November 1, 2011

STATE PROJECT:37764.1.1 (U-4434)COUNTY:New HanoverDESCRIPTION:Proposed Bridges on Independence Blvd. Extension form Randall
Parkway to Martin Luther King, Jr. Parkway over the CSXT 'ACB' Line

SUBJECT: Preliminary Engineering Costs Incurred Due to Railroad Overhead Project

Mr. Carey Seavy Project Manager - Public Projects 1610 Forest Ave. Suite 120 Richmond, VA. 23229

Dear Mr. Seavy:

The North Carolina Department of Transportation agrees to reimburse CSX Transportation's (CSXT) Preliminary Engineering Costs estimated as \$12,500.00 upon receipt of itemized invoices subject to the limits of the Federal Acquisition Regulations.

Invoices shall not be submitted more often than once per month. Invoices shall not be for less than \$1000.00 except for the final invoice recovering the incurred Preliminary Engineering Costs.

Preliminary Engineering Costs are those associated with but not limited to North Carolina Department of Transportation's initial project inquiries, railroad surveys, geotechnical investigations, review of preliminary bridge and track work plans, review of final bridge and track work plans, design and special provisions, preparation of force account estimate, accounting, and execution of State-Railroad Agreement. These Preliminary Engineering Costs may be incurred by CSXT's office staff, field personnel, or private engineering firms under contract to CSXT.

By signature below, CSXT agrees to make available the necessary records and accounts on the project for audit by the State and/or Federal Government in accordance with the Federal Aid Policy Guide 23 CFR, Part 140, Subpart I Sec. 140.922 (c).

Please return one original letter with signature, title, and date in the spaces provided.

Signature

Title

Date

Sincerely,

G. R. Perfetti, P.E. State Structures Engineer

GRP/RAR

cc: Mr. R. A. Raynor, Jr., P.E. Mr. W. D. Hinnant, State Railroad Agent