

COST SHARING AGREEMENT  
FOR THE RECONSTRUCTION OF RICE COUNTY STATE AID HIGHWAY 1  
(Rice County Project SAP 66-601-20)

This Agreement made and entered into this \_\_\_ day of \_\_\_\_\_, 2018, by and between the County of Rice, State of Minnesota, a political subdivision of the State of Minnesota, 320 3<sup>rd</sup> St. NW, Faribault, Minnesota, 55021, hereinafter referred to as “County,” and the City of Northfield hereinafter referred to as the “City.” The County and the City may be collectively referred to as the “Parties.”

RECITALS

WHEREAS, the Parties of this agreement have contemplated the reconstruction of CSAH 1; and,

WHEREAS, said Parties are mutually agreed that the reconstruction of CSAH 1 from State Trunk Highway 246 to State Trunk Highway 3 should be done as soon as possible; and,

WHEREAS, the Parties to this agreement consider it mutually desirable to provide new traffic control improvements at the intersection of Highland Parkway/Farrell Avenue and CSAH 1 for the safety of the traveling public; and,

WHEREAS, the Parties desire to provide a non-motorized trail component with a grade separated crossing for the safety of the traveling public; and,

WHEREAS, the Parties agree that the County shall cause the reconstruction of County State Aid Highway 1 (110<sup>th</sup> Street East); and,

WHEREAS, the County, through its Rice County Highway Department, will prepare plans and specifications the reconstruction project, known as Rice County Project No. SAP 066-601-020 (Project); and,

WHEREAS, the Parties agree that it is in their best interest that the cost of said project be detailed to clarify each party’s responsibility; and,

WHEREAS, the proposed work shall impact existing City intersection at Jefferson Road and at the existing Oak Lawn trailhead; and,

WHEREAS, the City has passed Resolution # 2017-007, dated January 17, 2017 agreeing to provide cost sharing for non-motorized trail improvements in the amount of \$115,000(the “project cost share); and,

WHEREAS, Minnesota Statute 471.59 authorizes political subdivisions of the State to enter into agreements to jointly or cooperatively exercise common powers; and

WHEREAS, the Parties wish to enter into such an agreement pursuant to the terms and conditions outlined herein.

NOW THEREFORE, in consideration of the mutual undertakings and agreements set forth herein, the Parties agree as follows:

- I. Recitals. The Recitals stated above are incorporated herein by reference.
- II. Purpose. The parties have joined together for the purpose of reconstructing the roadway, drainage, non-motorized trails, traffic control improvements, overhead lighting systems, as well as the necessary adjustments to existing City utility services and City street intersections on County State Aid Highway 1 (110<sup>th</sup> Street East); as described in the plans and specifications numbered SAP 66-601-20 to be filed in the office of the Rice County Highway Department and incorporated herein by reference.
- III. Scope of work. The County shall provide all engineering services and shall cause the construction of Rice County Project No. SAP 066-601-020 in conformance with said plans and specifications. The County shall be responsible for all plan development, right of way acquisition, advertisement and award of contract and all construction administration and engineering.

IV. City Costs.

A. The contract costs of the work, or if the work is not contracted the cost of all labor, materials, normal engineering costs and equipment rental required to complete the work, shall constitute the “actual construction costs” and shall be so referred to herein. Actual costs may vary and will be the costs for which the relevant Parties will be responsible.

1. The estimated construction costs of the total project are \$5,291,164.58

B. The City shall be responsible for the following costs and expenses associated with the project and estimated construction costs:

1. The City shall pay \$115,000 towards the cost of the non-motorized trail constructed as part of the project. The Parties agree that this amount shall not change even if estimated construction costs increase. The City shall not make any further payment under this Agreement to the County other than the project cost share stated herein.

2. The total estimated cost to the City for the project is summarized below:

Non-Motorized Trail	\$ 115,000.00
Total construction cost to the city:	<u>\$ 115,000.00</u>

- C. Upon award of the contract for construction of the Project, the County shall notify the City of the contract award. The City shall make repayment to the County in equal annual installments on or before December 1 of each year over a 5 year period and pay to the County 100% of the \$115,000 cost at \$23,000 per year.
- V. Term. This Agreement shall commence upon the date of the last signature contained herein and shall continue until terminated as provided herein.
- VI. Disbursement of funds. All funds disbursed by the County or City pursuant to this Agreement shall be disbursed by each entity pursuant to the method provided by law.
- VII. Contracts and purchases. All contracts awarded and purchases made pursuant to this Agreement shall only be made by the County and done in conformance with State laws.
- VIII. Strict accountability. A strict accounting shall be made of all funds and report of all receipts and disbursements shall be made upon request by either party. The party requesting the strict accounting shall be solely responsible for the cost of such accounting and shall pay the estimated costs associated with the accounting, as determined by the party being audited, before such accounting occurs.
- IX. Termination. This Agreement may be terminated by either party at any time, with or without cause, upon not less than thirty (30) days written notice delivered by mail or in person to the other party. If notice is delivered by mail, it shall be deemed to be received two (2) days after mailing. Such termination shall not be effective with respect to any solicitation of bids or any purchases of services or goods which occurred prior to such notice of termination. In the event of termination, the City shall pay its pro rata share of costs which the County incurred related to the non-motorized trail improvements portion of the project prior to such notice of termination.
- X. Indemnification.
- A. Each party shall be liable for its own acts and the acts of its employees to the extent provided by law and hereby agrees to indemnify, hold harmless and defend the other, its officers, agents, and employees against any and all liability, loss, costs, damages, expenses, claims or actions, including attorney's fees which the other, its officers, agents and employees may hereafter sustain, incur or be required to pay, arising out of or by reason of any act or omission of the party, its agents, or employees, in the execution, performance, or failure to adequately perform its obligations pursuant to this Agreement.
- B. Nothing in this Agreement shall be construed as a limitation on or a waiver of any immunities or limitations on liability otherwise available to the Parties by law, including, but not limited to, those provided by Minnesota Statutes, Chapter 466.

- XI. Entire agreement. It is understood and agreed that the entire agreement of the parties is contained herein and that this Agreement supersedes all oral agreements and all negotiations between the parties relating to the subject matter thereof, as well as any previous agreement presently in effect between the parties to the subject matter thereof.
- XIV. Alterations and Modifications. Any alterations, variations, or modifications of the provisions of this Agreement shall be valid only when they have been reduced to writing and duly signed by the parties.
- XV. Severability. The provisions of this Contract shall be deemed severable. If any part of this Contract is rendered void, invalid, or unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this Contract unless the part of parts which are void, invalid or otherwise unenforceable shall substantially impair the value of the entire Contract with respect to either party.
- XVI. Notice. Required notices to the Parties to this Agreement shall be in writing, and shall either be hand delivered or mailed to the following addresses:
- A. As to the City: City of Northfield  
801 Washington Street  
Northfield, MN 55057  
Attn: City Administrator
- B. As to the County: County of Rice  
320 Third Street NW  
Faribault, MN 55021  
Attn: County Administrator
- XVII. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of Minnesota.

IN WITNESS WHEREOF, the parties of this Agreement have hereunto set their hands on the dates written below:

**COUNTY OF RICE**

**CITY OF NORTHFIELD**

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

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

Steve Bauer, Chairman  
Rice County Board  
of Commissioners

Rhonda Pownell  
Mayor

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

**ATTEST:**

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

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

Sara Folsted,  
Rice County Administrator

Deb Little  
City Clerk

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

**RECOMMENDED FOR APPROVAL:**

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

Dennis Luebbe, P.E.  
Rice County Engineer

**APPROVED AS TO FORM AND EXECUTION:**

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

Terrence Swihart,  
Assistant Rice County Attorney