

## TRACTOR SPONSORSHIP AND LEASE AGREEMENT

This Agreement, made and entered into this \_\_\_\_\_ by and between the **City of Dripping Springs**, Texas (hereinafter referred to as the “City”) and **Tellus Equipment Solutions, LLC**, (hereinafter referred to as “**Sponsor**”), is understood and agreed to be as set forth herein:

1. **Statement of Sponsorship.** The Sponsor shall lease equipment to the City for use at Dripping Springs Ranch Park (“Ranch Park”).
2. **Sponsor’s Duties.**
  - (a) **Equipment Lease:** Sponsor shall lease to the City, at no charge, one (1) John Deere 5090E or 5100E tractor without a loader.
  - (b) **Exchange & Replacement:** The leased tractor shall be exchanged by Sponsor upon every 75 hours of use or on an as-needed basis. Sponsor shall provide a replacement tractor if any equipment requires off-site repair.
  - (c) **Logos:** Sponsor shall provide logos within seven (7) days. The City is responsible for funding only one set of logo signs.
3. **City’s Duties.**
  - (a) **Signage:** The City shall allow signage (4 ft x 8 ft maximum) at mutually agreed locations. Additional signage is permitted on the announcer’s booth.**Digital Promotion:** The City shall display the Sponsor’s logo and link on the Ranch Park Facebook page and website and include Tellus in social media event posts.
  - (c) **Verbal Promotion:** The City shall provide verbal announcements of Tellus as a sponsor during events.
  - (d) **Equipment Display:** Sponsor shall be provided space to display tractors at co-sponsored events. Sponsor reserves the right to display pricing on the leased tractor and display equipment.
  - (e) **Liability & Maintenance:** The City shall maintain liability coverage for the leased tractor and is responsible for physical damage. The City will perform standard maintenance and arrange for Tellus technicians.
  - (f) **Event Benefits:** The City shall provide up to six (6) tickets to co-sponsored events and allow facility use for training up to four (4) times per year (Mon–Thu) at no charge.
4. **Duration.** This Agreement is effective for twenty-four (24) months.
5. **Termination.** Either Party may terminate this Agreement for material breach upon thirty (30) days’ written notice if the breach is not cured within that period, or by mutual written consent.

6. **Relationship of Parties.** It is understood by the parties that Sponsor is an independent contractor with respect to the City and not an employee of the City. City will not provide fringe benefits, including health insurance benefits, paid vacation, or any employee benefit, for the benefit of Sponsor. The City may contract with other individuals or firms for services of any kind.
7. **Employees.** Sponsor's employees, if any, who perform services for City under this Agreement shall also be bound by the provisions of this Agreement. At the request of City, Sponsor shall provide adequate evidence that such persons are Sponsor's employees.
8. **Mandatory Disclosures.** Texas law requires that vendors make certain disclosures. Prior to the effective date of this Contract, the Sponsor has submitted to the City a copy of the Conflict of Interest Questionnaire form (CIQ Form) approved by the Texas Ethics Commission (Texas Local Government Code Chapter 176). Sponsor also confirms it is in compliance with all Texas requirements related to government contracts including: (1) no boycott of Israel; (2) not listed as a foreign terrorist organization by the Texas Comptroller of Public Accounts; (3) Sponsor does not have a policy or practice of discriminating against firearm entities or firearm trade associations; (4) Sponsor does not boycott energy companies; and Sponsor is compliant with all other Texas laws including any additional disclosure requirements.
9. **Indemnification.** Despite anything to the contrary in this Agreement, and in accordance with applicable law and the *Texas Constitution*, the City does not agree to indemnify Sponsor for any expenses in any way connected with this Agreement. Sponsor agrees to indemnify and hold harmless the City of Dripping Springs from and against any claims, damages, losses, liabilities, costs, and expenses (including reasonable attorney's fees) arising out of or in connection with this Agreement, except for: (a) claims arising from or related to the City's possession, use, operation, maintenance, or storage of the leased equipment; or (b) claims caused by the City's negligence or willful misconduct. Notwithstanding anything to the contrary in this Agreement, Sponsor's total aggregate liability under this Agreement, whether in contract, tort, or otherwise, shall not exceed Five Hundred Thousand Dollars (\$500,000).
10. **Assignment.** Sponsor's obligations under this Agreement may not be assigned or transferred to any other person, firm, or corporation without the prior written consent of City.
11. **Notice.** All notice required or permitted under this Agreement shall be in writing and shall be delivered either in person or deposited in the United States mail, postage prepaid, addressed as follows, provided that either party may change such address from time to time by providing written notice to the other in the manner set forth above. Notice is deemed to have been received three (3) days after deposit in U.S. mail.

**To the City:**

City of Dripping Springs  
Attn: City Administrator  
PO Box 384  
Dripping Springs, TX 78620  
(512) 858-4725

**To Sponsor:**

Tellus Equipment Solutions, LLC  
Attn: Dustin Howren  
9080 IH 35 N Frontage Rd.  
New Braunfels, TX 78130  
dhowren@tellusequip.com

12. **Entire Agreement.** This Agreement contains the entire Agreement of the parties and there are no other promises or conditions in any other Agreement whether oral or written. This Agreement supersedes and prior written agreements between the parties. If a conflict exists between this Agreement and the attachments, this Agreement shall prevail.
13. **Amendment.** This agreement may be modified or amended only if the amendment is made in writing and is signed by both parties.
14. **Severability.** If any provision of this Agreement shall be held to be invalid or unenforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
15. **Waiver of Contractual Right.** The failure of any party to enforce any provision of this Agreement shall not be construed as a waiver of that party's right to subsequently enforce and compel strict compliance with every provision of the Agreement.
16. **Governing Law and Venue.** This Agreement shall be construed under and in accordance with the laws of The State of Texas. The venue for any and all legal disputes arising under this Agreement shall be a court of competent jurisdiction located in Hays County, Texas. Despite anything to the contrary in this Agreement, no disputes arising out of or related to this Agreement shall be subject to arbitration or non-binding mediation unless both parties agree in writing to submit a specific dispute to arbitration or non-binding mediation after such dispute arises.
17. **Consequential Damages.** Neither party shall be liable to the other for loss of profits or revenue; loss of use or opportunity; loss of good will; cost of substitute facilities, goods, or services; cost of capital; or for any special, consequential, indirect, punitive, or exemplary damages.

**CITY OF DRIPPING SPRINGS**

**TELLUS EQUIPMENT SOLUTIONS,  
LLC**

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Date

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Date