

WASTEWATER FARM LEASE AGREEMENT

April 2024

THE CITY OF WOLFFORTH (Lessor) does hereby demise and let to **Jerry Weaver (Lessee)** the property shown in Attachment A, hereinafter referred to as the Property.

1. The Property is a TCEQ (Texas Commission on Environmental Quality) permitted Wastewater Treatment and Irrigation Facility. It is the intent of this agreement for the Lessee to use treated wastewater effluent for purposes of irrigation. It shall be the responsibility of the Lessee to use all available water to the greatest benefit for growing crops.
2. The property shall be used for agricultural purposes only in accordance with the terms of this agreement and for no other purpose.
3. Lessee shall not abandon the Property and shall not sublet the property without prior written consent of Lessor. Any subletting by the Lessee for livestock operations will require written notice of such subletting, including contact information of the sub-lessee or responsible party(ies), to the Lessor.
4. Lessee shall ensure that as much of the property as possible will always have irrigable vegetation growing. At no time shall the property be completely fallow. Lessee may be required to submit a Crop Management and Rotation Plan which shall be subject to the approval of the Lessor.
5. At the request of the Lessor, the Lessee shall be obligated to deep plow and/or aerate any area under irrigation when soil permeabilities require plowing.
6. Lessee shall farm the Property (as permitted by the TCEQ) during the lease term and may (but shall not be obligated to) graze portions of the Property, as approved by the Lessor, during the lease term. Lessee at Lessee's sole cost and expense shall:
 - a. Cultivate and farm the Property in a proper and timely manner, in accordance with commonly accepted farming practices in this area.
 - b. Furnish all labor and machinery necessary to farm the Property and harvest crops.
 - c. Provide seed, fertilizer and herbicide necessary to Lessee's farming operations on the Property and plant or apply same as appropriate.
 - d. Control noxious weeds on the Property and mow or trim weeds adjacent to roads, perimeter fence lines, and around any stored or parked equipment and material. Lessee shall furnish all chemicals necessary for the control of noxious weeds.
 - e. Follow standard or commonly accepted disease treatment on all seed.
 - f. Prevent waste, injury, loss or damage to property of Lessor.
 - g. Repair and maintain all irrigation systems and related equipment necessary to apply effluent to growing crops, including, but not limited to, electrical systems, control systems, and center

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pivot irrigation systems. It is the obligation of the Lessor, in accordance with the TCEQ Permit, to ensure that the facility is fully operational at all times. In the event of a breakdown of equipment, Lessee shall make necessary repairs within 30 days. If the 30-day time frame cannot be met, then the Lessor shall be notified in writing of the reason for delay.

- h. The facilities are to be maintained and repaired under the following general guidelines:
 - i) Lessee is to be responsible for all repair and maintenance of the pivot irrigation systems, and the entire apparatus from the base elbow to the far end of the pivot, including but not limited to, any repairs or maintenance to the structural, electrical, control systems, motors, gear boxes, wheels, tires, drops, and nozzles. Any changes in the irrigation equipment that are not part of the original design or current operation will be the responsibility of the Lessee with consent of Lessor. Any irrigation equipment that has been replaced by the Lessee becomes the property of the Lessor and shall be restored by the Lessee to the original condition at the termination or expiration of the lease, should the Lessee not be awarded the subsequent lease agreement. Any automation or monitoring systems required for general pivot operation will be the responsibility of the Lessee as he/she deems necessary. The irrigation volume reporting is required by the Lessor and its TCEQ permit. Therefore, irrigation flow and volume monitoring/reporting shall be the responsibility of the Lessor. This includes any meters, SCADA, automation, controls, or other means necessary to obtain this information, under normal operating conditions.
 - ii) Buried facilities are to be maintained by the Lessor. These shall include but not be limited to: flow meters, piping, valves, and buried electrical cables. This does not include any underground equipment installed by Lessee for domestic / livestock irrigation.
 - iii) All irrigation pumping equipment (either above or below ground) shall be repaired and maintained by the Lessor. This includes any preventive maintenance deemed necessary by the Lessor. Lessor will select and schedule the vendor to repair and maintain these facilities. This does not include any pumping equipment associated with Lessee's domestic or livestock fresh water operations.
 - iv) Repairs of major or catastrophic failures to the irrigation systems requiring repair costs greater than \$2500 per incident, will be the responsibility of the Lessor.
- i. Repair and maintain any main roads that have been damaged because of livestock or farming operations.
- j. Comply with all laws and governmental rules, regulations, orders and directives with regard to Lessee's use of the Property.
- k. Prevent the occurrence of any condition on the Property which would constitute a violation of Lessor's permit issued by TCEQ.
- l. Prevent use of the Property for hunting purposes unless otherwise approved by the Lessor.

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- m. Prevent removal of any subsurface water from the Property for irrigation purposes or for any use except domestic livestock consumption. Lessee shall be responsible for production and maintenance of all subsurface domestic water systems. Lessee shall obtain Lessor's permission prior to development of any additional domestic water supplies. Any removable pumping equipment furnished by Lessee can be salvaged by the Lessee, should the current Lessee not be awarded the following Lease. This provision does not apply to any windmills on the property. All equipment associated with windmills shall remain in place.
 - n. Any other permanent improvement to the property, including but not limited to, wells, permanent fences, etc. shall become property of the Lessor and shall remain in place at the expiration of the lease agreement.
 - o. Any indoor storage required by the Lessee for their farming operation shall be furnished by the Lessee and be approved by the Lessor.
 - p. Pay all fuel and other utility costs associated with supplying domestic water on the Property.
 - q. Pay all fuel and other utility costs associated with farming operations of Lessee on the Property including, without limitation, the costs of supplying water to the irrigation systems on the Property.
7. Lessee shall always comply with rules, regulations, orders, and directives of TCEQ and the United States Department of Agriculture (USDA) regarding Lessee's use of the Property. Lessee shall ensure that, during the term of this lease, the conditions of all government crop programs are met. The Property shall at all times be identified by its own farm number and not combined with other allotted acreage.
8. Upon execution of this lease by both Lessor and Lessee, Lessee may inform USDA, FSA office of Lessee's eligibility to participate in government farm programs. Lessee shall be entitled to receive the growing crops on the property as a part of the consideration for Lessee's performance hereunder. Lessee shall be entitled to all future crops and government farm subsidy payments if this lease remains in force.
9. Lessor shall deliver wastewater effluent to holding ponds on the Property. Lessee shall then deliver the effluent to growing crops by means of irrigation systems on the Property.
- a. Lessee shall be responsible for maintaining irrigation records during normal operations by use of flow meters and automation, as required by TCEQ and as directed by Lessor.
10. Lessor, its agents, and employees shall be always afforded access to the Property for the purpose of inspection of fences and equipment, to determine whether Lessee is in compliance with Lessor's permit issued by TCEQ, and for any other lawful purpose. Complete access shall also be afforded to all areas for the yearly soil and groundwater sampling events as required by the Lessor's TCEQ permit.
11. In the event Lessee should be found in violation of any term or provision of Lessor's permit issued by TCEQ, or other terms of this lease, Lessor shall give written notice of such violation to Lessee and specify the time within which the violation must be corrected. Failure of Lessee to cure such violation within the time set forth in such notice shall, at the option of Lessor, terminate this lease. Lessor shall use its best efforts to afford Lessee a reasonable time within which to cure a violation, consistent with Lessor's obligations under its TCEQ permit.

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12. The term of this lease (unless sooner terminated by Lessor due to default by Lessee) is from April 1, 2024 through April 1, 2027, and may be extended by mutual consent of both parties. The lease may also be terminated in the event the Lessor is no longer operating a wastewater treatment facility on the property.
13. Lessee shall not remove any personal property or equipment owned by Lessor from the Property without Lessor's prior written consent.
14. Lessee shall, as long as this lease remains in force, have title to all crops whether growing upon or harvested from the Property.
15. At the expiration of this lease, any personal property of Lessee remaining on the Property shall be deemed abandoned and shall become the property of Lessor, except any property necessary to comply with Item 16.
16. Unless otherwise agreed upon by all parties, any crop not yet harvested at the expiration of this lease shall remain the property of the previous Lessee, who shall have the right to continue to farm that crop, including irrigation, application of herbicides and pesticides, or any other activity necessary to the health of the crop, until ready for harvest, at which time he/she shall harvest it.
17. Lessee will be required to furnish proof of liability insurance for the complete term of this lease. A certificate of insurance shall be submitted with the executed lease from the successful bidder. The City of Wolfforth shall be named as an additional insured on all policies. The bidder/lessee shall provide minimum insurance coverages as listed below and shall maintain coverages, without interruption, throughout the term of the lease.

TYPE OF COVERAGE

MINIMUM LIMITS

Workers' Compensation - Coverage A Statutory
 (Workers' Compensation insurance shall include a Waiver of Subrogation in favor of the City of Wolfforth, its officers, employees, and agents.)

Employers Liability - Coverage B

Bodily Injury by Accident - each accident	\$500,000
Bodily Injury by Disease - policy limit	\$500,000
Bodily Injury by Disease - each employee	\$500,000

COMMERCIAL GENERAL LIABILITY:

Coverage A - Each Occurrence	\$1,000,000
Coverage B - Personal & Advertising Injury	\$1,000,000
General Aggregate	\$1,000,000

NOTES:

- Contractual liability coverage cannot be excluded
- Lessee will assume all liability for all sub-lessees.
- Coverage must include the City of Wolfforth and its officers, employees, and agents listed as

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additional insured.

AUTOMOBILE LIABILITY:

Bodily Injury Liability - Each Person	\$1,000,000
Bodily Injury Liability - Each Occurrence	\$1,000,000
Property Damage Liability - Each Occurrence	\$1,000,000

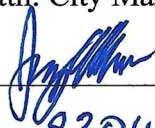
NOTES:

- Coverage must include all owned, hired and non-owned autos.
- Coverage must include City of Wolfforth and its officers, employees, and agents as additional insured.

18. Failure of Lessee to comply with any provision of this lease shall constitute a default hereunder.
19. This agreement shall be binding upon Lessor, its successors and assigns, and upon Lessee and Lessee’s heirs, executors, administrators, successors or assigns (where permitted by Lessor).
20. This agreement may not be assigned.
21. Lessor makes no warranties or representations regarding the availability or potability of domestic groundwater on the Property nor any other representation or warranty regarding the condition of the property or improvements thereon. Lessee accepts the Property in its present condition “as is.”
22. To the fullest extent permitted by law, the Lessee shall indemnify and hold harmless the Lessor and its agents and employees from and against all claims, damages, losses and expenses, direct, indirect or consequential arising out of or resulting from the performance of the Lessee’s work, provided that such claim, damage, loss, or expense is caused in whole or in part by any negligent act or omission by the Lessee, any person or organization directly or indirectly employed or engaged by the Lessee to perform or furnish services, or anyone for whose acts the Lessee may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder. Any maintenance, repair, replacement, removal or relocation of facilities or property owned by the Lessor, not already defined above in this document, and any or all costs associated with the above, covered by this lease, shall be the total responsibility of the Lessee.
23. All notices shall be in writing and either mailed by certified mail, return receipt requested or hand delivered as follows:

To Lessor: City of Wolfforth
 PO Box 36
 Wolfforth, TX 79382
 Attn: City Manager

To Lessee:



 8304 CR 6950

 Lubbock TX. 79407

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The address for notice purposes may be changed by either party by giving written notice in accordance with this paragraph. When mailed, such notice shall be effective (regardless of receipt) when it is placed in an official depository under the control of the U.S. Postal Service, properly addressed, with postage prepaid by the party giving such notice.

- 24. If Lessee complies with the terms and conditions of this lease and pay the rental in installments as provided herein, Lessee shall be entitled to use and enjoyment of the Property for the purposes above stated.
- 25. This lease contains the entire agreement of the parties; there are no prior or contemporaneous oral or written agreements between the parties. No oral agreement shall be given effect to alter, vary or modify the terms of this lease. Any modification of the terms of this lease must be in writing and signed by both parties.
- 26. This agreement shall be performed entirely in Lubbock County, Texas, and shall be effective when executed by Lessee and the authorized officer of the City of Wolfforth.
- 27. The cash consideration for this lease is a total of \$12,000 per year, payable and due on or before April 1 of each year.
 - a. Any consideration for an adjustment to the annual lease cost based on investments or improvements made by Lessee over and above the expectations set forth in this agreement or specific requests from the Lessor will be on a case-by-case basis, and at the discretion of the City Manager.


LESSOR: CITY OF WOLFFORTH

By: _____

Title: _____

Date: _____

LESSEE:

By:  _____

Date: 3-12-2024 _____