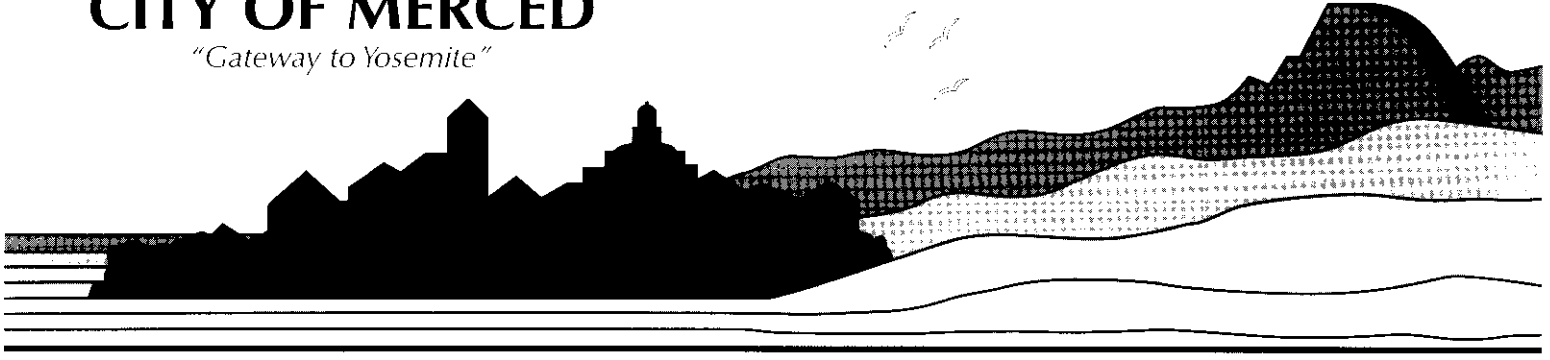


CITY OF MERCED

"Gateway to Yosemite"



January 31, 2019

AGREEMENT FOR PRELIMINARY ENGINEERING SERVICES AND SUBMITTAL OF EXHIBIT "A" FOR RAILROAD APPROVAL

Crossing: Public:
State: CA City: MERCED
MP 148.77
Highway 59/16th Street/ DOT # 765-923L
Merced County

Peggy Ygbuhay
Western Region Manager Public Projects - Engineering
Union Pacific Railroad Company
10031 Foothills Boulevard
Roseville, CA 95747

Dear Peggy Ygbuhay:

Plans are being prepared to install right turn lanes and a Traffic Signal at the location referenced above. The proposed work includes an interconnect between the railroad spur crossing and the traffic signal. In connection with the project, the Agency considers it necessary for the successful advancement of the project for your company to collaborate in the development of the project by performing the following:

- preliminary engineering and other related services
- development of cost estimates
- review of the project's preliminary layouts
- submit current train and switching moves

The Agency authorizes and agrees to reimburse the Railroad for its expenses and actual costs that are incurred for collaborating in the development of the project's preliminary engineering and other preliminary activities. The Railroad has estimated that these preliminary engineering and other preliminary costs will be \$50,000.00. Payment will be made within thirty (30) days from the Agency's receipt and approval of the Railroad's request for reimbursement. Railroad will refer to Agency's Project Number 114052 and forward Invoices to John Ainsworth.

Additionally, attached for your company's review and approval is one (1) set of half-scale prints of the concept plans marked **Exhibit A**, which are the 25% complete plans and show the basic features of the proposed highway project at the location referenced above. Please review and provide comment on the basic features of the **Exhibit A** as soon as possible. Also enclosed is

one (1) set of photos of the project area.

The project may require the Railroad to incur costs for force account activities. Please prepare the railroad force account cost estimate for work activities to be provided by your company, as identified in **Exhibit A** and submit them at your earliest convenience so that they may be attached to the railroad generated Construction & Maintenance (C&M) agreement.

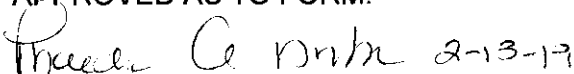
Please verify the number of current regular train (X) and switching movements (X) with a Maximum Speed of (XX) at this location as currently shown in our inventory records. This information will be used by the Agency's Contractor to obtain Railroad Protective Liability Insurance.

This agreement is intended to address Preliminary Engineering. It is understood by both parties that railroad may withhold its approval for any reason directly or indirectly related to safety or its operations, property issues or effect to its facilities. If the Project is approved, Union Pacific will continue to work with the Agency to develop Final Plans, Specifications and prepare Material and Cost Estimates for Railroad Construction Work associated with the project. It is also understood that if the project is constructed, if at all, at no cost to the railroad.

The Agency and the Railroad will enter into separate License, Right of Entry, Construction and Maintenance Agreements associated with the actual construction of the project if the project is accepted and approved by the railroad. The Agreements will be drafted by Union Pacific and forwarded to the Agency after the **Exhibit A** and cost estimates have been approved.

Please contact John Ainsworth at telephone number (209) 385-6934 via email at ainsworthj@cityofmerced.org if you have any questions. Your assistance in this matter is appreciated.

APPROVED AS TO FORM:



City Attorney

Date

Sincerely,

Steve Carrigan
City Manager
City of Merced

UNION PACIFIC RAILROAD COMPANY

By _____ Date _____

Name and Title