

**8830.5650 CONTRACTS.**

Subpart 1. **Contracts; information.** Executed contracts must be the documents used to commit funds and implement projects. Contracts must include:

- A. the description and location of the project;
- B. the appropriate plans, standards, specifications, estimated costs, work schedule, and completion date;
- C. the level of service the rail carrier will provide on the rail line during the contract period, pursuant to United States Code, title 49, section 11121, as amended;
- D. the level of rail line maintenance that will be performed during the period of the contract;
- E. provisions for auditing by the commissioner;
- F. the requirement to comply with all applicable federal regulations when federal funding is involved in the project;
- G. the duration of the contract;
- H. provisions for maintenance and availability of records and audits;
- I. payment and repayment schedules when appropriate;
- J. the amount of funds and any in-kind participation by each party;
- K. the method of administering the contract;
- L. a provision for appropriate recapture of state and federal funds; and
- M. the appropriate remedial action to be taken or penalties to be imposed, or both, for failure to comply with the terms of the contract.

Subp. 2. **Bidding process.** The bidding process for contracts for rail rehabilitation projects must comply with "Procurements," Code of Federal Regulations, title 49, section 18.36, as amended. This condition may be waived if the owner of the rail line that is to be the subject of a rehabilitation contract has an established labor agreement with an industry-wide rail labor union that specifically prohibits the use of outside contractors.

Subp. 3. **Contracts; exceptions.** Exceptions to parts 8830.5300 to 8830.5700 may be made for any particular contract if agreed to by all parties. An exception must not preclude the equal treatment of competing projects.

**Statutory Authority:** *MS s 218.071; 219.073; 219.165; 219.17; 219.384; 222.50; 222.58; 222.63*

**History:** *23 SR 524*

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