

**INTERGOVERNMENTAL AGREEMENT FORMING THE STOP CPKC COALITION AND  
SHARING COSTS TO REPRESENT THE COMMON INTERESTS OF THE PARTIES  
RELATED TO THE MERGER OF THE CANADIAN PACIFIC AND KANSAS CITY  
SOUTHERN RAILROADS**

This Agreement is made this 8<sup>th</sup> day of March, 2022 (“Effective Date”), by and between the Village of Itasca, the City of Wood Dale, the Village of Roselle, the Village of Bensenville, the Village of Bartlett, the City of Elgin, the Village of Hanover Park, and the Village of Schaumburg (collectively, the “Parties”) (individually, “Party”).

**RECITALS**

WHEREAS, the Parties are municipal corporations; and

WHEREAS, Article 7, Section 10 of the Illinois Constitution of 1971 and the Illinois Intergovernmental Cooperation Act 5 ILCS 220/1 et seq. allow units of local government to enter into intergovernmental agreements in the furtherance of their governmental purposes; and

WHEREAS, On October 29, 2021, Canadian Pacific Railway Limited, et al. (CP) and Kansas City Southern, et al. (KCS) filed an application with the Surface Transportation Board (STB) seeking authorization from the STB for CP to acquire KCS; and,

WHEREAS, CP and KCS are two of seven Class I railroads, which are the largest freight railroads serving a variety of industries including agriculture and minerals, military, automotive, chemical and petroleum, energy, industrial, and consumer products; and

WHEREAS, the proposed combination of these two railroads would be a mostly ‘end-to-end’ merger because the CP and KCS railroad networks do not overlap and would therefore create a single railroad connecting Canada with Mexico and extending across the United States; and

WHEREAS, the approval of the merger could increase freight traffic on the Milwaukee District West rail line through the territory of the Parties by more than 300% in the first three years; and

WHEREAS, the Parties agree that the increase of freight train traffic and train lengths through their communities will most likely have a detrimental impact on the quality of life for residents and business operations, property values, vehicular and pedestrian safety; and

WHEREAS, the Parties share a common interest to protect their respective units of government and must do everything each can to prevent this merger from occurring as proposed and the Parties desire to do what is best for each of the Parties’ respective communities; and,

WHEREAS, the corporate representatives of these Parties wish to form a Coalition to represent their common interests in the merger proceedings pending before the Surface Transportation Board; and

WHEREAS, the Parties agree to share the expected costs and expenses related to

investigating, evaluating, communicating, and representing the Coalition's interests.

## **AGREEMENT**

NOW, THEREFORE, pursuant to statutory authority and their powers of intergovernmental cooperation, it is agreed by and among the Parties as follows:

**Incorporation of Recitals.** The above recitals are hereby incorporated into and made a part of this Agreement.

**Coalition Formation and Purpose.** The Parties agree to form a Coalition to assess and evaluate the CP and KCS Railroads merger. The Coalition may retain legal, technical, communication, and government affairs consultants and attorneys to advise and, when requested, testify before the Surface Transportation Board in support of the shared interests of the Parties.

**Coordination.** The Village of Itasca agrees to coordinate on behalf of all Parties in evaluating and retaining attorneys and consultants as agreed upon by the Parties and consistent with the aforementioned Coalition Formation and Purpose, subject to the future agreement of a majority of all the parties. If the Village of Itasca leaves the Coalition, the remaining Parties shall assume all responsibilities for coordination.

**Cost Sharing.** The Parties agree to split equally the costs and expenses incurred by the Coalition in retaining the appropriate attorneys and consultants. The costs and expenses incurred by the Coalition will be in support of the shared interests of all of the Parties only. The Coalition shall not be responsible for expenses associated with any work completed on behalf of an individual member Party. The Coalition shall be responsible for establishing and approving the eligible shared interests and associated costs and expenses. Itasca will thereafter provide the Parties with invoices reflecting the cost and expenses of the coalition and each Party's responsibility. Each Party agrees to pay or dispute the party's invoices within 45 days of receipt. Failure to timely pay the invoices or dispute the party's payment will result in the matter being brought before the Coalition for consideration of the issues presented in the party's dispute or non-payment including continuing participation. A decision of a majority of all members is required to resolve a dispute including continued participation when it comes to a dispute over cost sharing.

**Termination.** If a Party wishes to leave the Coalition, it may do so by submitting a 30-day written notice to the Coalition and the Village of Itasca. After the written notice is received by the Coalition and the Village of Itasca, the exiting Party shall pay any remaining balance of shared Coalition costs accruing on or before the notice and then is no longer responsible for the decisions made and costs incurred by the Coalition after that date.

**Representations.** Each Party is entitled to one representative who shall make decisions and make votes, as necessary, in furtherance of purpose and duties of the Coalition. Furthermore, each Party represents to the others that it has obtained all necessary approvals, consents and authorizations to enter into this Agreement and that the person executing this Agreement on behalf of their Party has the authority to do so; upon execution of this Agreement by the Parties, it is valid and binding, enforceable in accordance with its terms; and the execution, delivery, and

performance of this Agreement does not violate any bylaw, charter, regulation, law or any other governing authority of the Party.

The parties hereby enter into this Agreement as of the Effective Date.

Village of Itasca	City of Wood Dale
By: _____	By: _____
Name: Jeffery J Pruyn	Name: Nunzio Pulice_____
Title: Village President	Title: Mayor_____
Date: _____	Date: _____
Village of Bensenville	Village of Roselle
By: _____	By: _____
Name: Frank Desimone_____	Name: David Pileski_____
Title: Village President_____	Title: Mayor_____
Date: _____	Date: _____
Village of Bartlett	Village of Hanover Park
By: _____	By: _____
Name: A. Keith McDonald_____	Name: Rodney S. Craig_____
Title: Mayor_____	Title: Village President_____
Date: _____	Date: _____
City of Elgin	Village of Schaumburg
By: _____	By: _____
Name: David Kaptain_____	Name: Tom Dailly_____
Title: Mayor_____	Title: Village President_____
Date: _____	Date: _____