

PIPELINE CROSSING CONTRACT

AGREEMENT entered into on *SEPTEMBER 28*, 1999 between THE KANSAS CITY SOUTHERN RAILWAY COMPANY, a corporation called herein "Licensor", and PARISH OF ST. CHARLES, DEPARTMENT OF WASTEWATER, to be addressed at P.O. Box 705, Luling, Louisiana 70070, called herein "Licensee".

1. Licensor hereby grants Licensee the right to lay and maintain proposed 10" underground wastewater pipeline encased in a 15.25" x 50' steel casing pipe under its tracks and property at M.P. 844.1' in Norco, Louisiana, the course of the pipeline being described as follows:

As indicated in red on Drawing No. 999-485 dated 11/4/98, marked as Exhibit "A", attached to and made a part hereof.

2. The pipeline shall be laid in a manner acceptable to Licensor's Engineer, and plans for same shall be submitted for his approval before construction work begins.

3. Laying, maintenance, operation and use of the pipeline shall not endanger the safety or condition of Licensor's property in any way, or the operation of trains or cars, and the pipeline shall be laid with a suitable protective casing at a minimum depth of 5 1/2 feet below the bottom of Licensor's base of rail and at a minimum depth of thirty-six inches (36") below the ground at other points on the right-of-way. Excavations made on Licensor's property shall be promptly refilled by Licensee, the earth well tamped, and the ground left in the same condition as before laying of the pipeline. The location of the pipeline shall be marked, with markers maintained and plainly visible at the right-of-way lines. Installation under the tracks shall be by either the dry bore and jack or tunnel methods.

The pipeline shall be maintained so as to prevent the escape of gas or liquid being conveyed. Connections or valves shall not be placed in the pipeline nearer than forty (40) feet from the center of Licensor's nearest track. Further, the pipeline and its operation and use, shall comply with any and all applicable governmental laws, rules, and regulations. If required by Licensor's Engineer, gates and check valves shall be placed in convenient locations.

3. Licensee shall promptly make necessary repairs to the pipeline, and, in the event of Licensee's failure to do so, repairs may be made by Licensor at Licensee's expense, which cost Licensee expressly agrees to pay upon presentation of the bill.

Should Licensor at any time decide a change in the location or other changes in the pipeline are desirable, Licensee will at its cost make the changes at Licensor's request, and, upon the failure of Licensee to do so, Licensor may make such changes at Licensee's expense, which expense Licensee expressly agrees to pay upon receipt of the bill.

Licensee, hereby assumes any and all risks arising out of, incident to, or in any way connected with the construction, maintenance, operation, use or removal of the pipeline. In consideration of the privileges herein granted, Licensee further expressly agrees to indemnify and save harmless Licensor and any other railway companies operating over or using the tracks of Licensor, its or their officers, agents, servants and employees, successors and assigns, as the case may be, from and against any and all actions, proceedings, claims, demands, losses, outlays, damages, liabilities and expenses (whether arising in or based upon tort, contract, strict liability, or otherwise) including attorneys' fees, which may be incurred on account of injury to or death of any person whomsoever, or loss of or damage to any property in any way, directly or indirectly, resulting from, arising out of, or connected with the construction, maintenance, operation, use or removal of the pipeline by Licensee or by anyone acting in its behalf, its or their, as the case may be, exercise of or performance of or its or their failure to exercise or perform any of the rights, privileges, duties or obligations granted or imposed under the provisions of this agreement. Licensee agrees to indemnify Licensor and other railway companies operating over or using the tracks of Licensor, its or their officers, agents, servants and employees, successors and assigns from and against their own negligence, except for such injury, death, loss or damage which may be due to the sole active negligence of Licensor,

its officers, agents, servants, or employees. Licensee hereby releases the Licensor and other railway companies operating over the tracks from any damage to the pipeline from any cause whatsoever.

4. Rights herein granted are personal and not assignable without Licensor's written consent. The provisions of this License shall be binding upon the successors and permitted assigns of both parties.

5. Upon termination of this License, Licensee shall immediately remove the pipeline from the property of Licensor. Upon failure of the Licensee to remove the pipeline Licensor may remove it at Licensee's expense, which cost and expense Licensee agrees to pay.

6. Licensee agrees to pay for use of Licensor's right-of-way and the privilege hereby granted the one-time fee of FOUR THOUSAND AND NO/100 DOLLARS (\$4,000.00) upon execution of this contract.

7. If during installation, maintenance, or removal of the pipeline Licensee's equipment or personnel will be closer than 25 feet from the center line of the nearest track, then Licensor will provide one of its employees as a qualified flagman. Licensee is responsible for all flagging expenses, and it will reimburse Licensor for all of Licensor's costs and expenses associated with providing the flagman. Licensee and its agents, employees and contractors will clear the tracks when directed to do so by the flagman. The presence of the flagman will not relieve Licensee of its duty to keep all of its agents, employees and contractors clear of the tracks when trains are in dangerous proximity to the licensed area, nor will the negligence of the flagman release Licensee from its duty of indemnification under section 3 of this Agreement.

Should Licensor consider it necessary or desirable to supervise the installation or removal of the pipeline, then Licensor may do so at Licensee's expense. Licensee will reimburse Licensor for all of Licensor's reasonable costs and expenses within 30 days of receipt of a bill from Licensor specifying in reasonable detail Licensor's costs and expenses.

8. This Agreement shall continue in force for one (1) year and thereafter until terminated by thirty (30) days notice in writing given by either party to the other.

9. Environmental Protection: The Licensee shall not permit hazardous waste, hazardous substances or hazardous materials on or in the area covered by this agreement without the written consent of the Licensor.

The Licensee shall at all times keep the area covered by this agreement in a safe, clean and sanitary condition, and shall not mutilate, damage, misuse, alter or permit waste therein. Should any discharge, leakage, spillage or emission of any hazardous waste, hazardous substance or hazardous material or pollution of any kind occur upon, in, into, under or from the area covered by this agreement due to Licensee's use and occupancy thereof, the Licensee, at its sole cost and expense, shall clean all property affected thereby, to the satisfaction of the Licensor and any governmental body having jurisdiction thereover.

The Licensee shall comply with all applicable ordinances, rules, regulations, requirements and laws whatsoever including (by way of illustration only and not by way of limitation) any governmental authority or court controlling environmental standards and conditions on the premises and shall furnish satisfactory evidence of such compliance upon request by the Licensor. If, as a result of the Licensee's operation hereunder, any such ordinance, rule, regulation, requirement, decree, consent decree, judgment, permit or law is violated, or if, as a result of any action by the Licensee, any hazardous or toxic waste, materials or substances should enter or otherwise affect any part of the area covered by this agreement (including surface, subsurface, airborne and/or ground contamination), the Licensee shall protect, save harmless, defend and indemnify the Licensor from and against any penalties, fines, costs, response, remedial, removal and clean-up costs, corrective action, natural resource damage and damages and expenses of any other nature whatsoever, including legal fees and court costs, imposed upon or incurred by the Licensor, caused by, resulting from or in connection with such violation or violations.

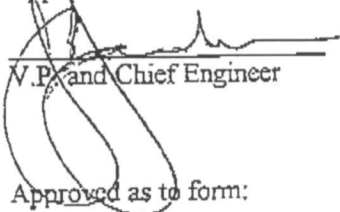
For the purposes of this Environmental Protection Section, the Licensee agrees to defend, indemnify and hold harmless the Licensor from and against any and all claims, demands, actions, liability, responsibility and causes of action (whether arising in or out of tort, contract, strict liability, or otherwise) asserted against them for death, injury, loss or damage resulting to the Licensor's employees or property, or to the Licensee or the Licensee's employees or property, or to any other persons or their property, and for all penalties, fines, costs, response, removal, remedial and clean up costs, corrective action, natural resource damage and damages and expenses of any other nature whatsoever, including legal fees and court costs, arising from, related to or happening in connection with the use of the area covered by this agreement by the Licensee and its agents, servants, employees, contractors and representatives.

For the purposes of this Environmental Protection Section, the Licensee further agrees that its obligation of indemnity hereunder shall be strict and absolute and shall remain in full effect irrespective of any negligence on the part of the Licensor.

10. So long as this Agreement is in effect Licensee agrees to maintain comprehensive, general, and contractual liability insurance with minimum limits of \$1,000,000 per occurrence, together with umbrella coverage over all policies in the minimum amount of \$5,000,000. In addition, Licensee shall provide or require minimum statutory workmen's compensation coverage for all covered employees who are on Licensor's property. A certificate of insurance will be provided to Licensor by Licensee prior to installing the pipeline licensed under this Agreement.

IN WITNESS WHEREOF, Parties hereto have caused this Agreement to be executed in duplicate the day and year first above written.

Approved:


V.P. and Chief Engineer

Approved as to form:

R. P. Bruening by J.M.N.
Legal Department

Approved as to execution


Legal Department

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

By 

Title ~~Senior V.P. - Operations~~
V.P. + CHIEF ENGINEER

ST CHARLES PARISH, DEPARTMENT OF
PUBLIC WORKS/WASTEWATER

By 

Title Parish President