

ROAD MAINTENANCE / AGREEMENT BY AND BETWEEN
OXFORD TOWNSHIP AND THE CITY OF STACY

THIS ROAD MAINTENANCE AGREEMENT ("Agreement") is entered into this ____ day of _____, 2024 by and between Oxford Township, Isanti County, Minnesota, a public corporation ("Oxford"), and the City of Stacy, Chisago County, Minnesota, a public corporation ("Stacy"). Oxford and Stacy may collectively be referred to herein as the "Town/City" or as the "parties", or individually as a "party".

RECITALS

- A. Elmcrest Avenue is a bituminous and gravel road that is located partially within Oxford and partially within Stacy, and the segment of the road that is subject to this Agreement is the approximately .72 mile portion located as shown on the map attached hereto as Exhibit A (such portion hereinafter referred to as "Elmcrest Avenue");
- B. [Bridges/culverts];
- C. Minnesota Statutes, section 164.14 authorizes towns/cities with a road on or along the line between them are to reach an agreement as to the ongoing maintenance of the line road;
- D. Minnesota Statutes, section 160.21, subdivision 1 allows local governments to contract to provide road maintenance services within another local government's boundaries; and
- E. The parties determine it is in their respective best interests to divide and provide for the maintenance of the road identified herein as provided in this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises and agreements contained herein, and intending to be legally bound, the parties do hereby agree as follows:

- 1. Road Maintenance. Stacy agrees to provide regular maintenance services on Elmcrest Avenue as though it was located entirely within Stacy and in accordance with the standards, policies, and procedures used by Stacy when it conducts such maintenance services on its bituminous and gravel roads that are in a similar condition and with a similar level of use. For the purposes of this Agreement, the "regular maintenance services" Stacy will provide on Elmcrest Avenue include, but are not necessarily limited to, the following: inspecting, grading and snowplowing.
- 2. Cost Share for Maintenance. Oxford agrees to pay Stacy one-half of the costs

Stacy incurs for the regular maintenance of Elmcrest Avenue. The maintenance costs shall be determined based on the hourly rate established by Stacy, including any adjustments made to the rate over the term of this Agreement, and any material costs (such as gravel). Stacy's current maintenance rate is \$ 120.00 an hour. Stacy shall provide Oxford an invoice for its share of the maintenance costs, which shall provide the date and number of hours (in no less than .5-hour increments) involved for each occurrence of regular maintenance of Elmcrest Avenue and any material costs. Oxford shall pay Stacy in full within 45 days of the date of the invoice. If, during the term of this Agreement, Stacy proposes to increase its hourly maintenance rate, it shall provide Oxford at least 30 days' written notice of the proposed new rate.

3. Cost Share for Improvements. If either party proposes an improvement to Elmcrest Avenue, the party proposing the project must obtain the other party's written agreement to a cost share prior to undertaking the project. For the purposes of this Agreement, "improvements" include, but are not necessarily limited to, widening, rebuilding, gravel replacement, paving, culvert replacement or repair, ditch cleaning, roadside mowing, signing, dust control, noxious weed control, brushing, tree removal, crack repair, chip sealant, pothole patching, and removal of obstructions (e.g. a downed tree). The costs of constructing or maintaining any bridges shall be shared equally by the parties as authorized by Minnesota Statutes, section 164.14. Any improvement project involving a special assessment, or similar process of charging for the project costs, of owners in both Town and City shall require the prior mutual written agreement of the parties.
4. Delegation. Oxford hereby delegates to Stacy such authority as may be needed to perform regular maintenance of the Road as provided in this Agreement within the jurisdictional boundaries of Oxford. Stacy is acting as an independent contractor with respect to the regular maintenance work it performs on Elmcrest Avenue and Oxford is in no way responsible for Stacy's employees or those Stacy may contract with to provide regular maintenance services on Elmcrest Avenue.
5. No Guarantee. Oxford understands and agrees that given varying weather conditions and availability of resources, Stacy will endeavor to provide the regular maintenance services indicated herein on Elmcrest Avenue, but Stacy does not represent, warrant, or guarantee that its work will meet any particular criteria or standards, or that it will be delivered within any particular time. Stacy will include Elmcrest Avenue in its maintenance schedule and provide such regular maintenance activities in accordance with its usual policies and procedures.
6. Dispute Resolution. If a disagreement arises regarding the fairness of the division of maintenance responsibilities provided in this Agreement or a dispute arises over any other aspect of this Agreement, and the parties are not able to resolve the disagreement informally, Oxford or Stacy may seek resolution of the dispute by

submitting it to the county board for a determination of the proper division of responsibility as provided in Minn. Stat. § 164.14, subd. 4. Alternatively, the parties may agree to resolve the matter through mediation or binding arbitration.

7. Term and Termination. The initial term of this Agreement shall be for one year from the date indicated above. Upon the expiration of the initial term, this Agreement shall automatically renew for successive one-year terms until it is terminated by either party providing the other at least 90 days' written notice of termination. The parties agree to work in good faith to negotiate the terms of a new agreement prior to the termination of this Agreement.
8. Insurance. Both parties shall maintain general liability and errors and omissions insurance during the entire period of this Agreement. Any contractor hired to perform maintenance or improvement work on the roads shall be required to provide proof of insurance coverage in an amount satisfactory to the party letting the contract.
9. Indemnification. Oxford agrees to indemnify and defend Stacy from any claim or suit, and resulting costs, including defense costs and attorney's fees, arising out of or related to any alleged negligent act or failure to act by Oxford, its officers, or employees in its performance of any maintenance services on Elmcrest Avenue required by this Agreement, unless such claim or suit is due to the alleged negligence of Stacy. Stacy agrees to indemnify and defend Oxford from any claim or suit, and resulting costs, including defense costs and attorney fees, arising out of or related to any alleged negligent act or failure to act by Stacy, its officers, or employees in its performance of any maintenance services on Elmcrest Avenue required by this Agreement, unless such claim or suit is due to the alleged negligence of Oxford. To the extent a court considers this Agreement to constitute a joint venture or joint enterprise between the parties, any liability arising from or related to the activities contemplated by this Agreement shall be considered as against a single entity and shall not exceed the limit for a single entity as provided in Minnesota Statutes, section 471.59, subdivision 1a. Nothing in this Agreement shall be construed as a waiver of any liability limits or immunities contained in Minnesota Statutes, Chapter 466 or other law, nor as the acceptance by either party of the other party's liability for the purposes of Minnesota Statutes, section 471.59, subdivision 1a or otherwise.
10. Miscellaneous.
 - A. Entire Agreement. This document, including the recitals and exhibit which are incorporated herein, constitutes the entire agreement between the Town and City as to the roads referenced herein. Any amendment of this Agreement must be in writing and signed by both parties. This Agreement supersedes all prior oral and written agreements and negotiations between the parties relating to the subject matter of this Agreement. This Agreement

is valid only when signed by both parties.

- B. Governing Law. This Agreement will be governed and construed in accordance with the laws of the State of Minnesota.
- C. No Third Party Rights. This Agreement is solely for the benefit of the Town and City. This Agreement shall not create or establish any rights in or for the benefit of any third party.
- D. Executed in Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date indicated above.

[signature page follows]

DRAFT

OXFORD TOWNSHIP

Adopted by the Town Board on the _____ day of _____, 2024.

BY THE TOWN BOARD

Town Chairperson

Attest: _____

Town Clerk

CITY OF STACY

Adopted by the City Council on the _____ day of _____, 2024.

BY THE CITY COUNCIL

Mayor

Attest: _____

City Clerk

EXHIBIT A
Map of Elmcrest Avenue

