such other address or addresses as may be provided in writing.

23. THIRD PARTY BENEFICIARY

It is specifically agreed by the parties hereto that this Agreement is not intended by any of the provisions hereof or of any other document to create in the public, or any person whomsoever, a third party beneficiary, or to authorize anyone not a party to this Agreement to maintain a suit for personal injuries, property damage or for loss, damage or delay of cargo or shipment by reason of, or under the terms or provisions of, this Agreement. The duties, obligations and responsibilities of the parties to this Agreement with respect to third parties shall remain solely as imposed by law.

24. ENTIRE AGREEMENT

This Agreement contains the complete expression of the agreement between the parties, and there are no promises, representations or inducements except as herein provided. The terms and provisions of this Agreement may not be modified, supplemented or amended except in writing signed by the parties hereto. All terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and permitted assigns of the parties hereto.

25. SEVERABILITY

Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions of this Agreement.

26. CAPTIONS

The captions in this Agreement are for the convenience of reference only and in no way define, limit or describe the scope or intent of this Agreement or any part hereof and shall not be considered in any construction hereof.

27. WARRANTY

Morris County and State hereby covenant and warrant to each other that: (i) it has full right, power and authority to execute this Agreement; (ii) the execution and delivery of this Agreement, and the performance of its obligations hereunder, have been duly authorized by all necessary corporate or other actions and do not violate any provision of law or any organization and internal governance documents; and (iii) this Agreement constitutes its legal, valid and binding obligation.

28. EXECUTION BY THE COMMISSIONER

This Agreement shall not become binding on any party until it is fully executed by State's Commissioner of Transportation or his designee. Morris County shall attach a resolution from the Board of Chosen Freeholders authorizing the Freeholder Director to execute this Agreement and bind Morris County; the Secretary of the Board shall attest to the execution and affix the County Seal.

29. EFFECTIVE DATE

This Agreement shall be effective as of the Effective Date and shall terminate upon completion of the Project and the making of the last payment hereunder by the State, except that Morris County's obligation to continue to maintain the improvements, as set forth in Section 6 hereof, shall survive the termination of this Agreement.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK.



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

WITNESS:

MORRIS COUNTY

BY

[Handwritten signature]

DATE

BY

[Handwritten signature]

DATE

Gene F. Feyl
Director

Morris County Board of Chosen Freeholders

WITNESS:

STATE OF NEW JERSEY
Department of Transportation

BY

[Handwritten signature]
Jacqueline Trausi
Secretary
Department of Transportation

BY

[Handwritten signature]
John F. Fuller
Assistant Commissioner
Legislation, Regulation and Multimodal Services

[Handwritten date]
DATE

[Handwritten date]
DATE:

The aforementioned Agreement has been reviewed and approved as to form.

Attorney General of New Jersey

BY

[Handwritten signature]

Laura Eytan

Deputy Attorney General

[Handwritten date]
DATE

**COUNTY OF MORRIS
DEPARTMENT OF PUBLIC WORKS
DIVISION OF ENGINEERING**

EXHIBIT A

Board of Chosen Freeholders

Director

Gene F. Feyl

Deputy Director

William J. Chegwiddden

Douglas R. Cabana

Margaret Nordstrom

John J. Murphy

James W. Murray

Jack J. Schrier

P.O. Box 900

Morristown, New Jersey 07963-0900



County Administrator

John Bonanni

Director of Public Works

& County Engineer

Stephen W. Hammond, P.E.

Assistant County Engineer

Surinder K. Thapar, P.E., P.P.

973-285-6760

Fax 973-539-3141

**Chester Branch Railroad Rehabilitation
NJDOT Project Number: 6836313
Federal Project Number: FS-B00S (914)**

Township of Roxbury, County of Morris

Scope of Work

The Chester Branch Railroad rehabilitation project includes complete repairs on 4 miles of existing track, which has been classified by the Federal Railroad Administration as "Excepted Track." The project will include rail change out, full tie replacements, new ballasts, 10 #10 switches-complete, surfacing of the entire right of way, two new run a round sidings with turnouts, brush cutting, wood chipping, and tie removal. Cleaning and repainting of one railroad bridge over a roadway is also included in the project.

Offices located in Administration and Records Building, Court Street, Morristown, New Jersey

EXHIBIT A

Engineer's Estimate of Costs			Date: 8/27/2009		
Project <u>Chester Branch Railroad Rehabilitation</u>					
Municipal <u>Township of Roxbury, Morris County, New Jersey.</u>					
Item No.	Item Description	Unit	Contract Quantity	Unit Price	Total Cost
1	Payment & Performance Bond	LS	100%	\$50,000.00	\$50,000.00
2	Mobilization	LS	100%	\$50,000.00	\$50,000.00
3	Field Office Type "A" Set Up	UNIT	1	\$10,000.00	\$10,000.00
4	Field Office Type "A" Maintenance	MONTH	7	\$1,000.00	\$7,000.00
5	Telephone Service	LS	100%	\$1,500.00	\$1,500.00
6	Construction Layout	LS	100%	\$20,000.00	\$20,000.00
7	ARRA Signs	UNIT	2	\$1,500.00	\$3,000.00
8	Silt Fence	LF	42,240	\$2.00	\$84,480.00
9	Clearing Site	LS	100%	\$100,000.00	\$100,000.00
10	Police Traffic Directors	LS	100%	\$10,000.00	\$10,000.00
11	Brush Cutting, Track	MILE	4	\$20,000.00	\$80,000.00
12	Excavation, miscellaneous locations	CY	1000	\$100.00	\$100,000.00
13	Ballast AREMA #4A, Installed	TONS	28,350	\$15.00	\$425,250.00
14	Sub-Ballast, as directed	CY	500	\$50.00	\$25,000.00
15	Track, Remove, Furnish, and Install Jointed Rail, using Number 1 136 lb. RE Relay Rail using Spikes	Track Foot	21,475	\$150.00	\$3,221,250.00
16	Tie Disposal	Each	15,000	\$5.00	\$75,000.00
17	Track, New Construct -- Number 1, 136lbs RE Rail using Spikes	Track Feet	1,600	\$150.00	\$240,000.00
18	Turnout, Construct - No.10, 136lbs, New	UNIT	5	\$60,000.00	\$300,000.00
19	Turnout, Upgrade - No.8 to No.10, 136lbs	UNIT	5	\$70,000.00	\$350,000.00
20	Derail, complete	UNIT	6	\$5,000.00	\$30,000.00
21	Bumping Post	UNIT	1	\$5,000.00	\$5,000.00
22	Track, Surface and Align	LF	23,075	\$25.00	\$576,875.00
23	Advance Railroad Crossing Signs, W10-1, including galvanized post	UNIT	9	\$100.00	\$900.00
24	Advance Railroad Crossing Signs, W10-3 (First Street), galvanized including post	UNIT	1	\$100.00	\$100.00
25	Railroad Crossbuck R15-1, including post	UNIT	10	\$300.00	\$3,000.00
26	Advance Railroad Crossing Pavement Markings, Complete, Thermoplastic.	UNIT	12	\$350.00	\$4,200.00
27	Fence, 6' High, 3 Rail, Industrial Grade, Black	LF	2700	\$40.00	\$108,000.00

EXHIBIT A

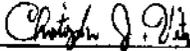
28	Gate, 6' High, 14' Wide	UNIT	4	\$2,000.00	\$8,000.00
29	No Trespassing Signs 12" x 18"	UNIT	60	\$50.00	\$3,000.00
30	Mile Post Signs, Double Sided 12" x 18"	UNIT	4	\$25.00	\$100.00
31	Whistle Post Signs	UNIT	12	\$50.00	\$600.00
32	Cleaning & Painting Structural Steel; Berkshire Valley Road Bridge (3,000 sf)	LS	1	\$25,000.00	\$25,000.00
33	Pollution Control - Painting Structural Steel; Berkshire Valley Road Bridge	LS	1	\$10,000.00	\$10,000.00
34	Breakaway Barricades	UNIT	40	\$30.00	\$1,200.00
35	Drums	UNIT	20	\$20.00	\$400.00
36	Traffic Cones	UNIT	50	\$10.00	\$500.00
A1.	Track, Remove, Furnish and Install Jointed Rail, Number 1, 136lbs. RE. Relay Rail, using Elastic Fasteners and Plates	Track Foot	21,745	\$170.00	\$3,696,650.00
A2.	Track, New Construct - Number 1, 136lbs RE Rail using Elastic Fasteners and Plates	Track Foot	1,600	\$170.00	\$272,000.00
A3.	Rebuild Berkshire Valley Road Crossing with precast concrete panels, 55' long	LS	1	\$55,000.00	\$55,000.00
A4.	Rebuild First Street Crossing with precast concrete panels, 40' long	LS	1	\$40,000.00	\$40,000.00
A5.	Rebuild Main Street Crossing, with precast concrete panels, 60' long	LS	1	\$60,000.00	\$60,000.00
A6.	Rebuild County Concrete Access Crossings, 4, with precast concrete panels, 300' total	LS	1	\$250,000.00	\$250,000.00
A7.	6" Dense Graded Aggregate Base, Road	CY	80	\$70.00	\$5,600.00
A8.	HMA 19 M 64 Base Course, 5" thick	Ton	45	\$70.00	\$3,150.00
A9.	HMA 9.5 M 64 Surface Course, 2" thick	Ton	20	\$20.00	\$400.00
A10.	Reuse High Bridge Branch Turnout at (C4B)	Unit	1	\$10,000.00	\$10,000.00
Construction Inspection Services		MH	1600	\$120.00	\$192,000.00
Total Using Spikes					\$6,545,505.00
Total Using Elastic Rail Clips					\$6,952,905.00
 Christopher J. Vitz, N.J.P.E. 41637 Supervising Engineer Date: 9/1/09					

EXHIBIT B

Escalation Committee

Talvin Davis
Director, Division of Multimodal Services
NJ Department of Transportation

Stephen Hammond, P.E.
Director of Public Works / County Engineer
Morris County Department of Public Works

EXHIBIT C

NJDOT CODE OF ETHICS FOR VENDORS

1. No vendor* shall employ any NJDOT officer or employee in the business of the Vendor or professional activity in which the vendor is involved with the Department officer or employee.
2. No vendor shall offer or provide any interest, financial or otherwise, direct or indirect, in the business of the vendor or professional activity in which the vendor is involved with the Department officer or employee.
3. No vendor shall cause or influence, or attempt to cause or influence any NJDOT employee or officer in his or her official capacity in any manner which might tend to impair the objectivity or independence of judgment of that NJDOT officer or employee.
4. No vendor shall cause or influence, or attempt to cause or influence, any NJDOT officer or employee to use or attempt to use his or her official position to secure any unwarranted privileges or advantages for that vendor or for any other person.
5. No vendor shall offer any NJDOT officer or employee any gift, favor, service or other thing of value under circumstances from which it might be reasonable inferred that such gift, service or other thing of value was given or offered for the purpose of influencing the recipient in the discharge of his or her official duties. In addition, employees or officers of NJDOT will not be permitted to accept breakfasts, lunches, dinners, alcoholic beverages, tickets to entertainment and/or sporting events or any other item which could be construed as having more than nominal value.
NOTE: This section would permit an NJDOT employee or officer to accept food or refreshments of relatively low monetary value provided during the course of a meeting, conference or other occasion where the employee is properly in attendance (for example—coffee, danish, tea or soda served during a conference break). Acceptance of unsolicited advertising or promotional materials of nominal value (such as inexpensive pens, pencils or calendars) would also be permitted.
Any questions as to what is or is not acceptable or what constitutes proper conduct for a Departmental employee or officer should be referred to the Department's Ethics Liaison Officer or his or her designee.
6. This code is intended to augment, not to replace, existing administrative orders and the current Departmental Code of Ethics.
7. This code shall take effect immediately upon approval of the N.J. Executive Commission on Ethical Standards and adoption by the NJDOT.

* Vendor is defined as any general contractor, subcontractor, consultant, person, firm, corporation or organization engaging in or seeking to do business with NJDOT.

**BOARD OF CHOSEN FREEHOLDERS
COUNTY OF MORRIS NEW JERSEY**

RESOLUTION NO. 37

ADOPTED: OCTOBER 14, 2009

RESOLUTION AUTHORIZING EXECUTION OF THE FREIGHT RAIL IMPROVEMENT AGREEMENT BETWEEN NJDOT AND THE COUNTY OF MORRIS FOR THE CHESTER BRANCH RAILROAD REHABILITATION, FEDERAL PROJECT NO. FS-B00S(914) IN THE TOWNSHIP OF ROXBURY, COUNTY OF MORRIS

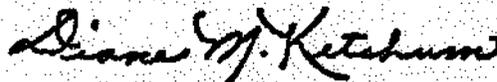
WHEREAS, Federal Funds are available through the ARRA Federal Stimulus Program; and

WHEREAS, the New Jersey Department of Transportation has prepared a Cost Reimbursement Agreement for a total amount of Five Million, Eight Hundred Thousand Dollars (\$5,800,000.00); and

WHEREAS, the County of Morris has reviewed the Agreement and accepts the terms and conditions of the Agreement;

NOW, THEREFORE BE IT RESOLVED that the Board of Chosen Freeholders of the County of Morris in the State of New Jersey does hereby authorize the Director and the Clerk of the Board to execute the Agreement with the New Jersey Department of Transportation.

I hereby certify the above to be a true copy of a resolution adopted by the Board of Chosen Freeholders in the County of Morris at a regular meeting held October 14, 2009.



Diane M. Ketchum, Clerk of the Board
of Chosen Freeholders

SEAL: