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MICHAEL A. BROWN
RECORDER

ST JOHN TRAIL AGREEMENT

LLIOO-08-1007.1

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THIS AGREEMENT is made and entered into as of this 20th day of July 2006, by and between ANR Pipeline Company, an El Paso Company, authorized to do business in Indiana (hereinafter referred to as "Grantor") and the Town of St. John, Indiana, of Lake County, Indiana, a Municipal Corporation (hereinafter referred to as "Grantee").

The following recitals of fact are a material part of this Agreement.

A. Grantor is the owner of that certain right-of-way known in the Town of St. John, Lake County, Indiana, specifically described on Exhibit "A", which is attached hereto and made a part hereof (the "Premises").

B. Grantee desires to construct and maintain a jogging, hiking and bicycle trail on the twenty foot (20') strip of land (the "Premises") as described and shown on Exhibit "A" for use by the public consistent with the terms of this Agreement (the "Trail").

C. Grantor wishes to grant and Grantee wishes to receive the non-exclusive, 25-year easement to utilize the Trail, all as more fully set forth below.

NOW, THEREFORE, for and in consideration of the foregoing, and of the covenants, conditions and agreements to be kept, performed and carried out by Grantee, the parties hereby agree as follows:

1. Grant of Easement. Grantor hereby grants to Grantee, without warranty and only to the extent it has the right to do so, this non-exclusive, easement to construct and maintain the Trail on the Premises for use by the public consistent with the terms of this Agreement, at the location shown on Exhibit A attached hereto. Grantee shall prohibit any other uses of the Premises, as by way of example, and not limitation, the following activities shall be specifically prohibited on the Premises: (i) horseback riding; (ii) the operation of all motor vehicles, including motor bikes, mini-bikes, go-carts, all-terrain vehicles and snowmobiles, provide, however, that police vehicles, Grantor's maintenance vehicles, maintenance vehicles that Grantor permits on the Premises pursuant to Paragraph 11 and Grantee's construction and maintenance vehicle (subject and approval by Grantor) shall be permitted on the Premises; (iii) the use or consumption of any alcoholic beverages by anyone on the Premises; (iv) camping; and (v) any activities that might interfere with pipelines, or other utility facilities located on or to be located on or more the Premises. With respect to the activities specified in subsection (i) - (v). Grantee shall post signs of sufficient number and in clear view to adequately inform the public using the Premises that these activities are strictly prohibited.

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2. Term of Agreement. The term of this Agreement shall commence on the date hereof and shall be for a period of twenty five (25) years; provided, however, at the end of such period, the term shall continue from year to year thereafter, unless otherwise terminated under Paragraph 19.

3. Agreement Only. This Agreement creates an Agreement only and Grantee acknowledges that it does not and shall not claim at any time any interest or estate of any kind or extent whatsoever in the Premises by virtue of this Agreement or Grantee's use of the Premises pursuant hereto.

4. Condition of Premises. Grantee acknowledges that it has examined the Premises and accepts the same as is, with full knowledge of the condition thereof.

5. No Warranty. No representations or warranties have been made by the Grantor with respect to the suitability of the Premises for any use (including use of the Trail) or the condition or repair of the Premises. Further, Grantor makes no representations or warranties that the Premises are properly zoned for the Trail. Grantee assumes all obligations and responsibilities for compliance with zoning laws and ordinances and any other applicable rules, regulations, ordinances, codes or laws.

6. Construction on Premises. Grantee may fill, grade, level and pave the Trail subject to the specifications, restrictions and other requirements set forth below and elsewhere in this Agreement.

a. Technical Specifications. The construction of the Trail shall be subject to the following specifications and requirements: (i) it may not exceed a width of twelve (12) feet, including stone shoulders; (ii) Grantee shall not change the elevation of the Premises more than twelve (12) inches above or below the present ground level; provided, however, that if a change in the elevation of the Premises affects Grantor's minimal accepted clearance for a gas main, Grantor shall have the right to prohibit Grantee from changing the elevation of the effected area; and (iii) Grantee shall not install any bollards or fence posts within six (6) feet of any gas main; (iv) The trail must avoid all existing pipeline markers; (v) No parking areas are allowed in the corridor; (vi) There is no excavation allowed in the corridor, to the extent it is not directly related to the construction of the bicycle / pedestrian trail; (vii) All fill to be placed in the corridor must be approved by the Grantor; and (viii) While working in the easement, Grantee shall maintain a minimum of three (3) feet of cover over Grantor's pipelines.

b. Filling: Removal of Debris. All debris shall be removed by Grantee before performing any filling. If it is necessary to fill low area, only clean fill, which does not contain any debris, such as gravel, concrete, tree roots, brick or

the like, shall be used. No additional fill shall be deposited within the easement area other than on the proposed Trail in accordance with the plans.

c. Paving the Trail. Paving shall be neat in appearance, subject to prior approval by Grantor of the paving materials being used.

d. Water Drainage. Alterations to the Premises shall be performed in a manner that does not create any increased surface water drainage problems on the Premises or for land owners adjoining the Premises. In the event that increased surface water drainage problems do occur on the Premises or on adjoining lands as a result of alterations permitted under the Agreement, Grantee, at its sole cost and expense, shall immediately correct the water drainage problems.

e. Prior Approval. Prior to commencement of any construction of alterations permitted under this Agreement, Grantee shall submit complete construction plans and specifications, including all proposed alterations to the Premises, to Grantor. The plans and specifications shall be submitted at least ninety (90) days prior to the commencement of any construction. No construction on the Premises shall commence until Grantee receives written notification from Grantor approving any construction plans and specifications, such approval not to be unreasonably withheld by Grantor.

f. Unauthorized Construction. Nothing in this Agreement shall be construed as authorizing the construction of any other improvements, including, without limitation, buildings, sheds, shelters, billboards, water impoundments or other structures on the Premises, all of which are hereby specifically prohibited without the express written consent of Grantor.

g. Inspector. During the construction of the Trail and any other improvements and alterations to be made by Grantee as provided herein, Grantor, at its discretion, shall have the right to have inspectors present at the construction site to assure that Grantors utility facilities are adequately protected. Grantee shall reimburse Grantor for the expense involved in providing such inspectors within thirty (30) days after receiving notice of such expense from Grantor. Grantor agrees that such expense shall not exceed one hundred fifty dollars (\$150.00) for each day of actual construction activity.

h. Tree Preservation. It is specifically understood that Grantor desires to preserve certain trees on its property. Trees designated and marked for preservation shall not be disturbed. Existing grade surrounding designated trees shall not be disturbed. Grantee shall not plant or remove trees or shrubs without Grantor's consent.

i. Heavy Equipment. No heavy equipment shall cross Grantor's pipelines except on public roadways or in areas designated or approved

by Grantor's representative. Ramps, mats, or padding are required to protect Grantor's pipelines during the crossing of heavy equipment and shall be provided by Grantee or its agents.

j. Notification. Grantee must provide its contractors with all of these conditions prior to beginning construction and Grantee must notify the State of Indiana's one-call notification system (800) 382-5544 prior to beginning construction.

7. Maintenance of Premises. Grantee, at its sole cost and expense, shall maintain the Premises and the Trail, together with any fences, gates, wheel stops, barricades and any other improvements constructed on the Premises by Grantee, in good condition and repair (including, without limitation, mowing the premises, in a neatly mowed condition, during the growing season and removing snow and ice from the Trail) to Grantor's satisfaction at all times during the term of this Agreement. Grantee shall have sole responsibility for the maintenance, condition and use of the Premises at all times that this Agreement remains in effect.

8. Construction and Maintenance Vehicles and Equipment. Grantee shall request approval from Grantor of the height and weight of any of the construction and maintenance vehicles and equipment to be brought onto the Premises and the location for such ingress and egress prior to their entry, which vehicles and equipment shall in no event exceed a height of more than fifteen (15) feet above the original ground grade level in the event of an electric line installed on the Premises.

Grantee shall not permit any construction or maintenance vehicles or equipment on the Premises until Grantor's written approval is received, such approval not to be unreasonably withheld by Grantor.

9. Protection of Grantor's Facilities. Grantor may from time to time require Grantee, at its sole cost and expense, to construct barricades upon the Premises to protect Grantor's pipelines now in place or subsequently installed on the Premises; provided, however, that no such barricades shall be constructed until the plans and specifications therefore are specifically approved in writing by Grantor.

10. No Transfer By Grantee. The rights hereunder granted are non-assignable and shall insure to the benefit of Grantee only for the specific purposes stated herein. Grantee shall not be permitted to grant any rights to any person, firm or corporation under this Agreement, except for the use of the Trail by the general public for jogging, hiking and bicycling.

11. Reservation of Rights by Grantor. Grantee understands and agrees that, under this Agreement the rights granted Grantee shall be subordinate and

subservient to the following rights of Grantor, which rights Grantor has expressly reserved in the Premises.

a. Transfer of Premises. Grantor may at any time in its sole discretion assign its rights under this Agreement or transfer or convey the Premises. Upon any such assignment transfer or conveyance, the liability of Grantor, if any, under this Agreement shall transfer with the land.

b. Use of Premises. The right to use the Premises, and the right of ingress and egress over the Premises is expressly reserved by Grantor, its successors, grantees, invitees and assigns. It is further understood and agreed that Grantor reserves the right to remove, cut through or otherwise disturb any paving or other improvements constructed by Grantee on the Premises for the purposes of constructing, installing, operating, maintaining, repairing or replacing any utility which include natural gas pipelines facilities. In the event that Grantor is required to disturb the improvements of Grantee for such purposes, Grantee shall be liable to restore any paving, landscaping, lawn or other improvements placed on the Premises by Grantee.

c. Trail Name and Signage. The naming of the bicycle / pedestrian trail by the Grantee will prominently include Grantor name of "ANR Pipeline Company" as a primary contributor for the life of the bicycle / pedestrian trail.

12. Interruption of Use. Grantor shall have the right to suspend or temporarily prohibit the use of the Trail on the Premises if, in the judgment of Grantor, such action is necessary in order to install, repair, maintain, replace or renew its utility facilities. Grantee agrees to cooperate with such action when necessary by installing and maintaining appropriate barricades, signs and police patrol to insure that the Premises are not used by Grantee or the public, until such activities are completed.

13. No Liens. Grantee shall promptly pay all bills of contractors conducting any work or performing any services in connection with the improvements and alterations to be made by Grantee on the Premises and shall not allow any liens to attach to the Premises. In the event a lien is attached to the Premises or any part thereof, Grantor, at Grantor's option, may satisfy such lien and take whatever other action is necessary to release it, and immediately upon request from Grantor, Grantee shall reimburse Grantor for all expenses involved in exercising such right, including attorney's fees and expenses incurred in connection therewith. Additionally, in the event any lien attaches to the Premises as provided above which is not removed within thirty (30) days, this Agreement, at Grantor's option, shall terminate.

14. Waiver of Claims. Grantee does fully and completely waive and release, for itself and its invitees, and Grantees, and for all of their officers,

directors, employees, representatives, agents, contractors and subcontractors of any tier, and for all of their heirs, administrators, executors, representatives and successors any and all claims for damages to persons or property from or in any way related to the Grantee's use, maintenance or operation of, or the condition of, the Premises, or from or in any way related to the construction, maintenance, operation of, or the condition of the Trail or any other work or thing whatsoever done in or on the Premises or any part thereof, during the term of this Agreement.

15. Indemnification. To the full extent not prohibited by applicable law, Grantee assumes sole and entire responsibility for and shall protect, indemnify, save harmless and defend Grantor and its officers, directors, agents employees and subsidiaries (the "Protected Persons") from and against any and all liabilities, obligations, losses, claims, demands, damages, penalties, fines, interest, causes of action, costs and expenses (including, without limitation, reasonable attorney's fees and expenses) (individually a "Claim" or collectively, "Claims") imposed upon, asserted against or incurred by Grantor or any of its Protected Persons arising from or in any way related to any or all of the following: (i) Grantee's use, maintenance or operation of the Premises, or from the construction, maintenance, operation and use of the Trail or any other work or thing whatsoever done in and on the Premises, during the term of this Agreement, (ii) any condition of the Premises, the Trail or any other improvements on the Premises; (iii) any breach or default on the part of the Grantee in the performance of any term covenant, condition, obligation or agreement to be performed or met under this Agreement; (iv) any act or negligence of Grantee, or any of Grantee's agents, contractors, servants, employees or Grantee; (v) any accident, injury or damage whatsoever caused to any person, firm or corporation during the term of this Agreement, in or on the Premises thereof; (vi) any damage caused by fire, vandalism or other casualty to any vehicle, equipment, merchandise, personal property or any other improvement made by Grantee on the Premises at anytime during the term of this Agreement; (vii) any and all damage to the property; both real and personal, of Grantor arising from or in any way related to Grantee's use of the Premises; (viii) any and all Claims arising from or in any way related to Grantee, any employee of Grantee or any contractor or subcontractor or Grantee coming in contact with future natural gas transmission lines of Grantor during the construction of the Trail, or any other work or thing whatsoever done in and on the Premises, or during the maintenance, operations and use of the Premises or any part thereof; (ix) any personal injury (including wrongful death) or property damage (real or personal) arising out of or in any way related to the public's use of or presence on the Premises or any part thereof; or (x) any claim on account of pollution, or a violation of or failure by Grantee to comply with any federal, state or local law or

regulation arising out of or in any way related to Grantee's use of the Premises.

Promptly upon obtaining notice of any claim or any occurrence or event which could give rise to a claim (a "Potential Claim"), Grantee shall notify Grantor of such Claim or Potential Claim, and shall, at its expense, undertake the defense of each such Claim with attorneys of its own choosing but reasonably satisfactory to Grantor. Grantee shall cooperate with Grantor in the defense of any Claim or Potential Claim.

Grantee shall not pay, compromise, settle or enter into a judgment with respect to any Claim or Potential Claim without first consulting Grantor, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Grantee shall provide Grantor with an opportunity, at Grantor's expense, to assume or join the defense of any such proceeding. In the event Grantee, within a reasonable time after receiving notice of a Claim or Potential Claim from Grantor, fails to defend the Claim or Potential Claim, Grantor may, at Grantee's expense and after giving notice to Grantee, undertake the defense of the Claim or Potential Claim. The provisions of this Paragraph 15 and the obligations of Grantee and rights of Grantor hereunder shall continue in full force and effect without regard to the termination of the Agreement.

16. Supervision. Grantee shall provide adequate police patrols reasonably calculated to enforce rules and regulations relating to the proper conduct and safety of those persons using the Premises under the rights granted herein, to adequately protect the utility facilities of Grantor while the Trail is being used by the public, and reasonable calculated to enforce rules and regulations relating to compliance with all the other items and conditions provided for in this Agreement.

17. Insurance. Grantee, at its sole cost and expense, shall procure and keep in full force and effect during the term of this Agreement, comprehensive general liability insurance for the protection and benefit of Grantor and Grantee, both individually and jointly, naming Grantor as an additional insured. Such insurance shall be in an amount equal to or in excess of \$1,000,000 for each occurrence for bodily injury and property damage combined. Insurance shall be with such companies as may be approved by Grantor, and Grantee shall deliver to Grantor copies of the insurance policies or certificates (acceptable in form to Grantor) shall also be delivered prior to occupying the Premises. Additionally, certificates of insurance (acceptable in form to Grantor) shall also be delivered prior to occupying the Premises for automobile liability, workers' compensation and employer's liability insurance in amounts and otherwise reasonably satisfactory to Grantor. Should it become necessary, Grantor reserves the right to

require Grantee to increase the above minimum insurance coverages at any time during the term of this Agreement.

18. Real Estate Taxes. Grantee agrees to reimburse Grantor for the expense of any increase in real state taxes, special assessments or other similar items levied on or with respect to the Premises, or any part thereof, that is attributable to the improvements made to the Premises by Grantee. Grantee, if so required by Grantor, shall intercede on behalf of Grantor in an effort to eliminate any such increase in taxes, assessments or other similar items within thirty (30) days after receiving notification from Grantor of any such increase.

19. Termination of Agreement.

a. By Act of Omission of Grantee. The following acts or omissions by Grantee shall be considered by Grantor to be grounds for immediate termination: (i) a violation or breach of any term, condition or provision of this Agreement; (ii) vacating or abandoning the Premises during the term of this Agreement; or (iii) a violation of any federal, state or local law or ordinance concerning Grantee's use of the Premises. In the event of any of the foregoing, Grantor, at its election, without notice or demand, may declare this Agreement to be terminated.

b. Rights of Grantor Upon Termination. Upon any termination of this Agreement as permitted herein, Grantor may take immediate possession of the Premises, and Grantee shall restore the Premises to the condition that it was in prior to the date it exercised any of its rights under this Agreement, or to such condition as is satisfactory to Grantor, within ninety (90) days after such termination. In the event Grantee fails to comply with the requirements of this paragraph, Grantor may return the Premises to its original condition, or a condition satisfactory to Grantor, and Grantee shall, immediately upon receipt of bill thereof, reimburse Grantor for the expense of the restoration work. Grantor's failure to bill Grantee for the cost of restoration or to notify Grantee of Grantor's intent to restore the Premises at Grantees expense within one year from the effective date of termination will serve as a waiver of Grantor's right to be reimbursed of restoration costs.

20. Notices. All notices and other communications given under this Agreement shall be in writing and shall be delivered to the party whom it is addressed or sent by registered or certified mail, postage prepaid, and addressed as follows:

If to Grantor:

ANR Pipeline Company
1001 Louisiana Street
Houston, Texas 77002
Attn: Property Rights Services

If to Grantee: Town of St. John, Indiana
Attn: Clerk-Treasurer & Town Manager
10955 West 93rd Avenue
St. John, Indiana 46373

By notice complying with the requirements of this paragraph, either party shall have the right to change the address for all future notices or other communications to such party; provided, however, that the designation change of an addressee or address, or both, by notice given hereunder shall not be effective until actually received by the other party.

21. Termination of Previous Agreement. Grantor and Grantee hereby agree that commensurate with the date of this Agreement, that certain agreement between Grantor and Grantee dated July 5, 2005 concerning Grantee's use of the Premises shall be null and void. All rights of Grantee to use the Premises from and after the date of this Agreement shall be governed by this Agreement.

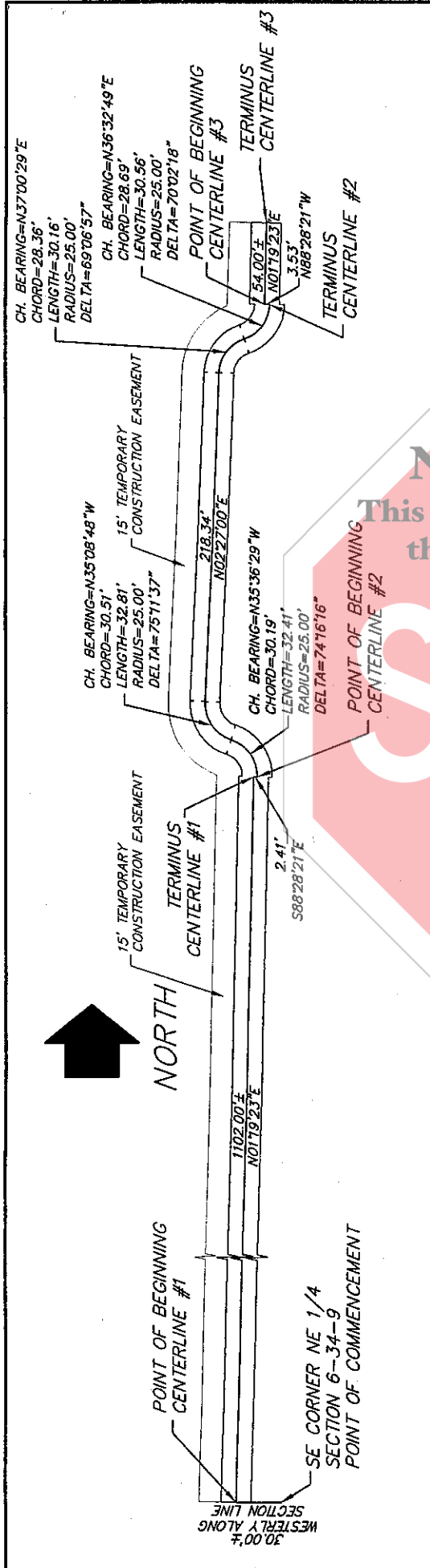
22. Severability. Each of the terms, conditions and provisions of this Agreement shall be deemed to be severable, and in the event any one or more of such terms, conditions or provisions shall be found to be unenforceable, the remainder of this Agreement shall be in force to the maximum extent permitted under law.

23. Corporate Authority and Action. Grantor acknowledges and represents that it is duly organized, validly existing and in good standing with the State of Indiana and has the right, power, and authority to enter into this Agreement and bind itself hereto through the party set forth as signatory for the party below. The undersigned Persons executing this Agreement represent and certify that they are duly elected or appointed Officers of said entity and are fully empowered to execute and deliver this Agreement and that all necessary entity action for the making of this Agreement has been taken and done.

24. Public Action. This Agreement has been approved by affirmative action of the Town Council of the Town of St. John, Lake County, Indiana, at a Public Meeting of the Town Council after motion duly made and seconded by a vote of 5 in favor and -0- against on the 20th day of July 2006, and whereby the Town Council President and the Clerk Treasurer were directed to execute and attest the same and deliver the Agreement herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written.

EXHIBIT "A"



A 20 foot wide right-of-way being a part of the Northeast Quarter of Section 6, Township 34 North, Range 9 West, Second Principal Meridian, Lake County, Indiana and lying 10 feet on each side of the following three centerlines being more particularly described as follows:

Commencing at the Southeast corner of the Northeast Quarter of said Section 6; thence Westerly 30.00 feet, more-or-less, on and along the South line of said Northeast Quarter to a point which is 30.00 normally distant from the East line of said Northeast Quarter; said point being the point of beginning of centerline #1; thence North 01° 19' 23" East (bearing based upon the record bearing of Line "PD" of a route survey by Duneland Group, Inc. recorded as Document 2004 028589 in Book 11, page 16 in the Office of the Recorder of Lake County, Indiana), 1102 feet, more or less, on and along a line parallel with and 30.00 feet normally distant from the East line of said Northeast Quarter to a point that is defined from said Line "PD" as Station 18+58.28, 30.00 feet left, and being the terminus of centerline #1; thence South 88° 28' 21" East, 2.41 feet, and being the point of beginning of centerline #2; thence Northwest, an arc length of 32.47 feet on and along a non-tangent curve concave to the Southwest, having a radius of 25.00 feet, a central angle of 74° 16' 16", and a chord bearing and length of North 35° 36' 29" West, 30.19 feet; thence Northwest, an arc length of 32.81 feet on and along a reverse tangent curve concave Northeast, having a radius of 25.00 feet, a central angle of 75° 11' 37", and a chord bearing and length of North 35° 08' 48" West, 30.51 feet; thence tangent to the last described curve, North 02° 27' 00" East, 218.34 feet; thence Northeast, an arc length of 30.16 feet on and along a tangent curve, concave Southeast, having a radius of 25.00 feet, a central angle of 69° 06' 57", and a chord bearing and length of North 37° 00' 29" East, 28.36 feet; thence Northeast, an arc length of 30.56 feet on and along a reverse tangent curve concave Northwest, having a radius of 25.00 feet, a central angle of 70° 02' 18", and a chord bearing and length of North 36° 32' 49" East, 28.69 feet, and being the terminus of centerline #2; thence non-tangent to the last described curve, North 88° 28' 21" West 3.53 feet, to a point that is defined from said Line "PD" as Station 21+71.76, 30.00 feet left, and being the point of beginning of centerline #3; thence North 01° 19' 23" East, 54 feet, more or less, parallel with and 30.00 normally distant from the East line of said Northeast Quarter to the south line of the Chicago District Electric Generating Corporation easement, and being the terminus of centerline #3. The sidelines of this easement are to be shortened or lengthened to begin on the South line of said Northeast Quarter, and to terminate on the south line of said Chicago District Electric Generating Corporation easement.

DATE	04/29/2005
SCALE	1" = 100'
DRAWN	JPB/TDS
PROJECT	1224
SHEET	1

DUNELAND GROUP
 ENGINEERING & SURVEYING
 1498 POPE COURT
 CHESTERTON, INDIANA 46304
 219-926-1007 fax 219-926-1544
 E-MAIL: dj@dunelandgroup.com

REVISIONS	BY

ST. JOHN TRAIL
RIGHT OF WAY DESCRIPTION

TOWN OF ST. JOHN, LAKE COUNTY, INDIANA
TOWN COUNCIL

By: *Michael S. Fryzel*
MICHAEL S. FRYZEL, President

Gregory J. Volk
GREGORY J. VOLK, Member

Jerry A. Teibell
JERRY A. TEIBEL, Vice-President

Mark Barenie
MARK BARENIE, Member

Charles E. Pearson
CHARLES E. PEARSON, Member

ATTEST: *Sherry P. Sury*
SHERRY P. SURY
Clerk - Treasurer



ANR PIPELINE COMPANY

By: *Jesus Soto Jr.* 717166
Jesus Soto Jr. 717166
Vice-President

"I AFFIRM, UNDER THE PENALTIES FOR PERJURY,
THAT I HAVE TAKEN REASONABLE CARE TO REDACT
EACH SOCIAL SECURITY NUMBER IN THIS DOCUMENT
UNLESS REQUIRED BY LAW."

Name: *R. Soto*