

**REIMBURSEMENT AGREEMENT
RIO DE FLAG PROJECT**

**BF-10007187
Rio De Flag Project
Flagstaff, AZ
Seligman Subdivision
LS 7200
MP 343.00 – MP 346.00**

THIS REIMBURSEMENT AGREEMENT (“Agreement”) is made and entered into this day of May 13th, 2015, by and between the **CITY OF FLAGSTAFF, ARIZONA** (“CITY”) and **BNSF RAILWAY COMPANY**, a Delaware corporation (“BNSF”), with reference to the following facts:

Recitals

A. The CITY is seeking to improve drainage in the Flagstaff area by constructing the Rio De Flag Project, hereinafter referred to as (“Project”). The 90% Project plans, prepared by U.S. Army Corps of Engineers, have been recently received by BNSF however the 90% Project plans have not been approved by BNSF yet.

B. The CITY and BNSF are currently beginning the process of negotiating a Construction and Maintenance (“C&M”) Agreement between the two parties for the Project.

C. In advance of the final execution of the C&M Agreement, BNSF needs to create cost estimates for bridge design/construction, facility relocation, flagging, inspection, track work, and signal work for the Project. Additionally, BNSF needs to review and approve Project plans prepared by the U.S. Army Corps of Engineers and provided by CITY’s engineer. This Agreement shall allow BNSF to recover its actual costs for the third party estimation and design as well as review of the submitted plans in advance of the C&M Agreement execution.

NOW THEREFORE, the Parties hereto agree as follows:

1. Work. CITY hereby retains BNSF to perform all the necessary work to create estimates and for plan review associated with the Project.

2. Term. BNSF shall complete all estimates within one (1) calendar year of receiving final construction plans. Furthermore all submittals for the Project will be reviewed within 60 days of submission.

3. Compensation. The CITY agrees to reimburse BNSF for all BNSF design/estimating/review costs, including but not limited to BNSF staff time working on the Project. The total compensation to be paid by the CITY to BNSF for the work shall not exceed Thirty Thousand Dollars and 00/100 Cents (\$30,000.00), unless this Agreement is amended to increase the amount by mutual written agreement by the parties. If such increase requires the approval of City Council, BNSF agrees that approval of such funds will be within the City Council's discretion and subject to timeframes necessary to allow such approval at a City Council Meeting.

4. Termination. This Agreement shall terminate when the BNSF design is complete for the Project, unless terminated by either party upon thirty (30) days prior written notice to the other party.

5. Notices. Service of any notices, bills, invoices or other documents required or permitted under this agreement shall be sufficient if sent by one party to the other by United States mail, postage prepaid and addressed as follows:

CITY

BNSF

City of Flagstaff, Arizona
Senior Project Manager
Attn: James Duval
211 W. Aspen Avenue
Flagstaff, AZ 86001

BNSF Railway Company
Manager Public Projects
Matthew Keim
740 East Carnegie Drive
San Bernardino, CA 92408

6. Severability. Each paragraph and provision of this Agreement is severable from each other paragraph and provision, and if any paragraph, provision or part thereof is declared invalid, the remaining paragraph and provisions shall nevertheless remain in full force and effect.

7. Authority. The individuals executing this Agreement each represent and warrant that they have the legal power, right and actual authority to bind their respective entity to the terms and conditions hereof.

Signatures on following page.


Executed as of the date set forth above, at Flagstaff, Arizona

City of Flagstaff, Arizona


BNSF Railway Company



City Manager



Matthew A Keim
Printed Name



Title

APPROVED AS TO FORM:


City of Flagstaff Attorney's Office

Date: 3-31-15

CA 12-0448
03/09/12

Exhibit A

AUTHORITY FOR EXPENDITURE

LOCATION : EAST FLAGSTAFF	LINE SEGMENT : 7200	AFE NUMBER :
PLANITEM NUMBER : 407820001	MILEPOST : 343.0	RFA NUMBER : 5918115
PROPERTY OF : BNSF RAILWAY COMPANY	DIVISION : SW	CPAR NUMBER : CB960015
OPERATED BY : BNSF RAILWAY COMPANY	SUBDIVISION : SELIGMAN	BUDGET YEAR : 2015
JOINT FACILITY : CITY OF FLAGSTAFF	TRACK TYPE : S	BUDGET CLASS : 6
% BILLABLE (+/-) : 100.0	TAX STATE : AZ	REPORTING OFFICE : 714
	SPONSOR : VP ENGINEERING	CENTER/ROLLUP : 28938

PURPOSE, JUSTIFICATION AND DESCRIPTION

PIP RIO DE FLAG PROJECT SWW DIV SELIGMAN SUB LS 7200 MP 343 - 100% BILLABLE CITY OF FLAGSTAFF - PRELIMINARY ENGINEERING
 PRIMARY FUNDING SOURCE IS FHWA
 ** BUY AMERICA(N) APPLIES **

PLAN ITEM	LINE SEG	BEG MP	END MP	TRK NBR	BEGIN STATION	END STATION	PROJECT TYPE	BUD YEAR
407820001	7200	343.0	343.0	S	EAST	EAST FLAGSTAFF	PUBLIC IMPROVEMENT PROJECT	2015

	CASH CAPITAL	NONCASH CAPITAL	OPERATING EXP	REMOVAL COSTS	BILLABLE	TOTALS
LABOR COSTS	0	0	0	0	0	0
MATERIAL COSTS	0	0	0	0	0	0
OTHER COSTS	0	0	0	0	30,000	30,000
TOTALS	0	0	0	0	30,000	30,000

SYSTEM MAINTENANCE AND PLANNING
 ESTIMATE REF. NUMBER: 5918115
 COSTING DATE: 02/10/2015

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