

LEGAL EXPENSE REIMBURSEMENT AGREEMENT

This LEGAL EXPENSE REIMBURSEMENT AGREEMENT ("Agreement") is made and entered into as of the ____ day of _____, 2022 ("Effective Date"), by and between **UNION PACIFIC RAILROAD COMPANY**, a Delaware corporation ("Railroad"), and **CITY OF NEW BRAUNFELS**, a municipal corporation of the State of Texas ("City").

RECITALS:

A. City desires to initiate a project affecting Railroad's track and right of way, such project and its location are more particularly described on **Exhibit A** attached hereto and also known as "Corbyn Yard" ("Project").

B. City and Railroad anticipate the need to commence negotiation of one or more agreements documenting the design and construction of the Corbyn Yard Project ("Project Documents").

C. City has agreed to reimburse Railroad for its reasonable costs and expenses associated with the legal services provided by Railroad in connection with the Project, in accordance with the terms and conditions of this Agreement.

AGREEMENT:

NOW THEREFORE, the parties hereto agree as follows:

1. City acknowledges Railroad (by utilizing its inhouse legal staff and/or a private law firm retained by Railroad) will provide legal services in connection with the Project, and that Railroad, in its sole discretion, may select and retain a private law firm in connection with the Project, and that such law firm will represent only Railroad and provide services to only Railroad in connection therewith ("Legal Work"). City hereby agrees to reimburse Railroad for all reasonable costs and expenses incurred by Railroad in connection with the Legal Work, including, reasonable fees charged by such private law firm for its preparation, negotiation, review, and/or finalization of the Corbyn Yard Project Documents on behalf of Railroad.

2. City agrees to reimburse Railroad for one hundred percent (100%) of all actual reasonable costs and expenses incurred by Railroad for the Legal Work up to \$25,000.00 TWENTY-FIVE THOUSAND AND NO/100TH DOLLARS (\$25,000.00). Once Railroad has incurred reasonable costs and expenses, then Railroad will notify City in writing and provide documentation of such reasonable costs and expenses. Within thirty (30) days of receiving such notification, City will pay such reasonable costs and expenses. City shall have the right to request further documentation for costs and expenses not paid or questioned within the thirty (30) day period. After receiving additional documentation, City will pay the costs and expenses deemed reasonable within twenty (20) days so long as the total amount paid by the City does not exceed \$25,000.00. Within sixty (60) days after completion of final Legal Work cost calculations, Railroad will submit an invoice to City for all amounts owed Railroad in connection with the Legal Work. City shall pay such

reasonable costs and expenses to the Railroad within thirty (30) days after City's receipt of any such invoice submitted by Railroad. City's obligation to reimburse Railroad for the Legal Work shall apply regardless whether the parties reach agreement as to terms and conditions of the Project Documents and proceed with the Project, however, the City shall not be responsible for any Legal Work done after the date that the City or Railroad provide notice of their withdrawal from the Corbyn Yard Project.

3. For purposes of clarity, this Agreement does not create any obligations or agreements whatsoever between Railroad and City in connection with the Project except for those that are expressly stated in this Agreement (for example, but not in any way limiting the generality of the foregoing, nothing in this Agreement shall be interpreted as either party undertaking any obligations related to the negotiation of the Project Documents, or as an agreement between the parties to ultimately proceed with the Project), and no such additional obligations or agreements shall exist unless and until each party approves and executes, in its sole discretion, a final and definitive written agreement or agreements setting forth the same.

4. Neither party shall assign this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed.

5. No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties.

6. This Agreement sets forth the entire agreement between the parties regarding the Legal Work. To the extent that any terms or provisions of this Agreement regarding the Legal Work are inconsistent with the terms or provisions set forth in any existing agreement related to the Project, such terms and provisions shall be deemed superseded by this Agreement to the extent of such inconsistency.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the Effective Date.

**UNION PACIFIC RAILROAD COMPANY,
a Delaware corporation**

By: _____

Printed Name: _____

Title: _____

**CITY OF NEW BRAUNFELS,
a Municipal Corporation of the State of
Texas**

By: _____

Printed Name: _____

Title: _____

EXHIBIT A

PROJECT LOCATION AND DESCRIPTION

Project Description and Location

Project Description

Railroad owns property in downtown New Braunfels that the City wishes to purchase for development. The current Railroad downtown office facility will need to be replaced. As a condition of the property sale, City will provide Railroad with of new office facility known as Corbyn Yard which will meet the Railroad's design and construction standards.

Location

Austin Subdivision

Milepost
227.00-227.25