

LOCAL AGENCY FUNDING GUIDELINES

MARCH 25, 2004

PRELIMINARY ENGINEERING & PROJECT SCOPE DEVELOPMENT -

BNSF is committed to work with public agencies to implement their safety improvement projects. BNSF representatives will participate in site visits, assist in performing field surveys and create non engineered office estimates for work to be performed by BNSF, at no cost to the agency.

FINAL ENGINEERING & DESIGN AND ESTIMATION –

If the project is to move forward, the Agency will provide BNSF a check to cover the cost of final engineering for the project as identified in the preliminary engineering and project scope development phase. Upon receipt of the check, BNSF will arrange for a consulting firm to design, engineer, create a final bill of material, and cost estimate within 120 days. Upon completion of final engineering plans, BNSF will present the Agency a contract that covers the scope of work along with the final engineering and cost estimate.

MATERIAL ORDERING –

If the project is to move forward, the Agency will cut a check to BNSF for the cost of all material. Upon receipt of the check and signed contract from the Agency, BNSF will order material and schedule the project, to be completed within 12 months of date of acceptance of contract by BNSF.

LABOR –

BNSF will notify/invoice the Agency 60 days prior to start of construction. At that time, the Agency will cut a check to BNSF for the balance of the project, labor portion. No construction will begin until check is received by BNSF.

RECONCILLATION –

120 days after completion of the project, any over runs or under runs will billed or refunded.

ONGOING MAINTENANCE COSTS –

Agency will be responsible for on going maintenance of certain traffic control systems such as the 3rd and 4th signals and gates in a four quad gate system. This maintenance cost will be billed on an annual basis estimated to be \$5,500, on January 1 of each year the system is in operation.