

PRELIMINARY ENGINEERING AGREEMENT

This Preliminary Engineering Agreement (the “Agreement”) is made as of February 12, 2025, by and between R.J. Corman Railroad Company/Nashville and Eastern Railroad Line, with its principal place of business at PO Box 788, 101 R.J. Corman Drive, Nicholasville, KY 40356 (“RJC”) and The City of Mt. Juliet, Tennessee, with an address of 2425 N. Mt. Juliet Road, Mt. Juliet, TN 37122 (“Agency”).

EXPLANATORY STATEMENT

1. Agency wishes to facilitate the development of the proposed road widening project crossing RJC tracks at Railroad Mile Post 17.75, DOT #348715L at Clemmons Road in Mt. Juliet, Wilson County, Tennessee (the “Project”).
2. Agency has requested that RJC proceed with certain necessary engineering and/or design services for the Project to facilitate the parties’ consideration of the Project.
3. Subject to the approval of RJC, which approval may be withheld for any reason directly or indirectly related to safety or RJC operations, property or facilities, the Project is to be constructed, if at all, at no cost to RJC, under a separate construction agreement to be executed by the parties at a future date.

NOW THEREFORE, for and in consideration of the foregoing Explanatory Statement and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the parties agree as follows:

1. Scope of Work

1.1 Generally. The work to be done by RJC under this Agreement shall consist of: (i) the preparation or review and approval of preliminary and final engineering and design plans, specifications, drawings, agreements and other documents pertaining to the Project, (ii) the preparation of cost estimates for RJC’s work in connection with the Project, and (iii) the review of construction cost estimates, site surveys, assessments, studies, agreements and related construction documents submitted to RJC by Agency for the Project (collectively, the “Engineering Work”). Engineering Work may also include office reviews, field reviews, attending hearings and meetings, and preparing correspondence, reports and other documentation in connection with the Project. Nothing contained in this Agreement shall oblige RJC to perform work which, in RJC’s opinion, is not relevant to RJC’s participation in the Project.

1.2 Effect of RJC Approval or Preparation of Documents. By its review, approval or preparation of plans, specifications, drawings or other documents pursuant to this Agreement (collectively, the “Plans”), RJC signifies only that the Plans and the Project proposed to be constructed in accordance with the Plans satisfy RJC’s requirements. RJC expressly disclaims all

other representations and warranties in connection with the Plans, including, but not limited to, the integrity, suitability or fitness for the purposes of Agency or any other persons of such Plans or the Project constructed in accordance with the Plans.

2. Project Construction. Nothing contained in this Agreement shall be deemed to constitute RJC's approval of or consent to the construction of the Project, which approval or consent may be withheld for any reason directly or indirectly related to safety or RJC operations, property or facilities. The Project, if constructed, is to be constructed, if at all, under a separate construction agreement to be executed by the parties at a future date.

3. Reimbursement of RJC Expenses

3.1 Reimbursable Expenses. Agency shall reimburse RJC for all costs and expenses incurred by RJC in connection with the Engineering Work, including, without limitation: (i) all out of pocket expenses, (ii) travel and lodging expenses, (iii) telephone, facsimile and mailing expenses, (iv) costs for equipment, tools, materials and supplies, (v) sums paid to consultants and subcontractors, and (vi) labor, together with labor overhead percentages established by RJC pursuant to applicable law (collectively, the "Reimbursable Expenses").

3.2 Estimate. RJC has estimated the total Reimbursable Expenses for the Preliminary Engineering phase of the Project to be approximately \$21,742.80 (the "Estimate" as amended or revised). In the event RJC anticipates that actual Reimbursable Expenses may exceed such Estimate, it shall provide Agency with the revised Estimate of total Reimbursable Expenses for Agency's approval and confirmation that sufficient funds have been appropriated to cover the total Reimbursable Expenses as reflected in the revised Estimate. RJC may elect, by delivery of notice to Agency, to immediately cease all further Engineering Work, unless and until Agency provides such approval and confirmation.

3.3 Payment Terms

3.3.1 Advance Payment in Full. Upon execution and delivery of this Agreement by Agency, Agency will deposit with RJC a sum equal to the Reimbursable Expenses, as shown by the Estimate. Agency shall pay RJC for Reimbursable Expenses in the amount set forth in **RJC Schedule PA** attached hereto, a copy of which shall accompany the advance payment. If RJC anticipates that it may incur Reimbursable Expenses in excess of the deposited amount, RJC will request an additional deposit equal to the then remaining Reimbursable Expenses which RJC estimates that it will incur. RJC shall request such additional deposit by delivery of invoices to Agency. Agency shall make such additional deposit within thirty (30) days following delivery of such invoice to Agency.

3.3.2 Following completion of all Engineering Work, RJC shall reconcile the total Reimbursable Expenses incurred by RJC against the total payments received from Agency and shall submit to Agency a final invoice if required. Agency shall pay to RJC the amount by which actual Reimbursable Expenses exceed total payments, as shown by the final invoice, within thirty

(30) days following delivery to Agency of the final invoice. RJC will provide a refund of any unused deposits if the deposit exceeds the incurred Reimbursable Expenses for the Project.

3.3.3 In the event that Agency fails to pay RJC any sums due RJC under this Agreement: (i) Agency shall pay RJC interest at the lesser of 1.0% per month or the maximum rate of interest permitted by applicable law on the delinquent amount until paid in full; and (ii) RJC may elect, by delivery of notice to Agency: (A) to immediately cease all further work on the Project, unless and until Agency pays the entire delinquent sum, together with accrued interest; and/or (B) to terminate this Agreement.

3.4 Effect of Termination. Agency's obligation to pay RJC Reimbursable Expenses in accordance with this Section 3 shall survive termination of this Agreement for any reason.

4. Appropriations. Agency represents to RJC that: (i) Agency has obtained appropriations sufficient to reimburse RJC for the Reimbursable Expenses encompassed by the initial Estimate; (ii) Agency shall use its best efforts to obtain appropriations necessary to cover Reimbursable Expenses encompassed by subsequent Estimates approved by Agency; and (iii) Agency shall promptly notify RJC in the event that Agency is unable to obtain such additional appropriations.

5. Termination

5.1 By Agency. Agency may terminate this Agreement, for any reason, by delivery of notice to RJC. Such termination shall become effective upon the expiration of fifteen (15) calendar days following delivery of such notice to RJC or such later date designated by the notice.

5.2 By RJC. RJC may terminate this Agreement (i) as provided pursuant to Section 3.3.3, or (ii) upon Agency's breach of any of the terms of, or its obligations under, this Agreement and such breach continues without cure for a period of ninety (90) days after written notification from RJC to Agency of such breach.

5.3 Consequences of Termination. If the Agreement is terminated by either party pursuant to this Section 5 or any other provision of this Agreement, the parties understand that it may be impractical to immediately stop the Engineering Work. Accordingly, both parties agree that, in such instance a party may continue to perform Engineering Work until it has reached a point where it may reasonably and/or safely suspend the Engineering Work. Agency shall reimburse RJC pursuant to this Agreement for the Engineering Work performed, plus all costs reasonably incurred by RJC to discontinue the Engineering Work and all other costs of RJC incurred as a result of the Project up to the time of full suspension of the Engineering Work. Termination of this Agreement or Engineering Work on the Project, for any reason, shall not diminish or reduce Agency's obligation to pay RJC for Reimbursable Expenses incurred in accordance with this Agreement. In the event of the termination of this Agreement or the Engineering Work for any reason, RJC's only remaining obligation to Agency shall be to refund to Agency payments made to RJC in excess of Reimbursable Expenses in accordance with Sections 2 and 3.

6. Subcontracts. RJC shall be permitted to engage outside consultants, counsel and subcontractors to perform all or any portion of the Engineering Work.

7. Notices. All notices, consents and approvals required or permitted by this Agreement shall be in writing and shall be deemed delivered (i) on the expiration of three (3) days following mailing by first class U.S. mail, (ii) on the next business day following mailing by a nationally recognized overnight carrier, or (iii) on the date of transmission, as evidenced by written confirmation of successful transmission, if by facsimile or other electronic transmission if sent on a business day (or if not sent on a business day, then on the next business day after the date sent), to the parties at the addresses set forth below, or such other addresses as either party may designate by delivery of prior notice to the other party:

If to RJC: Cara Sparkman
Director of Contracts and Real Estate
PO Box 788, 101 RJ Corman Dr
Nicholasville, KY 40356
cara.sparkman@rjcorman.com

If to Agency: James Maness
Mayor
2425 N. Mt. Juliet Road,
Mt. Juliet, TN 37122

8. Entire Agreement. This Agreement embodies the entire understanding of the parties, may not be waived or modified except in a writing signed by authorized representatives of both parties, and supersedes all prior or contemporaneous written or oral understandings, agreements or negotiations regarding its subject matter. In the event of any inconsistency between this Agreement and the Exhibits, the more specific terms of the Exhibits shall be deemed controlling.

9. Waiver. If either party fails to enforce its respective rights under this Agreement or fails to insist upon the performance of the other party's obligations hereunder, such failure shall not be construed as a permanent waiver of any rights or obligations in this Agreement.

10. Assignment. RJC may assign this Agreement and all rights and obligations herein to a successor in interest, parent company, affiliate or future affiliate. Upon assignment of this Agreement by RJC and the assumption by RJC's assignee of RJC's obligations under this Agreement RJC shall have no further obligations under this Agreement. Agency shall not assign its rights or obligations under this Agreement without RJC's prior written consent, which consent may be withheld for any reason.

11. Applicable Law. This Agreement shall be governed by the laws of the state of Kentucky, exclusive of its choice of law rules. The parties further agree that the venue of all legal and equitable proceedings related to disputes under this Agreement shall be situated in Jessamine County, Kentucky, and the parties agree to submit to the personal jurisdiction of any State or Federal court situated in Jessamine County, Kentucky.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in duplicate, each by its authorized officers, as of the date of this Agreement.

THE CITY OF MT. JULIET, TENNESSEE

By: _____

Name: _____

Title: _____

R.J. CORMAN RAILROAD/NASHVILLE AND
EASTERN RAILROAD LINE

By: _____

Cara Sparkman

Director of Contracts and Real Estate

RJC Schedule PA

(Advance Payment – Preliminary Engineering Agreement)

PAYMENT SUBMISSION FORM

*Payment is hereby provided in accordance with the terms of Section 3.3 of the Agreement dated _____ between Agency and RJC.

1. A copy of this Payment Submission Form shall accompany all payments delivered by Agency to RJC which shall be forwarded to the following address:

**R.J. Corman Railroad Company
PO Box 788
Nicholasville, KY 40340
Attn: Cara Sparkman**

2. Email copies of check and this form to cara.sparkman@rjcorman.com and Katherine.byrd@rjcorman.com

Upon execution and delivery of this Agreement by Agency, Agency will remit payment in accordance with Section 3.3.1 of this Agreement.

(All information below to be completed by Agency providing payment)

Check No.	Payment Amount	Payment Date
_____	_____	_____

*Date: _____ By: _____

Name: _____

Title: _____

Phone: _____

Email: _____