



A Limited Liability Holding Company
101 RJ Corman Drive • PO Box 788 • Nicholasville, KY 40340-0788
(859) 881-7521 • Fax: (859) 885-7804 • www.rjcorman.com

4/11/2019

Please submit all inquiries and bids to:
Bradley McLennan, Funded Projects Administrator
Bradley.McLennan@rjcorman.com

R. J. Corman Railroad Company / Carolina Lines has received a grant from the North Carolina Department of Transportation (NCDOT) through the Short Line Infrastructure Assistance Program (SIAP).

R.J. Corman Railroad Company / Carolina Lines invites you to bid on the following items:

Cross Tie and Switch Tie Disposal

Location: Chadbourn, NC

- **Removal and disposal of approximately 165 tons of crossties and switch ties.**
- **Please bid a disposal price per ton and describe the process to be used in disposing of materials.**
- **Anticipated start is July 2019.**
- **All arrangements for proper disposal at a certified facility will be the responsibility of the selected contractor.**
- **Crossties will be located on RJ Corman property but not within the Railroad's Right of Way.**
- **Subcontractor must provide all equipment and labor to properly dispose of ties.**
- **Will be required to enter into Subcontract Agreement (Exhibit A).**
- **Subcontractors shall comply with all requirements imposed by Title VI of the Civil Rights Act of 1964 and shall not discriminate against any employee or applicant for employment based on race, religion, color, sex, or national origin.**
- **The subcontractor shall not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin. Such actions shall include, but not limited to, the following: employment, upgrading, demotion or transfer, recruiting or advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship.**
- **RJ Corman reserves the right to reject any and all bids.**

**Bids due by 4/22/2019 5PM EST / Reference project: 2019 SIAP Tie Disposal
Please hold quotes valid for 90 days**

SUBCONTRACT AGREEMENT

THIS AGREEMENT made _____, 20__ by and between R.J. CORMAN RAILROAD COMPANY/CAROLINA LINES, LLC ("CONTRACTOR"), with an address of PO Box 788, Nicholasville, KY 40340 and _____ ("SUBCONTRACTOR"), with an address of _____

WHEREAS, CONTRACTOR has entered into a Rail Freight Assistance Agreement ("the Agreement") with the North Carolina Department of Transportation, to perform, primarily through its own forces, certain rehabilitation and improvements on its right-of-way through the grant of a Short Line Infrastructure Assistance Program (SIAP) Project, 19-RF-007 – Industry Track Rehab (the "Project").

WHEREAS, CONTRACTOR desires to contract with SUBCONTRACTOR for SUBCONTRACTOR to provide all equipment, labor, materials, supplies, and supervision to complete a portion of the Project in accordance with the plans, specifications and requirements of the Agreement and more particularly to the Scope of Work set out below.

WHEREAS, SUBCONTRACTOR desires to contract with CONTRACTOR for SUBCONTRACTOR to provide all equipment, labor, materials, supplies, and supervision to complete a portion of the Project in accordance with the plans, specifications and requirements of the Agreement and more particularly to the Scope of Work set out below.

NOW THEREFORE, the parties hereto agree as follows:

1. SCOPE OF WORK:

The Scope of Work (the "Work") to be performed by SUBCONTRACTOR is _____ . All Work and material installation is to be performed in accordance with the Agreement and CONTRACTOR'S Invitation to Bid (ITB), a copy of which is Exhibit A and is made part of this Agreement.

2. PAYMENT TERMS:

CONTRACTOR shall pay the undisputed portions of each of SUBCONTRACTOR'S invoices with required deliverables within 30 days of receipt of same. All payments will be based upon the applicable unit quantity rates or lump sum amount set out in SUBCONTRACTOR'S Bid made in response to CONTRACTOR'S Invitation to Bid, a copy of which is Exhibit B and is made part of this Agreement, provided, however that the total amount payable under this Agreement shall not exceed the bid.

3. SCHEDULE OF WORK:

4. WARRANTY:

4.1 CONTRACTOR warrants for the longer of CONTRACTOR'S warranty under the Agreement or a period of one year following the date of acceptance of the Project, that the Work will comply with the requirements set forth in the Agreement and related plans, that all workmanship, fabrication, material, installation and erection will be free from defects, of merchantable quality, and, for materials furnished by SUBCONTRACTOR which the Agreement does not specify by product name and/or manufacturer, suitable for the intended purpose.

4.2 All workmanship, fabrication, material and installation which breaches this warranty will be repaired, replaced or otherwise corrected by SUBCONTRACTOR at the work site or at such location as may be designated by CONTRACTOR without any cost or expense to CONTRACTOR within 30 days from notice to SUBCONTRACTOR of such breach.

5. SAFETY AND REGULATORY COMPLIANCE:

All services provided by SUBCONTRACTOR shall be in compliance with all applicable state and federal laws and regulations. Personal protective equipment, including but not limited to, safety glasses, hardhats, steel toed boots and reflector vests must be worn by all personnel on the Project site as required by said laws and regulations. SUBCONTRACTOR must be FRA Qualified – 49 CFR Part 214, Railroad Workplace Safety.

6. CLEAN UP:

SUBCONTRACTOR shall remove all trash, debris, scrap, packing, shipping and similar materials generated by but not incorporated into the Work each day before leaving the Project site. All such materials not removed within 24 hours following notice to do so is given to SUBCONTRACTOR by CONTRACTOR will be removed by CONTRACTOR at the cost of and charged to SUBCONTRACTOR.

7. INSURANCE:

SUBCONTRACTOR shall maintain the following insurance and shall also be fully compliant with all applicable Workers Compensation requirements:

- i. Worker's Compensation Insurance as required by law.
- ii. Automobile liability insurance in the amount of FIVE HUNDRED THOUSAND AND NO/100 (\$500,000.00) per occurrence; and
- iii. Commercial General Liability insurance in the amount of TWO MILLION AND NO/100 (\$2,000,000.00) per occurrence, with no exclusion of railroad liability, contractual or otherwise, from its coverage.
- iv. R.J. Corman Railroad Company shall be named as an additional insured.
- v. If SUBCONTRACTOR'S insurance does not have railroad liability coverage a Railroad Protective Liability policy must be purchased with limits of TWO MILLION AND NO/100 (\$2,000,000.00) per occurrence and SIX MILLION AND NO/100 (\$6,000,000.00) aggregate naming R.J. Corman Railroad Company, LLC as the insured.

SUBCONTRACTOR will be required to provide proof of insurance.

8. INDEMNIFICATION:

SUBCONTRACTOR will defend, indemnify and hold harmless CONTRACTOR from and against any and all loss, cost, expense, claim and liability (including but not limited to attorney's fees) resulting from the loss of life or personal injury to any person or loss of or damage to any property arising from, incident to or occurring in connection with the performance of the Work by SUBCONTRACTOR., excepting only such claims as are based in whole or in part on CONTRACTOR'S gross negligence or willful wrongful act or omission.

9. COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS AND REGULATIONS:

SUBCONTRACTOR will comply with all applicable federal, state, and local laws in the conduct of the Work. SUBCONTRACTOR is fully and solely responsible for payment of all unemployment compensation, insurance premiums, workers' compensation premiums, all income tax deductions, social security deductions, and any and all other taxes or payroll deductions required for all persons and entities engaged by SUBCONTRACTOR in the performance of the Work.

10. CONTROL OF ALCOHOL AND DRUG USE:

SUBCONTRACTOR shall comply, and shall be fully and solely responsible for compliance by all individuals present on the Project site by or through engagement by SUBCONTRACTOR, with all applicable state and federal statutes and regulations in any manner relating to drug or alcohol use before or during presence on the Project site, including, but not limited to 49 CFR Part 219 including Retrospective Regulatory Review-Based Amendments which came into effect June 12, 2017 and all regulations of similar purpose and import, as then currently enforced and applied. Contact Heidi Caudill with any questions: 859-881-6624.

11. CONSTRUCTION SUBCONTRACTOR REQUIREMENTS:

It is the policy of the North Carolina Department of Transportation that Minority and Women Businesses Enterprises (MBE/WBE) shall have the maximum opportunity to participate in the performance of Agreements financed by Non-Federal funds. The Contractor is also encouraged to give every opportunity to allow MBE/WBE participation in Supplemental Agreements.

**The MBE/WBE goals for the Rail Freight Assistance Agreement are as follows:
0% MBE, 0% WBE.**

Any Agreement entered into with another party to perform work associated with the requirements of this Agreement shall contain appropriate provisions regarding the utilization MBE/WBE, or as required and defined in G.S. 136-28.4 and the North Carolina Administrative Code (N.C.A.C.) Title 19A Chapter 2, Subchapter D. (See Attachment 1)

12. DISCRIMINATION:

Subcontractors shall comply with all requirements imposed by Title VI of the Civil Rights Act of 1964 and shall not discriminate against any employee or applicant for employment based on race, religion, color, sex, or national origin.

13. E-VERIFY

E-Verify is the federal program operated by the United States Department of Homeland Security and other Federal agencies, or any successor or equivalent program, used to verify the work authorization of newly hired employees pursuant to federal law. The Parties warrant that they and any subcontractor performing work under this Agreement: (i) uses E-Verify if required to do so by North Carolina law; and (ii) otherwise complies with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. A breach of this warranty by any Party will be considered a breach of this Agreement, which entitles the other Parties to terminate this Agreement, without penalty, upon notice to the breaching Party.

13. TERMINATION:

This Agreement may be terminated by either party upon fifteen (15) days written notice of termination in the event of either party's default of the terms of this Agreement.

14. INDEPENDENT CONTRACTOR:

Nothing contained in this Agreement shall create or be construed as creating a partnership, joint venture or employment relationship between CONTRACTOR and SUBCONTRACTOR. Neither CONTRACTOR nor SUBCONTRACTOR shall be liable, except as otherwise expressly provided in this Agreement, for any obligations or liabilities incurred by the other. Notwithstanding any other provision in this Agreement, SUBCONTRACTOR is solely responsible for the conduct of its operations and employees and CONTRACTOR shall have no right to control or supervise any of SUBCONTRACTOR'S operations or employees.

15. CHANGES:

Changes to the Work shall be made only by written Change Order, executed by both CONTRACTOR and SUBCONTRACTOR, and any change in SUBCONTRACTOR'S compensation by reason of any change in the Work shall be as stated in the Change Order directing that change.

16. BINDING EFFECT:

This Agreement shall insure to the benefit of and be binding upon the parties hereto and their respective successors, assigns and personal representatives.

17. SEVERABILITY:

If any provision of this Agreement is invalid or unenforceable, the remainder of the Agreement shall not be affected thereby.

18. LIENS

SUBCONTRACTOR shall promptly pay all further SUBCONTRACTORS, and CONTRACTOR may require proof of such payment and/or lien waivers as a condition of making any payment which would otherwise be payable to SUBCONTRACTOR under this Agreement. At CONTRACTOR'S option, CONTRACTOR may pay any of SUBCONTRACTOR'S further SUBCONTRACTORS who remain unpaid and deduct the amount of any such payment(s) from any payments which would otherwise be payable to SUBCONTRACTOR under this Agreement.

19. PROJECT RECORDS

SUBCONTRACTOR will permit CONTRACTOR and any state or federal agency providing funding for the Project to inspect all work, materials, payrolls, and other data and records with regard to the Project and to audit all books, records, and accounts pertaining to the Project including books, documents, papers, accounting records, and such other evidence either in hard copy or electronic form as may be appropriate to substantiate costs incurred under this Agreement. Further, SUBCONTRACTOR shall make such materials available at its office at all reasonable times during the Agreement period, and for three (3) years respectively or until all audit exceptions have been resolved, whichever is longer, from the date of final payment under this project specific Agreement, for inspection and audit by any such agency SUBCONTRACTOR shall permit any such agency full access to the Project site at all times during which SUBCONTRACTOR has access to the site.

20. GOVERNING LAW:

The provisions of this Agreement shall be governed by and construed in accordance with the laws of the State in which the Project is located and by all federal laws and regulations applicable to the Work or the performance of the same.

IN WITNESS OF WHICH, the parties hereto have executed this Agreement as of the date first set forth above.

Witness:

R.J. CORMAN RAILROAD COMPANY/CAROLINA LINES, LLC

_____ By: _____

Title: _____

Date: _____

Witness:

[NAME OF SUBCONTRACTOR]

_____ By: _____

Title: _____

Date: _____