Date

Name  
Address  
City, State, Zip

Agency  
Job Title  
FA Project Number  
Contract

Dear:

This letter is intended as a Memorandum of Understanding between the \_\_\_\_\_\_\_\_\_\_\_ Railroad, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ County, and the Washington State Department of Transportation. These three organizations will be referred to in this memorandum as the “Railroad Company,” the “County,” and the “State,” respectively.

Authority for this memorandum is based on an agreement \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, executed by the State on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. The work described herein and covered by the subject agreements is to be performed under Project Number \_\_\_\_\_\_\_\_\_\_\_\_\_\_, State Contract No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

It is necessary to provide a method of reimbursement to the Railroad Company for the cost of providing flagging and protective service and devices resulting from the construction operations of the contractor, as set forth in the above noted agreement. Therefore, the following procedures for the submittal and payment of bills for such costs are established:

Flagging costs incurred by the Railroad Company as a result of the operations of the County’s contractor shall be at the contractor’s expense. The Railroad Company will submit bills for these expenses to the State, the State will pay the bills and deduct such monies paid from the amounts due the contractor on monthly estimates.

Upon completion of the project, the full amount of the estimated flagging costs, as set aside by the State as a part of the Contract Work Order Accounting Plan, less the amount paid to that date, will be retained by the State for a period of 150 calendar days after said completion. After the 150-day period, the State will refund to the contractor the balance of the retained fund, or if the retained funds are insufficient, the contractor will be billed for the additional costs incurred by the Railroad Company.

Your signature and the signature of the appropriate company officer, in the spaces provided, will indicate acceptance of the provisions of this memorandum by your respective agencies.

Sincerely,  
 Director, Local Programs

cc: Region Local Programs Engineer

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| --- | --- | --- |
| Click here to enter text. |  | Click here to enter text. |
| Title: City or County |  | Title: Railroad Company |