

RESOLUTION NO. 16 - 18

A RESOLUTION AUTHORIZING AGREEMENT WITH SANDKNOP TREE FARM, INC.; GRANTING AUTHORITY TO THE MAYOR TO EXECUTE SAID RESOLUTION, AND AUTHORIZING CITY SECRETARY TO AUTHENTICATE MAYOR'S SIGNATURE TO SAID RESOLUTION; GRANTING AUTHORITY TO CITY MANAGER TO EXECUTE ANY AND ALL OTHER INSTRUMENTS REQUISITE TO IMPLEMENTING SAID RESOLUTION, AND AUTHORIZING CITY SECRETARY TO AUTHENTICATE CITY MANAGER'S SIGNATURE TO ANY AND ALL OTHER INSTRUMENTS REQUISITE TO IMPLEMENTING SAID RESOLUTION.

A regular meeting of the City Council of the City of Commerce, Texas, was held in Commerce, Texas, at City Hall on the 21st day of June 2016, at 6:00 p.m.; a majority of Council Members being present and constituting a quorum, the following resolution was adopted;

WHEREAS, the City Council hereby deem it to be in the best interest of the City of Commerce to enter into an agreement with Sandknop Tree Farm, a copy of which is attached hereto and marked Exhibit "A" and made a part hereof as if copied herein verbatim; and

WHEREAS, after careful consideration and review of said Agreement, the City Council of the City of Commerce deems it in the best interest and general welfare of the City of Commerce to enter into such agreement.

BE IT RESOLVED, that the Mayor of the City of Commerce, Texas, be authorized and he is hereby authorized to execute said agreement between the City of Commerce and Hunt County; and

BE IT FURTHER RESOLVED, that the City Secretary be authorized and she is hereby authorized to attest to the signature of the Mayor to said resolution and said agreement, and

BE IT FURTHER RESOLVED, that the City Manager be authorized and he is hereby authorized to execute on behalf of the City of Commerce any and all other instruments requisite to implementing said resolution, and

BE IT FURTHER RESOLVED, that the City Secretary be authorized and she is hereby authorized to attest to the signature of the City Manager to any and all other instruments requisite to implementing said resolution.

PASSED BY THE GOVERNING BODY of the City of Commerce, Texas, at a regular meeting of the City Council of the City of Commerce, Texas, on the 21st day of June 2016.

ATTEST:

Becky Pattillo

Becky Pattillo
Acting City Secretary

(seal)

CITY OF COMMERCE, TEXAS

Wyman Williams

Wyman Williams
Mayor

APPROVED AS TO FORM:

Jay Garrett

Jay Garrett
City Attorney

I, Becky Pattillo, Acting City Secretary of the City of Commerce, Texas, do hereby certify that the above is a true and correct copy of a resolution, and that the same has not been repealed and is in full force and effect.

(seal)

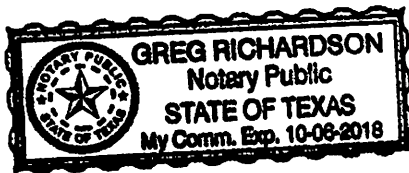
Becky Pattillo

Acting City Secretary
City of Commerce, Texas

Sworn to and subscribed before me, on this the 30 day of June 2016, to certify

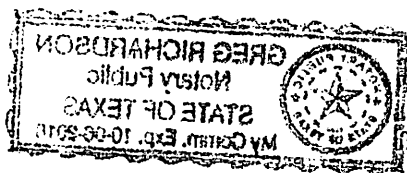
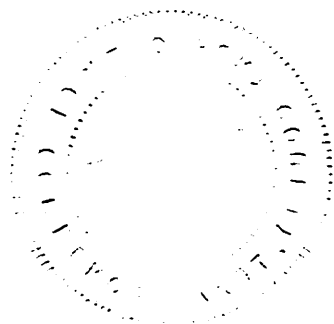
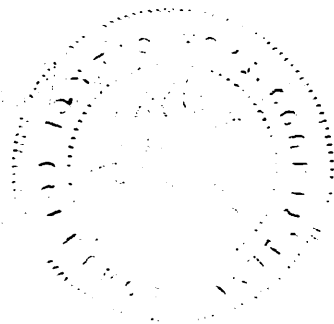
which witness my hand and seal of office.

(seal)



Greg Richardson

Notary Public
State of Texas



AGREEMENT BETWEEN CITY OF COMMERCE
AND
SANDKNOP FARM ENTERPRISES, LLC

June 2016

Statements of Fact:

- The City of Commerce, Texas has been awarded a grant from the Texas Department of Agriculture for the closure and abandonment of an existing wastewater sludge lagoon. The grant has \$198,000 allocated for construction of the lagoon closure.
- This existing wastewater sludge lagoon is located on the far east end of the wastewater treatment plant site located on the east side of FM 3218 southeast of Commerce (see the attached 8-1/2" x 11" map).
- Sandknop Farm Enterprises, LLC has property located immediately east of the aforementioned Commerce property (see the attached 8-1/2" x 11" map).
- The City of Commerce needs approximately 22,000 cubic yards (CY) of soil to cover the aforementioned sludge lagoon.
- The City of Commerce needs a certain type of soil to cover existing sludge lagoon, and the City of Commerce has determined that type of soil is present on the Sandknop Farm Enterprises, LLC property.
- The Sandknop Farm Enterprises, LLC needs approximately 10,000 CY of soil excavated from their property and moved to the west of said property so that they can level up the area for the next phase of their tree farm.

Statements Explaining Mutual Benefits to Both Parties:

- The City of Commerce needs the right kind of dirt to comply with regulatory requirements for the proper abandonment of the sludge lagoon.
- The City of Commerce needs the right kind of dirt, and they need that kind of dirt as close as possible to the lagoon closure site in order to minimize construction costs.
- The Sandknop Farm Enterprises, LLC needs the dirt excavated and moved to the aforementioned location, and they need the cost of the excavation and the hauling to be as low as possible.
- Given the conditions outlined above, both parties can benefit by the City of Commerce excavating and moving 10,000 CY of dirt for Sandknop Farm Enterprises, LLC and 22,000 CY of dirt for their own lagoon closure project.

Agreements and Details:

- The attached 24" x 36" map shows where the borrow pit (excavation site) will be located.
- The attached map also shows where a haul road will be established by the excavation contractor. The map has a detail that shows the haul road will be approximately 18" above the existing ground and approximately 10 feet wide at the top, with 3H:1V sideslopes. The road will be topped with 6" of gravel. Two culverts will be installed to allow for surface drainage under the road.
- The borrow pit will have a berm established on the east and south sides as shown in the map. The berm will be approximately four feet tall and 11 feet wide at the top.

- A drainage swale will be established from the borrow pit south toward the Sulphur River. This swale will allow water to drain from the pond after the borrow pit has filled.
- The Sandknop Farm Enterprises, LLC acknowledges the fact that the City has a finite budget under the conditions of the grant, and therefore agrees that if the bids for the project come in over budget that the following items may be removed from the project until the cost is within budget:

1. The gravel top of the haul road.
2. The total length of the haul road.

For example, if the road is 1,000 feet long, and the bid for the road comes in at \$20,000 to build the road, the cost per unit of construction is \$20 per linear foot. If the low bid comes in at \$5,000 over budget, then 250 feet of road must be deleted to bring the job into the budget.

If the deletion of the gravel is not adequate to bring the job into the budget, then the distance of the haul road will be reduced until the combination of the two deletions brings the job into budget.

- It is understood by both parties that 10,000 CY of dirt must be excavated and deposited on the west side of the Sandknop Farm Enterprises, LLC property, and that 22,000 CY of dirt must be excavated from the same property and moved to the lagoon closure location.
- It is understood by the City that the City's contractor digging no more than 20 feet deep to attain the quantity of dirt required.
- It is understood by the Sandknop Farm Enterprises, LLC owners that the size of the borrow pit may be increased if groundwater is located in the excavation.
- It is understood by both parties that the excavation will first extend south until sufficient quantity of dirt is attained.
- If sufficient dirt is not attained going south, then the excavation will be extended east until sufficient quantity of dirt is attained.
- The City's contractor will burn the brush and trees that are removed from the borrow pit site at the location shown on the map. The burn site will be leveled by the City's contractor once burning is complete.
- The City's contractor shall list the Sandknop Farm Enterprises, LLC as additional insureds on his insurance certificate before beginning construction. The City shall indemnify Sandknop Farm Enterprises, LLC against any and all claims that might arise from any party due to the City's work and any claims arising from the work of its contractors and subcontractors.
- Once the project has commenced, the City shall have 90 calendar days to excavate the aforementioned 32,000 CY of dirt. Additional time will be allowed if weather conditions prevent the removal of the dirt. For every inch of rain that is above the recorded normal rainfall for a month, one additional week will be allowed for soil conditions to dry out.

CITY OF COMMERCE

Wyman Williams, Mayor

6-28-14

Date

SANDKNOP FARM ENTERPRISES, LLC

Les Sandknop, Manager

Date